Alliance One International, Inc. 8001 Aerial Center Parkway Post Office Box 2009 Morrisville, NC 27560-8413 USA

Tel: 919 379 4300 Fax: 919 379 4346 www.aointl.com



January 10, 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. 244

Dear Chairman Herz:

On behalf of Alliance One International, Inc. (NYSE: AOI), we strongly urge the Financial Accounting Standards Board to delay the effective date of FIN 48 on FASB Interpretation No. 48 - 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 sent to you on December 12, 2006. Although FIN 48, by its terms, is merely an interpretation of FAS 109, it creates, in fact, a tremendous amount of additional work for us, especially when coupled with Sarbanes Oxley, Section 404 (SOX 404), which in effect requires us to document that every material deduction on every tax return for every open year is properly supportable as "more likely than not" to prevail on the merits. The combination of FIN 48 with SOX 404 creates the perfect storm, and a workload burden that is extremely difficult to meet.

We are particularly struggling with how to identify, quantify, and document for SOX 404, Alliance One International's possible FIN 48 liability arising from non-filing positions. Alliance One International, Inc. does business in 50 countries, many in emerging markets in Africa, Asia and South America. The company has been in existence for over 130 years, and we are having difficulty identifying where in its long history the company may have not filed returns where it possibly should have. Since a non-filing position never starts the running of the statute of limitations, and the rules for filing are not clear in many emerging countries, we require more time to identify, quantify and document the FIN 48 liability that we may have to post. This non-filing liability would also never reverse, unless we pay it, because the statute of limitations would never start running: hence creating a "forever liability". We have researched the issue, but have not yet found any country we do business in that has an administrative practice to disregard the statute of limitations rules in its tax code.

We are also in the process of recruiting more people to our Tax Department just to handle the increased workload arising from FIN 48, but as you may well know, most companies are staffing up for FIN 48 and the job market today has far more demand for skilled professionals than the supply can fill.

Extending the deadline for implementing FIN 48 will permit Alliance One International, Inc. and other companies, to staff up to meet this increased workload. It will also allow us and our independent auditors to ensure we have a good computation of the FIN 48 liabilities, especially as they relate to the non-filing positions. Additionally, companies and their independent auditors can 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

Greg Bryant

Vice President of Taxes and Shared Services

Alliance One International, Inc.