



1 October 2012

Mr K Stevenson  
Chairman  
Australian Accounting Standards Board  
PO Box 204  
COLLINS STREET WEST VIC 8007

**The Group of 100 Incorporated**

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Dear Mr Stevenson

### **ED 226 Withdrawal of Australian Interpretation 1039**

The Group of 100 (G100) is an organization of chief financial officers from Australia's largest business enterprises with the purpose of advancing Australia's financial competitiveness. The G100 is pleased to respond to the issues raised in ED 226.

The G100 supports the AASB's approach to seek consistency with IFRSs as issued by the IASB and to only issue domestic interpretations in rare and exceptional circumstances.

In view of this approach the G100 believes that the AASB should consider whether the remaining AASB and UIG Interpretations, which do not address a uniquely Australian issue, satisfy the rare and exceptional circumstances test.

1. *Do you agree with:*

a. *the withdrawal of Australian Interpretation 1039 Substantive Enactment of Major Tax Bills in Australia from 1 July 2013:*

**The G100 supports the proposal to withdraw Interpretation 1039 if that is necessary to remove any potential differences between it and AASB 112 'Income taxes'.**

b. *The AASB's basis for withdrawing Australian Interpretation 1039; and*

**The G100 agrees that in the present environment the effects of changes in tax laws and tax rates on tax assets and liabilities should not be recognized until the specific proposals have passed through the relevant Houses of Parliament. Once that occurs they can be regarded as substantially enacted as all that then remains is the receipt of Royal Assent.**

2. *Unless already provided in response to specific matters for comment 1(a) and 1(b) above, the costs and benefits of the proposals relative to the current requirements, whether quantitative (financial or non-financial) or qualitative.*  
**As the proposals remove a potential difference we do not consider that there are cost implications of any significance.**

Yours sincerely  
**Group of 100 Inc**

A handwritten signature in black ink, appearing to read "Terry Bowen", is written over a large, faint circular stamp or watermark.

**Terry Bowen**  
President

AASB GHARRIS