

Dear DPOC members

The International Accounting Standards Board (the Board) will hold its next meeting this week (week commencing 15 May 2017). There is one matter to be brought to the attention of the Due Process Oversight Committee (the DPOC): *Uncertainty over Income Tax Treatments* (agenda paper 12A).

Agenda Paper 12A: Uncertainty over Income Tax Treatments

At its meeting the Board will be asked to ratify the IFRIC Interpretation *Uncertainty over Income Tax Treatments* (the Interpretation).

The Interpretation responds to a question to the IFRIC Interpretations Committee (the Committee) asking when it is appropriate for entities to recognise a current tax asset if tax laws require entities to make payments in respect of a disputed tax treatment.

The Committee set out its proposals in this respect in the draft Interpretation *Uncertainty over Income Tax Treatments* published in October 2015. The Interpretation was open to comment for 120 days ending January 2016; the Committee received 61 comment letters.

The Committee commenced redeliberations of the proposals in July 2016. At its meeting in November 2016, the Committee reviewed the due process steps undertaken and concluded that the due process requirements had been met and that it had undertaken sufficient consultation and analysis to begin the balloting process. A copy of the due process paper discussed by the Interpretations Committee at its November 2016 meeting is being presented to the Board as Agenda Paper 12A(ii).

Copies of agenda papers 12A and 12A(ii) are attached to this email.

This report is primarily for information and to provide the DPOC with assurance that the Board is reviewing the due process steps and fulfilling the requirements of the *Due Process Handbook* as this project progresses.

If you have any questions please do not hesitate to contact me.

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