ABBOTT

LETTER OF COMMENT NO. 310

Abbott Park Road

January 11, 2007

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

Re: FIN 48

Dear Sir:

We have been in the process of implementing FIN 48 for many months and are concerned that our experience to date in implementing the Interpretation is representative of the challenges that the preparer community is facing in meeting the January 1, 2007 implementation date.

Abbott is a $22 billion worldwide company engaged in the discovery, development, manufacture and sale of human health care products. In Abbott's 10-K filing, Abbott has identified income tax accounting as one of its Critical Accounting Policies, and disclosed that tax exposures are accounted for in accordance with FAS 5.

Under FAS 5, various tax practitioners would likely have varying assessments of a given tax exposure. However, we found that the range of differences of opinion would not result in materially different assessments of the required tax exposure reserve. Under FIN 48, we have experienced significant implementation challenges, chief among them is the implementation of step 1, the "more likely than not" assessment, where that assessment is close. We have found that different tax practitioners with only slightly different assessments of a tax benefit may reach different more likely than not conclusions that will cause significantly different accounting results, especially in complex, ill defined areas of tax law. We are challenged by other aspects of FIN 48 as well, however implementation of the FIN 48 two-step process presents one of the most difficult adoption implementations we have addressed. For this reason we would urge the Board to delay for a year, and possibly reconsider certain aspects of FIN 48.

Sincerely,

Greg W. Linder

Greg W. Linder
Vice President and Controller