



Leasing Update

On Wednesday April 8, 2020, in response to the ongoing coronavirus pandemic, the Financial Accounting Standards Board voted unanimously to consider amending the effective date of ASC Topic 842, *Leases*, including subsequent amendments, for:

- Private companies and private not-for-profit entities; and
- Any not-for-profit that has issued or is a conduit bond obligor for securities that are traded, listed, or quoted on an exchange or an over-the-counter market that has not yet issued financial statements.

FASB directed its staff to draft a proposal with a 15-day comment period.

WHAT THIS MEANS FOR YOU:

The lease accounting standard is scheduled to take effect for private companies and private not-for-profits for fiscal years beginning after Dec. 15, 2020, and interim periods within fiscal years beginning after Dec. 15, 2021.

The proposal would defer the effective date for those entities to fiscal years beginning after Dec. 15, 2021, and interim periods within fiscal years beginning after Dec. 15, 2022. This would be good news allowing organizations another year for planning.

KatzAbosch will continue focus and continue to monitor the progression toward transitioning to those standards that will be effective in 2021 and 2022 and beyond. In the mean time, if you have questions on how this may impact your particular situation please contact your KatzAbosch representative or contact us, by [clicking here](#).

This update brought to you by: *Your trusted advisors at KatzAbosch*

