September 24, 2014

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

RE: File Reference No. 2014-220

Dear Ms. Cosper:

PricewaterhouseCoopers LLP appreciates the opportunity to comment on the Board’s recently proposed Accounting Standards Update, Income Statement - Extraordinary and Unusual Items (Subtopic 225-20) and we commend the FASB for its ongoing efforts to identify areas in which financial reporting can be simplified while maintaining or enhancing decision-useful information.

We support the Board’s decision to simplify income statement classification by removing the concept of extraordinary items from U.S. GAAP, and agree with the Board’s proposed transition method and effective dates.

In addition, we make the following suggestions:

- We disagree with the Board’s conclusion that disclosure of the amount of material post-adoption adjustments to previously reported extraordinary items is unnecessary. We believe such amounts should be disclosed, consistent with other unusual or infrequently occurring items.

- We believe that it would be useful to clarify in the final standard that the presentation and disclosure requirements for items that are both unusual in nature and infrequently occurring would be the same as those currently required for items that are either unusual in nature or infrequently occurring.

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PwC supports the Board’s continuing simplification initiative, including the additional simplification topics recently added to the agenda. We believe the Board should continue to focus on those areas that (a) have broad impact, (b) remove exceptions and mechanical rules that lead to complexity while maintaining decision-useful information for investors, and (c) result in harmonization with international standards, if possible. Some examples of areas where we believe further simplification efforts would be welcomed include:

- accounting for income taxes
- stock-based compensation
• impairment of goodwill and long-lived assets, and
• earnings per share.

If you have any questions regarding our comments, please contact Patrick Durbin at (973) 236-5152, Jay Seliber at (973) 236-7277 or Ralph Weinberger at (973) 236-4175.

Sincerely,

PricewaterhouseCoopers LLP