TaxNewsFlash

United States

No. 2017-143
March 31, 2017

KPMG report: FASB shortens premium amortization period for certain callable debt securities

FASB on March 30, 2017, issued ASU 2017-08, which shortens the premium amortization period for purchased non-contingently callable debt securities.

The ASU specifies that the premium amortization period ends at the earliest call date, rather than the contractual maturity date, for purchased non-contingently callable debt securities. Shortening the amortization period is generally expected to more closely align the interest income recognition with the expectations incorporated in the market pricing on the underlying securities.

Read a **March 2017 report** [PDF 108 KB] prepared by KPMG LLP: *Defining Issues: FASB changes premium amortization period for certain callable debt securities*

Direct comments, including requests for subscriptions, to Washington National Tax. For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at + 1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.