

PRESS RELEASE

31 May 2012

IFRS Interpretations Committee publishes proposed guidance on levies charged by public authorities on entities that operate in a specific market

On 31 May 2012 the IFRS Interpretations Committee, responsible, in co-operation with the IASB, for developing amendments and Interpretations of International Financial Reporting Standards (IFRSs), published for public comment proposed guidance on the accounting for levies charged by public authorities on entities that operate in a specific market.

A public authority may impose a levy on entities that operate in a specific market, such as a specific country, a specific region or a specific market in a specific country. The Interpretations Committee was asked to consider how an entity would account for the payment of levies, other than income taxes, in its financial statements; specifically, when the liability to pay a levy should be recognised. The proposed guidance clarifies that the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy as identified by the legislation.

The draft Interpretation *DI/2012/1 Levies Charged by Public Authorities on Entities that Operate in a Specific Market* is open for public comment until 5 September 2012 and can be accessed via the ‘[Comment on a Proposal](#)’ section of www.ifrs.org.

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About the IASB

The IASB was established in 2001 and is the standard-setting body of the IFRS Foundation, an independent, private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality global accounting standards that provide high quality transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world. The IASB has 15 full-time members drawn from 11 countries and a variety of professional backgrounds. By 2012 the Board will be expanded to 16 members. Board members are appointed by and accountable to the Trustees of the IFRS Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience. In their work the Trustees are accountable to a Monitoring Board of public authorities. For more information visit www.ifrs.org