October 24, 2019

Shayne Kuhaneck
Acting Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

File Reference Number: 2019-780

Dear Mr. Kuhaneck:

Verizon Communications Inc. ("Verizon") appreciates the opportunity to comment on the revised proposed accounting standards update on Debt (Topic 470): Simplifying the Classification of Debt in a Classified Balance Sheet (Current versus Noncurrent). Verizon, one of the world’s leading providers of communications services, is a registrant with the Securities and Exchange Commission (the “SEC”) and is classified as a Large Accelerated Filer.

We support the FASB’s initiative to simplify the classification of debt in a classified balance sheet. We believe simplification benefits both users and preparers of financial statements by providing financial statements that are understandable and comparable for users, while making the financial statement preparation process more efficient. Below we outline our perspective on some of the key questions raised in the Invitation to Comment.

**Classification of long-term financing arrangements**

We support the introduction of an overarching principle for debt classification. Moving to a presentation based solely on when an item is contractually due as of a balance sheet date would reduce the complexity and ease the burden on determining how the debt instrument should be classified and more appropriately reflect the conditions that exist as at the balance sheet date.

Additionally, we support the removal of narrowly defined guidance, such as those currently applicable to lockbox, to further reduce accounting complexity. The new guidance will be clearer to the financial statement user as it will provide the presentation of future debt principal purely based on the terms of the respective contractual arrangement.

**Costs and benefits of the proposed amendments**

We expect the benefits from the proposed amendments to provide more consistent and transparent information to financial statement users and reduce application complexity.
Thank you for the opportunity to comment. We would be pleased to discuss our comments in more detail with the members of the Board or Staff.

Respectfully submitted,

Tracy Krause
Vice President of Accounting & External Reporting