FASB Changes Impacting Tax Provisions

TAX PRODIGY

Standard	Old Rule	New Rule	Effective Date	Early Adoption	Handled In Tax Prodigy
ASU 2017 Balance Sheet Classification of Deferred Taxes	For each separate jurisdiction, deferred taxes are classified on the balance sheet as either current or noncurrent based on the expected timing of reversal. Each jurisdiction could have both current and noncurrent deferred taxes on the balance sheet. Each balance sheet account will be a single net DTA or DTL. For each jurisdiction, any valuation allowance is allocated between current and noncurrent DTAs regardless of the underlying DTA that gave rise to the valuation allowance	For each separate jurisdiction, the total net DTA or DTL balance is classified as noncurrent on the balance sheet. As a result, each jurisdiction will have either a single net noncurrent DTA or net noncurrent DTL on the balance sheet.	Public Companies: Required for fiscal years beginning after December 15, 2016 For all other entities: Required for fiscal years beginning after December 15, 2016	Early adoption is permitted for all entities as of the beginning of an interim or annual reporting period.	Yes
ASU 2016-09 Improvements to Employee Share Based Payment Accounting	For share based compensation, tax benefits in excess of compensation cost ("windfalls") they are recorded to APIC, and tax deficiencies ("shortfalls") are recorded to APIC to the extent of previous windfalls, and as discrete expense to the extent there is no windfall pool. Windfalls are only recorded to APIC in the period in which the underlying deduction reduces taxes payable. This creates administrative complexity with respect to the timing of the reduction to taxes payable. in situations with NOLs.	Windfalls and shortfalls are recorded to tax expense as a discrete item in the period in which they are deducted on the tax return. This will result in more volatility in the reported income tax rate.	Public Companies: Required for fiscal years beginning after December 15, 2016 For all other entities: Required for fiscal years beginning after December 15, 2016	Early adoption is permitted for all entities as of the beginning of an interim or annual reporting period with any adjustments to the beginning of the period balance sheet.	Yes
ASU 2016-16 Accounting for Income Taxes: Intra-Entity Asset Transfers of Assets Other than Inventory	Tax effects of intra-entity asset transfers (intercompany sales) are recorded as a deferred charge or prepaid tax until the transferred asset is sold to a third party or otherwise recovered through use.	The new standard eliminates the rule for all intra-entity transfers except inventory. Tax effects of intra-entity inventory transfers are recorded as a deferred charge or prepaid tax until the transferred inventory is sold to a third party or otherwise recovered through use.	Public Companies: Required for fiscal years beginning after December 15, 2017 For all other entities: Required for fiscal years beginning after December 15, 2018	Early adoption must be in the first interim period of the year.	Yes