JCPenney Company, Inc. 6501 Legacy Drive Plano, TX 75024

Dennis P. Miller Senior Vice President and Controller



September 28, 2010

Via e-mail to: director@fasb.org

Mr. Russel G. Golden FASB Technical Director Financial Accounting Standards Board 401 Merritt 7 Norwalk, CT 06856-5116

Re: File Reference No. 1770-100

Dear Mr. Golden:

J.C. Penney Company, Inc. (JCPenney) welcomes this opportunity to respond to the request for comment from the Financial Accounting Standards Board (FASB) on the proposed Accounting Standards Update of Topic 220, Comprehensive Income.

JCPenney is one of America's leading retailers, operating 1,107 department stores throughout the United States and Puerto Rico, as well as one of the largest apparel and home furnishing sites on the Internet, jcp.com.

We support the Board's project to improve the understandability and comparability of financial information and the long-range goal of convergence of U.S. GAAP and International Financial Reporting Standards. We are not opposed to a requirement for a continuous statement of comprehensive income; however, we believe convergence of accounting for the components of other comprehensive income should precede the disclosure presentation, which would result in greater comparability for all users of our financial statements.

Additionally, we believe it is important to consider the geographic placement of EPS to include an optional placement just after the proposed subtotal for net income. Historically, the statement of operations has provided summarized information of an entity's current operating performance depicting the ongoing operation of the business with a clear measure of results for the period. The proposal requires presentation of other comprehensive income located between the results from the period and the presentation of EPS for the period, which

lessens the focus on operating results that the business realized for the period. The statement's focus on other comprehensive information, while useful, by nature involves items, which are often not under the control of management, and in our case are subject to significant market volatility. Such emphasis would likely contribute to confusion for both sophisticated and unsophisticated users of financial statements that are accustomed to analyzing management's impact to the period. Additionally, the prominence of EPS should not be lessened as it is a widely and longstanding measure used by the financial community in evaluating company performance and market valuation.

Our more detailed comments follow in response to the questions presented in the proposed accounting standards update:

1. Do you agree that requiring a continuous statement of comprehensive income will improve the comparability, transparency, and understandability of financial statements such as relationships between changes in the statement of financial position, the components of other comprehensive income, and the components of net income in each period? If not, why not, and what changes would you suggest to the amendments in this proposed Update?

Response: Until the FASB and IASB converge the methods of accounting for the components of other comprehensive income, the proposed Update will not necessarily achieve comparability. We believe there is significant potential for the presentation of comprehensive income to lessen the focus on net income and confuse financial statement users. In order to lessen potential confusion, we believe the proposal should provide clear separation between net income and other comprehensive income by including EPS amounts after net income but before other comprehensive income.

2. Do you agree that the option should continue to report the tax effect for each component of other comprehensive income either in the statement of comprehensive income or in the notes to the financial statements?

Response: Yes, we believe it is a best practice to include the tax effects directly on the face of the statement because it would be more efficient for users of financial statement to assess the tax impacts. Additionally, unlike the components of a statement of operations, other changes in equity are normally disclosed on a net-after-tax basis.

3. Do you believe that a requirement to display reclassification adjustments for each component of other comprehensive income in both net income and other comprehensive income in the statement of comprehensive income would improve the understandability and comparability of financial statements?

Response: Yes, we would prefer the standard lessen the complexity of the statement by requiring the disclosure of the detailed components in a footnote to achieve the appropriate level of transparency.

4. What costs, if any, will a reporting entity incur as a result of the proposed changes?

Response: We believe costs to implement the proposed changes will be nomimal since the proposal is a change in disclosure practice and all information is currently available and reported.

5. The Board plans to align the proposed effective date of the amendments in this proposed Update with the effective date of the amendments in the proposed Update on financial instruments. Are there any significant operational issues that the Board needs to understand to determine the appropriate effective date for the amendments in this proposed Update?

Response: No, we do not expect any significant operational issues which would impact the proposed effective date.

6. The amendments in this proposed standard would not change the guidance on the calculation and display of earnings per share. Do you believe that the Board should change the guidance on earnings per share? If so, what changes would you recommend and why?

Response: No, we agree that the proposed standard should not change the existing guidance on earnings per share; however, we would support the placement of EPS to follow the net income line item.

We appreciate the Staff's consideration of these matters.

Sincerely,

Dennis P. Miller Senior Vice President and

Controller