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LETTER OF COMMENT NO. 18

January 4, 2007

VIA FEDERAL EXPRESS

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

Dear Chairman Herz:

On behalf of Armstrong World Industries, 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 Tax Executives Institute in a letter it sent to you on December 12, 2006.

In addition to those concerns listed by the TEI, we face our own somewhat unique challenge of adopting the new interpretation even earlier than most reporting enterprises due to the fact that we will need to early adopt to conform with Fresh Start Accounting reporting requirements of SOP 90-7 as of October 2, 2006. Clearly, this is a substantial effort in addition to a tremendous amount of other reporting work necessitated by our emergence from Chapter 11 bankruptcy proceedings on October 2<sup>nd</sup>. We will not be able to obtain the most recent "best practice" information that will be available in the marketplace to most other companies who are not forced to become early adopters.

To date there has been a tremendous amount of conflicting interpretations floating around in the public domain, mainly among the top accounting and legal professional organizations. Already, the cold calls have been coming in at an extraordinary pace to "sell" software solutions, updated tax opinions, and various voluntary disclosure program solutions. The need to address the open questions and the related process concerns, in light of SOX 404, can not be overstated.

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,

David A. Frank  
Director, Taxes

Armstrong World Industries, Inc.