



FINANCIAL SERVICES

- Insurance Tax Bulletin

PRICEWATERHOUSECOOPERS 

Guide to Accounting for Income Taxes 2007

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It has been almost fifteen years since FAS 109 was issued, yet the accounting for income taxes continues to pose many challenges for preparers, users, and auditors. Among those challenges are the tax accounting rules for intraperiod allocation, business combinations, and foreign operations. New challenges arose with the FASB's issuance in June 2006 of FIN 48, which sets out a new comprehensive model for how a company should recognize, measure, present, and disclose in its financial statements uncertain tax positions that it has taken or expects to take on a tax return.

PricewaterhouseCoopers has updated its '*Guide to accounting for income taxes*' to reflect these new challenges, and is pleased to offer this comprehensive manual on the accounting for income taxes. It is intended to assist you in interpreting the existing literature in this complex area of accounting by bringing together all of the key guidance into one publication, providing several comprehensive examples to help navigate the guidance, and offering our own perspective throughout, based on both analysis of the guidance and experience in applying it.

While this publication is intended to clarify the fundamental requirements involved in the accounting for income taxes and to highlight key points that should be considered before transactions are undertaken, needless to say it cannot substitute for a thorough analysis of the facts and circumstances surrounding proposed transactions and of the relevant accounting literature. Nonetheless, we trust that you will find in these pages the information and insights needed to work with greater confidence and certainty when applying the provisions of FAS 109 and the related authoritative literature surrounding the accounting for income taxes.

To download a copy of this manual, please go to <http://www.pwc.com/us/insurance/tax> and click on the '*Guide to accounting for income taxes 2007*' link on the right side of the page. Hardcopies will be available in early January 2008.

For additional information please call Anthony DiGilio at (202) 414-1702 or contact your local insurance tax professional. Please visit us at: <http://www.pwc.com/us/insurance/tax>

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