Interpretation of the Emerging Accounting Issues (E) Working Group

INT 08-04: EITF 07-3: Accounting for Nonrefundable Advance Payments for Goods or Services Received for Use in Future Research and Development Activities

ISSUE NULLIFIED BY SSAP NO. 17 AND SSAP NO. 29

INT 08-04 Dates Discussed

March 29, 2008; May 31, 2008

INT 08-04 References

SSAP No. 4—Assets and Nonadmitted Assets (SSAP No. 4)

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

SSAP No. 17—Preoperating and Research and Development Costs (SSAP No. 17)

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. 29—Prepaid Expenses (SSAP No. 29)

SSAP No.73—Health Care Delivery Assets—Supplies, Pharmaceuticals and Surgical Supplies, Durable Medical Equipment, Furniture, Medical Equipment and Fixtures, and Leasehold Improvements in Health Care Facilities (SSAP No. 73)

SSAP No. 76—Reporting on the Costs of Start-Up Activities (SSAP No. 76)

SSAP No. 82—Accounting for the Costs of Computer Software Developed or Obtained for Internal Use and Web Site Development Costs (SSAP No. 82)

SSAP No. 87—Capitalization Policy (SSAP No. 87)

INT 08-04 Issue

1. EITF 07-3: Accounting for Nonrefundable Advance Payments for Goods or Services Received for Use in Future Research and Development Activities

INT 08-	04 Superseded SSAPs and Nullified Interpretations
expens	Per EITF 07-3, paragraph 2, the issue is whether nonrefundable advance payments for or services that will be used or rendered for research and development activities should be sed when the advance payment is made or when the research and development activity has erformed.
4.	The scope of this issue as defined in EITF 07-3, paragraph 3: