Ameriprise Financial, Inc.
802 Ameriprise Financial Center
Minneapolis, MN 55474

Via Email: director@fasb.org

August 13, 2015

Ms. Susan M. Cosper
Technical Director
File Reference No. 2015-270
Financial Accounting Standards Board
401 Merritt 7
Post Office Box 5116
Norwalk, Connecticut 06856-5116

Re: File Reference: No. 2015-270*, Compensation – Stock Compensation (Topic 718) - Improvements to Employee Share-Based Payment Accounting*

Dear Ms. Cosper:

Ameriprise Financial, Inc., one of the nation's leading financial planning, asset management and insurance companies, appreciates the opportunity to offer comments with respect to the Proposed Accounting Standards Update, *Compensation – Stock Compensation (Topic 718) - Improvements to Employee Share-Based Payment Accounting* (the "Proposed ASU").

We support the FASB's simplification efforts to reduce complexity and remove costs in accounting standards while maintaining and improving the usefulness of financial statements. We concur with the FASB's proposed simplification to allow a policy election to estimate forfeitures of share based awards or to account for actual forfeitures as they occur and to allow up to the employee's maximum individual statutory tax rate to be withheld for net settlement. We believe these proposed changes achieve FASB's simplification objectives by removing costs and improving the usefulness of financial statements. However, we do not believe the FASB's proposed change to record the excess tax benefits and deficiencies arising from share-based payments directly in earnings (the "proposal") will eliminate any significant costs. Nor will the change simplify the accounting or increase the usefulness of the financial statements.

Current processes and procedures have been developed, implemented, tested and maintained by preparers over the course of many years and subjected to internal and/or external audits. The proposal would require modifications to processing and preparation of financial statements and notes thereto, tax provision processes, earnings per share calculations, and management reporting. The proposal would not remove the need to track individual stock option awards necessary to calculate the related excess tax benefits and deficiencies. The impact of current accounting on the financial statements is understood by financial statement preparers and users alike. Therefore, when considering that all stakeholders would need to modify their processes, procedures, analysis, etc., we do not believe the proposed changes will result in the anticipated cost-savings the FASB is looking to achieve.

As an alternative to the proposal, we believe excess tax benefits and deficiencies should be recognized in additional paid-in capital because the associated difference between grant-date fair value of a share-based award and its fair value at exercise/vesting date is not recognized in the income statement as compensation expense. Because the exercise/vesting of an award results in the issuance of stock, an equity transaction, the associated tax impact should not be reflected in an entity's results of operations and should be recognized in equity. We believe all differences in realized tax benefits and tax deficiencies are most appropriately recognized as additional paid-in capital ("APIC"). Reflecting this information as APIC will be more understandable for financial statement users when compared to the challenges presented by existing accounting or FASB's proposal. Additionally, by way of recording all tax benefits and deficiencies arising from vesting/exercising of share-based payments within APIC, the need to track the amount of the excess APIC pool would be eliminated, thus alleviating some operational tasks and reducing costs of complying with the accounting standard. Our alternative proposal would reduce the level of effort preparers and users alike would need to expend in order to comprehend the aggregate financial impact of vested/exercised share-based payments and would better align with the FASB's objectives associated with their simplification efforts.

In conclusion, we ask the FASB to indefinitely table its proposal to recognize excess tax benefits in the income statement and consider our alternative noted above. In addition, we support the FASB's proposed changes to accounting for forfeitures and consideration of tax withholding impacts on classification of share-based payment awards and ask the FASB to continue on its path to finalizing these components of their proposed standard.

Thank you for your consideration of our comments on these very important matters. If you have any questions, comments or would like further information, please contact me at (612) 678-4769.

Sincerely,

David K. Stewart
Senior Vice President & Controller