September 11, 2008

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

RE: Support for Private Company Financial Reporting Standards

Dear Mr. Herz:

It is our understanding that the FASB may soon be meeting to consider recent recommendations of the AICPA Private Company Financial Reporting Committee (PCFRC). On behalf of the Texas Society of CPAs (TSCPA) and our 28,000 members, many of whom work for or with private companies, we strongly encourage the FASB to accept the recommendations of the PCFRC and provide an exemption for private companies from the requirements of FIN 48 and FIN 46(R).

TSCPA has been a supporter of the development of differentiated standards for private companies for a number of years. We strongly encouraged the AICPA to seek the development of alternative standards for private companies and applauded their appointment, along with FASB, of the Private Company Financial Reporting Committee in 2007. That committee’s recent comment letters to the FASB lay out the rational arguments for why private companies should be provided with alternatives from GAAP in these areas.

The complexity of the requirements of FIN 48 and FIN 46(R) will place an extreme burden on private companies and the practicing CPAs that serve them. There is no apparent significant benefit to the users of these private company financial statements that warrant the added cost and burden it will place on these companies to comply.

Again, we urge the FASB to accept the recommendations of the PCFRC and to look for ways that private companies can be afforded consideration in the development of accounting standards to assure that the cost/benefit of their compliance is appropriate.

The TSCPA is the professional organization for CPAs in the state of Texas. It has the largest in-state membership of any voluntary CPA organization in the country, with 20 local chapters and more than 28,000 members. TSCPA’s mission is to promote the highest standards of ethics and professionalism in accounting through a variety of services, including continuing professional education, peer review and participation in the public policy process on issues of importance to its members.

Thank you for your consideration of our comments.

Sincerely,

Steven R. Goodman, Chairman
John M. Sharbaugh, CEO