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Reference: Exposure Draft ED 2019/5 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Comitê de Pronunciamentos Contábeis - CPC (Brazilian Accounting Standards Committee)¹ welcomes the opportunity to respond to the Exposure Draft ED 2019/5 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

We are a standard-setting body engaged in the study, development and issuance of accounting standards, interpretations and guidance for Brazilian companies.

If you have any questions about our comments, please do not hesitate to contact us at operacoes@cpc.org.br.

Yours sincerely,

Rogério Lopes Mota
Chair of International Affairs
Comitê de Pronunciamentos Contábeis (CPC)

¹The Brazilian Accounting Pronouncements Committee (CPC) is a standard-setting body engaged in the study, development and issuance of accounting standards, interpretations and guidances for Brazilian companies. Our members are nominated by the following entities: ABRASCA (Brazilian Listed Companies Association), APIMEC (National Association of Capital Market Investment Professionals and Analysts), B3 (Brazilian Stock Exchange and Mercantile & Future Exchange), CFC (Federal Accounting Council), FIPECAFI (Financial and Accounting Research Institute Foundation) and IBRACON (Brazilian Institute of Independent Auditors).



Question 1: Do you agree with the Board's proposal to amend IAS 12 in the manner described in the Exposure Draft? If not, why not, and what do you recommend instead?

CPC is concerned about the relevance of the information that will be provided by this proposed revision in the IAS 12 standard, given that deferred taxes on transactions of the same nature will be offset in the future. Instead, we suggest that the Board consider making a broader review of IAS 12, given that some paragraphs in the standards are not clear, such as the paragraph 15 itself.

MINUTA PARA DISCUSSÃO