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

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LETTER OF COMMENT NO. 337

January 8, 2007

Dear Chairman Herz:

On behalf of National Semiconductor Corporation ("National"), 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 and their independent auditors 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 Tax Executives Institute in a letter it sent to you on December 12, 2006.

All of the challenges listed in the letter are applicable to National! National has operations in over 30 states within the United States, as well as over 30 non-US jurisdictions internationally. As described in the TEI letter, National must analyze its entire inventory of tax positions – claimed and unclaimed – in every jurisdiction, for every taxing authority, and for every open tax year in order to understand and document its position at the effective date. The challenges are significant and costly while a wide range of technical questions and process concerns, as well as uncertainties related to auditing and disclosure standards remain unanswered. The short time allowed is simply not adequate for the enormous effort required.

In summary, extending the deadline for implementing FIN 48 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 in the first instance.

Respectfully,

Linda Lee

Director of Corporate Taxes

**National Semiconductor Corporation**