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Via Email to director@fasb.org

Re: File Reference 2017-290

Dear Ms. Cospers:

Grant Thornton LLP appreciates the opportunity to comment on proposed Accounting Standards Update, *Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842*.

We support the proposed transition practical expedient, but believe that the proposed language in ASC 842-10-65-1(gg) could be clarified. As proposed, the practical expedient would apply to land easements that were not previously assessed under Topic 840. We are unclear whether an entity that currently has a process in place to determine the appropriate accounting for land easements that includes assessing whether a land easement meets the definition of a lease under Topic 840 could apply the proposed practical expedient to existing or expired land easements that the entity previously determined do not meet the definition of a lease under Topic 840, assuming the entity does not elect the package of practical expedients in ASC 842-10-65-1(f).

It is our understanding that this proposed practical expedient is intended to provide transition relief to entities that do not currently *apply* Topic 840 to land easements, whether those land easements were *assessed* under Topic 840 or not. If that is the case, then we believe the proposed guidance could be clarified, for example, by replacing all instances of “assessed” in proposed ASC 842-10-65-1(gg) with “accounted for.”

Our responses to the questions for respondents are as follows.

Question 1: Would the land easement practical expedient in this proposed Update reduce the cost and complexity to implement Topic 842? If not, please explain why.

We believe that the practical expedient proposed in this Update will reduce cost and complexity to implement Topic 842 for entities with land easements.

Question 2: Would the proposed amendments require transition provisions or an effective date that is different from those for Topic 842? If yes, please explain what transition requirements and/or effective date you would recommend and why.

We do not believe that the proposed amendment would require additional transition provisions or an effective date different than that of Topic 842.

If you have any questions about our response, or wish to further discuss our comments, please contact Ryan Brady, Partner, at 312.602.8741 or ryan.brady@us.gt.com.

Sincerely,

/s/ Grant Thornton LLP