



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL MARKETS UNION

Financial Markets

Corporate reporting, audit and credit rating agencies

Brussels

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Jean-Paul Gauzès

President

EFRAG

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B-1000 Brussels

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Subject: Request for endorsement advice on the amendments to IAS 12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.*

Dear Mr Gauzès,

Following the publication by the International Accounting Standard Board (IASB) of the amendments to IAS 12 *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction* on 7 May 2021, the European Commission would like to request the European Financial Reporting Advisory Group (EFRAG) to deliver its opinion on the proposed amendments.

The opinion of the EFRAG should be based upon the following conditions, against which endorsement is assessed in Regulation (EC) No 1606/2002 of the European Parliament and of the Council on the application of International Accounting Standards, i.e. that the amendments:

- meet the criteria of understandability, relevance, reliability and comparability required of financial information needed for making economic decisions and assessing the stewardship of management, and
- are not contrary to the principle set out in Article 4(3) of Directive 2013/34/EU and are conducive to the European public good.

I would be grateful if EFRAG would provide its opinion as soon as possible following receipt of this letter.

We thank you in advance for your cooperation.

Should you have any questions, please contact Mr Erik Van Der Plaats (Telephone: +32 2 29 55 565) or Mr Miroslaw Tadjewski (+32 2 29 98 599).

Yours faithfully,

[e-signed]

Alain DECKERS
Head of Unit

Contact: Chiara Del Prete (EFRAG TEG Chairwoman)