

Florida Institute of CPAs

P.O. Box 5437, Tallahassee, FL 32314

April 30, 2005

Director@fasb.org

File Reference No. EITF9616

RE: Proposed Amendment to EITF Issue No. 96-16, Investor's Accounting for an Investee When the Investor Has a Majority of the Voting Interest but the Minority Shareholder or Shareholders Have Certain Approval or Veto Rights

Dear Director:

The Accounting Principles and Auditing Standards Committee of the Florida Institute of Certified Public Accountants (The Committee) has reviewed and discussed the above referenced Proposed Amendment.

The Committee agrees with the concept that acquisitions and dispositions of assets that are not in the ordinary course of business are protective and would not overcome the presumption of consolidation by the investor with the majority interest. However, the Committee is concerned that moving from a concrete standard (20%) to a more flexible concept may lead to comparability problems.

The Committee suggests that the Board provide additional guidance regarding ordinary course of business and perhaps include examples to assist in the application of this Issue.

The Committee appreciates the opportunity to share our views and concerns. Members of the Committee are available to discuss any questions that you may have regarding this communication.

Very truly yours,

Kathryn M. Means, CPA, Chair

FICPA Accounting Principles and Auditing Standards Committee

Committee members coordinating this response:

Kathryn M. Means, CPA

Richard G. Edsall, CPA