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Ms. Susan M. Cosper
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

File Reference No. 1890-100; FASB Discussion Paper *Effective Dates and Transition Methods*

Dear Ms. Cosper:

Verizon Communications Inc. (Verizon) is pleased to provide comments on the Discussion Paper *Effective Dates and Transition Methods* (Discussion Paper). Verizon is one of the world's leading providers of communications services, is a registrant with the SEC and is classified as a large accelerated filer.

Verizon supports the FASB and IASB's (the Boards') efforts to improve and converge global accounting standards. Additionally, we have been actively monitoring and participating in the procedures of due process through our submission of comment letters, participation in roundtable discussions and in meetings with members of the Boards and staff. Based upon the volume of comment letters received by the Boards we expect significant changes to the proposed guidance for Revenue Recognition, Leasing and Financial Instruments.

We believe that the Boards need to address the numerous concerns raised in the comment letters on the proposed guidance for Revenue Recognition and Leasing. In addition, we expect redeliberations by the Boards to reconcile their divergent proposals on Financial Instruments. Due to the number of issues that need to be redeliberated, we believe that re-exposing the above EDs is warranted.

Furthermore, due to the extent of the anticipated changes, we believe providing feedback on the time and costs for adoption prior to the re-exposure of these EDs would be of limited value to the Boards. However, as these proposals are currently written, we estimate that it would require several years to implement them and at a significant cost.

Additionally, we would like to encourage greater collaboration between the Boards and the SEC. This collaboration would facilitate the standard setting process. Accordingly, we disagree with the

FASB's position that respondents to this Discussion Paper should disregard the notion that IFRS could be incorporated into the U.S. reporting system.

Finally, in the course of redeliberating and re-exposing this Discussion Paper and the EDs addressed within its scope, we urge the Boards to consider the following areas of concern:

Focus Primarily on Convergence and the Core Issues of Each Proposed Standard
We strongly believe that the Boards should focus principally on convergence. We believe that the Boards' convergence efforts should focus on areas of commonality amongst existing guidance.

Furthermore, as the Boards redeliberate these projects we believe that they should focus their attention on the primary objective of each joint project. For example, as noted in our comment letter response to the Leasing ED, we observed that the elimination of "off balance sheet financing" was the underlying purpose of the proposed guidance. Accordingly, we recommended in our comment letter that the Boards should limit the scope of their final guidance to only whole assets that could be purchased. Issues such as expected lease terms and contingent rents exemplify prescriptive items that would add limited value to users of financial statements and whose cost to implement would exceed its benefits. These items in our opinion do not have a strong correlation with the Boards' primary objective to eliminate "off balance sheet financing."

Only Issue Converged Guidance
We believe that the Boards should only issue guidance that is converged. Requiring U.S. companies to adopt the FASB version of divergent proposals such as Financial Instruments only to adopt its IFRS equivalent later is inefficient. A "dual adoption" would present both preparers and end users with significant costs to prepare and analyze accounting changes.

Provide a Sufficient Implementation Timeline
We believe it is imperative that the Boards provide companies with sufficient time to implement these new standards. Given the magnitude of the anticipated changes we favor the sequential adoption approach beginning no earlier than 2016. This approach would allow preparers to adequately plan for the implementation of these new standards.

Thank you for the opportunity to comment. We would be pleased to discuss our comments in more detail with members of the Boards or staff.

Very truly yours,

Michael W. Morrell
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