

Interpretation of the Emerging Accounting Issues Working Group**INT 01-21: SSAP Nos. 16R, 19 and 68 – Reestablishment of Previously Expensed Software and Furniture, Fixtures and Equipment and Goodwill****GUIDANCE DETERMINED TO BE NO LONGER RELEVANT****INT 01-21 Dates Discussed**

March 26, 2001; June 11, 2001

INT 01-21 References

SSAP No. 16R—Electronic Data Processing Equipment and Accounting for Software (SSAP No. 16R)

SSAP No. 19—Furniture, Fixtures and Equipment; Leasehold Improvements Paid by the Reporting Entity as Lessee; Depreciation of Property and Amortization of Leasehold Improvements (SSAP No. 19)

SSAP No. 68—Business Combinations and Goodwill (SSAP No. 68)

SSAP No. 79—Depreciation of Nonoperating System Software – An Amendment to SSAP No. 16—Electronic Data Processing Equipment and Software (SSAP No. 79)

INT 01-21 Issue

1. Prior to January 1, 2001, some reporting entities elected to expense software and furniture, fixtures and equipment when these items were purchased. Some of these purchases are material in amount. Under the rules effective prior to Codification, this was acceptable statutory

INT 01-21 Discussion

6. The working group reached a consensus that reporting entities who purchased and immediately expensed software and furniture, fixtures and equipment prior to January 1, 2001 shall not be required to compute and reestablish the net asset value of the asset, and nonadmit and subsequently depreciate the asset on the 2001 and subsequent statutory financial statements.

INT 01-21 Status

7. No further discussion planned.