



SEMI North America  
Washington DC  
1401 K Street NW, Suite 601  
Washington DC, 20005 USA

Tel: 1.202.289.0440  
Fax: 1.202.289.0441  
semidc@semi.org  
www.semi.org

January 16, 2007

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



LETTER OF COMMENT NO. 418

Dear Chairman Herz:

I am writing on behalf of Semiconductor Equipment and Materials International (SEMI) to urge the Financial Accounting Standards Board to delay the effective date of FIN 48 on Accounting for Uncertainty in Income Taxes. SEMI is a global industry association with over 700 U.S. companies in the \$65 billion worldwide semiconductor equipment and materials industries. Our members supply the enabling technologies, including raw materials and advanced tools, to produce nearly every semiconductor-based product.

The scope of the new guidance proposed in FIN 48 is far too broad and poses the potential for inadvertent non-compliance. The burden of not only meeting the "more likely than not" standard imposed by FIN 48 but of creating documentation to support those conclusions and satisfying external auditors is significant. SEMI believes that the orderly implementation of FIN 48 requires that its effective date be postponed for fiscal years beginning after December 15, 2007.

A one year delay will permit companies and their independent auditors to resolve unanswered questions and thus reduce the likelihood of diversity in practice, which in part prompted the development of FIN 48.

Thank you for your consideration.

Sincerely,

Victoria D. Hadfield  
President, SEMI North America