

September 16, 2008

Technical Director
Financial Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856-5116

By e-mail: director@fasb.org

**Re: Invitation to Comment – Reducing Complexity in Reporting
Financial Instruments
(File Reference No. 1560-100)**

The New York State Society of Certified Public Accountants, representing 30,000 CPAs in public practice, industry, government and education, submits the following comments to you regarding the above captioned release. The NYSSCPA thanks the FASB for the opportunity to comment.

The NYSSCPA's Financial Accounting Standards Committee deliberated the release and drafted the attached comments. If you would like additional discussion with us, please contact Edward P. Ichart, Chair of the Financial Accounting Standards Committee, at (516) 488-1200, or Ernest J. Markezin, NYSSCPA staff, at (212) 719-8303.

Sincerely,



Sharon Sabba Fierstein
President

Attachment

**NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS**

**RESPONSE TO INVITATION TO COMMENT – REDUCING COMPLEXITY IN
REPORTING FINANCIAL INSTRUMENTS**

File Reference No. 1560-100

September 16, 2008

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New York State Society of Certified Public Accountants

Financial Accounting Standards Committee

Response to Invitation to Comment – Reducing Complexity in Reporting Financial Instruments

The Financial Accounting Standards Committee of the New York State Society of Certified Public Accountants has reviewed the Invitation to Comment and has prepared a response to the question in paragraph 22 of the document:

Question: How should the Board proceed in reducing the complexity and improving reported information about financial instruments in the near term in the United States while also facilitating convergence with IFRS? Some possibilities to consider are:

- a. Are the measurement-related problems and complexities (including presentation of changes in fair value) so significant and urgent that the Board should continue to consider undertaking short-term U.S.-only projects (in addition to a longer-term joint project or projects with the IASB)?**
- b. Should the Board work only on joint projects with the IASB and avoid undertaking additional U.S.-only projects related to financial instruments until a determination is made about whether and when the United States will adopt IFRS?**
- c. Should the Board eliminate differences between IFRS and U.S. GAAP by replacing U.S. GAAP for financial instruments with IAS 39, *Financial Instruments: Recognition and Measurement*, and then either work with the IASB to improve IAS 39 or simply adopt any improvements the IASB chooses to adopt?**

Response – We believe that option “c” is appropriate and the Board should work with the IASB to improve IAS 39. This option is more in keeping with the Norwalk Agreement and the principles of the Memorandum of Understanding between the Board and the IASB. We have consistently recommended in the past that FAS 133 and FAS 140 be reassessed in their entirety rather than through continual amendments or reissuance with the “R” designation.