

January 8, 2007

Mr. Robert H Herz
Chairman, Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116



Cincinnati Bell Inc.
221 East Fourth Street, 103-1170
Cincinnati, Ohio 45202



LETTER OF COMMENT NO. 305

Dear Chairman Herz:

On behalf of Cincinnati Bell Inc, I strongly urge the Financial Accounting Standards Board to delay the effective date of FIN 48 on Accounting for Uncertainty in Income Taxes to allow companies sufficient time to address the substantive, procedural and documentation challenges posed by the new interpretation. Specifically, I recommend that the effective date of FIN 48 be deferred to fiscal years beginning after December 15, 2007. The challenges of implementing FIN 48 were articulated by the Tax Executives Institute in a letter sent to you on December 12, 2006.

Cincinnati Bell Inc. is a local telecommunications provider. The implementation challenges related to FIN 48 have been onerous, despite our relatively simple business structure. The burden of identification, evaluation, and measurement of Tax Positions for open years has been a monumental task, despite the fact that we are current in our 3-year federal audit cycle.

"Position" evaluation under FIN 48 involves a review of pertinent tax law, for multiple jurisdictions, to all major transactions including tax planning transactions, mergers, acquisitions, divestitures and new lines of business. It also requires review of most routine business transactions and policies such as capitalization, revenue and expense recognition. In many cases, application of tax law to these transactions gives rise to ambiguity rather than yielding clear-cut conclusions. Evaluation and measurement often requires extensive consultations with internal operating personnel and third party experts. Diversity of opinion among practitioners and audit firms further complicates and hinders the process.

In summary, extending the deadline for implementing FIN 48 will permit companies and their independent auditors to resolve unanswered questions and thus reduce the diversity in practice, which in part prompted the development of FIN 48 in the first instance.

Sincerely,

A handwritten signature in cursive script that reads "Christopher C. Elma".

Christopher C. Elma
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