



LETTER OF COMMENT NO. 332

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

January 11, 2007

Dear Chairman Herz:

As the Vice President of Tax for CHG Healthcare Services, Inc. and as an AICPA and TEI member, I petition the Financial Accounting Standards Board to delay the effective date of FIN 48 on *Accounting for Uncertainty in Income Taxes* to allow companies much needed time to address the substantive, procedural, and documentation challenges posed by the new interpretation. I urge the effective date of FIN 48 be deferred one full year for fiscal years beginning after December 15, 2007.

Our primary concern is in the state and local tax area where prior to issuance of FIN 48 over 80% of our tax reserves were associated with state income taxes. These have been quantified by aggregating similar issues in similar states. We have received mixed signals from the Accounting and Law firms regarding the propriety of this aggregation methodology. Since we do business in all fifty states with multiple entities the reserve amounts can be immaterial on a separate taxing jurisdiction basis where apportionment is one or two percent or less, yet a given state's materiality can change significantly as sales apportionment changes meaningfully from year to year. In addition, as a service company (temporary healthcare staffing on a travel basis) we have encountered much subjectivity in the sales apportionment rules, which creates the potential for both favorable and unfavorable adjustments between the states. Under our historical aggregate approach this has resulted in netting within the tax reserves. The FIN 48 rules don't seem to allow such netting. However, a Multi-state Tax Compact audit and final settlement could achieve such a result. Determining administrative practices at the state level creates another uncertainty particularly with regard to statute limitations for non-filings, not to mention local compliance.

In summary, extending the deadline for implementing FIN 48 will permit companies, like ours, and their independent auditors more time to resolve unanswered questions and provide for more complete and thorough documentation, which should minimize inconsistencies between companies and potential financial statement restatements.

Sincerely,

Doug Warrick
VP of Tax