April 1, 2015

Russell Golden, Chairman
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, Connecticut 06856-5116

Submitted via electronic mail to director@fasb.org

Re: File Reference: No. 2015-210, Balance Sheet Classification of Deferred Taxes

Dear Chairman Golden:

General Motors Company ("GM") designs, builds and sells cars, trucks and service parts and, with its partners, produces vehicles in 30 countries. GM has leadership positions in the world's largest and fastest-growing automotive markets. More information on GM and its subsidiaries can be found at http://www.gm.com. GM appreciates the opportunity to provide feedback on the Proposed Accounting Standards Update, Income Taxes (Topic 740), Balance Sheet Classification of Deferred Taxes (the "Proposed ASU") that reflects decisions made by the Board pertaining to the accounting for deferred taxes.

On behalf of GM, we strongly support the overall goals of the Board's initiative to reduce complexity in accounting standards, and specifically, the Board's proposal to classify all deferred tax assets and liabilities as non-current in the statement of financial position. For GM, the proposed change would reduce the time required and risk associated with jurisdictional tax provisions, allowing us to accelerate the timing associated with tax provision accounting close procedures. While achieving these benefits, we also believe the proposed changes will not result in any meaningful reduction to users' visibility within the financial statements.

In addition, we agree with the Board's basis for conclusion that the existing classification model does not necessarily satisfy the original intent, which was to provide financial statement users with information regarding the timing with which a temporary difference would reverse and become taxable or deductible as stated in BC4 of the Proposed ASU. One such example that illustrates this notion is the classification of deferred taxes associated with fixed assets. Deferred taxes resulting from fixed asset book to tax basis differentials must be classified as non-current based on current guidance, which states that deferred taxes must be classified consistently with
the classification of the related asset or liability. This classification could be viewed as misleading because, despite the inevitability that a portion of the book to tax basis difference will reverse in the next year, existing guidance states that the related deferred tax should be classified entirely as non-current. As such, despite the efforts of the current guidance to provide information to accurately communicate when the book to tax differences will reverse, there are inherent flaws that exist under the current standard. We also believe the costs outweigh the benefits of attempting to forecast the consequences of temporary difference that will result in taxable or deductible amounts during the following year. As such, we agree with the Board’s conclusion in BC5 not to pursue this alternative.

Lastly, we would like to propose granting an option to early adopt the Proposed ASU. We anticipate the implementation time to be minimal and the benefit to be significant to our business. As such, we are in favor of an opportunity to adopt the Proposed ASU early.

Again, we appreciate the opportunity to provide the Board with comments and appreciate the Board’s consideration of the points outlined in this letter. Should you have any questions or need to discuss this letter, please contact me at (313) 667-3434.

Sincerely,

Thomas S. Timko  
Vice President, Controller, and Chief Accounting Officer  
General Motors Company