

September 5, 2008



Mr. Robert Herz Chairman Financial Accounting Standards Board 401 Merritt 7 Norwalk, CT 06856

RE: FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes

Dear Mr. Herz:

Kolb+Co. SC is a single office CPA Firm of approximately 40 CPAs founded in 1960 which has elected to not provide auditing services to public companies. We have strategically decided to follow this path so that we as a firm could focus on the needs of and support the growth and development of businesses in the private sector. Many of the shareholders of our firm have had either international and or national firm experience and determined that the needs of private companies are substantially different than public companies. In addition, the requirements and needs of the providers of credit and equity resources to these businesses are vastly different.

We have been provided a copy of the letter addressed to you dated May 30, 2008 from Judith H. O'Dell of the Private Company Financial Reporting Committee ("PCFRC") and the letter dated August 12, 2008 from William Koch of the Standards Subcommittee Committee on Private Companies of the Financial Executive International regarding FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes. For the record, we wish to support the position that both organizations have taken to "exempt private companies from all the requirements of FIN 48".

Our assurance management team has performed an initial review, received some basic training in FASB Interpretation No. 48 and reviewed the above referenced letters. In summary, we strongly agree with the arguments presented in both letters and would like to highlight and expand upon some of points discussed in the above referenced letters. First, our discussions with private company financial statement users find the accounting matters and disclosures encompassed by FIN 48 to be largely irrelevant to their purposes and decision making activities as in many cases the owner or owners are the primary or sole users and these are the same individuals who are making the tax issues risk management decisions. Second, we agree with the PCFRC's conclusion that even if many of our clients were able to perform the necessary analysis, these clients would not be able to cost justify the time and effort against the lack of benefits which the users of private company financial statements will derive in reviewing their clients' tax positions in evaluating their decision to extend credit or invest money. Third, many of our clients would need to obtain costly outside assistance to complete an auditable schedule of the FIN 48 required information, and as far as preparing these schedules for reviews and compilations, this single standard could double or more than double the cost of those services. This certainly does not indicate that this effort would be cost justified. Fourth, with the pending convergence of FASB-International Accounting Standards and the potential of the creation of Public vs. Non-public international accounting standards, the implementation of a non-justifiable costly accounting so close to the "pending convergence" will only drive closely held companies to look for alternatives which in the long run will not promote quality financial reporting.

## Kolb+Co. Affiliates:

Enancial Advisers, L.c. Medical Billing, (),0 Medical Software Solutions, () of Retirement Plan Sorvices, L.c. Technology Advisers, L.c.

13400 Bishoo's Lane, State 300 Brookfield, Wi 53005 262/754 9400 Phone 262/754-9401 Fax 800/461-8843 Tol. Free www.Ko bCo.com In addition to the above, credit providers do not want to be perceived as the individuals who want to expand the tax audit risk of their customers. Owners and managers of privately held companies view this standard as their auditor or accountant providing a tax audit roadmap to tax authorities. They do not find any comfort or believe any assurance provided by the IRS or other state or local taxing authorities that those taxing authorities will not "request" those detail schedules. In our opinion, we could not in good conscience provide any assurance that their businesses would not be hurt by the preparation of these computations.

In summary, we believe that the readers of these private company financial statements, substantially all of whom are either the business entities' bankers or existing owners, have already assessed the tax risks which FIN 48 would attempt to disclose.

After substantial discussion, if FIN 48 as currently scheduled becomes effective this year for private companies, we will need to advise our clients of the costs vs. risks and the availability of the option of preparing financial statements in accordance with GAAP except for the provisions of FIN 48. We believe this option will be utilized by the vast majority of mid-sized and larger private entities who are not planning on becoming public companies.

In addition, to our firm's discussions on FIN 48, as a past president of the WICPA and past member of AICPA Council, I have had the privilege of listening to the concerns of our members and can assure you that the CPA's of Wisconsin are very concerned about the quality of the work CPA's provide but are equally concerned about the risks and costs associated with the implementation of FIN 48 for private companies. In the end, those CPAs I have heard from believe FIN 48 for private companies is a solution in search of a problem and/or contains a very unfavorable cost and risk vs. reward equation.

In closing, as stated before, we do not believe the implementation of FIN 48, in the long run, benefits quality financial reporting for non-public companies.

Sincerely,

Bart Adams, CPA Senior Shareholder

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