



January 3, 2024

Mr. Alan Skelton
Director of Research and Technical Activities
Governmental Accounting Standards Board
801 Main Avenue
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Dear Mr. Skelton:

On behalf of the National Association of State Auditors, Comptrollers and Treasurers, we appreciate the opportunity to respond to the Governmental Accounting Standards Board's Exposure Draft (ED), *Disclosure and Classification of Certain Capital Assets*.

We appreciate the Board's commitment and efforts towards enhancing the standards of government financial reporting. However, we have the following specific comments that we believe the Board should consider as it finalizes this statement.

Paragraph 4.b.

This paragraph is unclear. We believe the last sentence could be stricken as it is repetitive of paragraph 4 a.(3). Also, we suggest that paragraph 4b. be incorporated into paragraph 4 a.(4) as both paragraphs deal with intangible assets. We suggest a revised paragraph 4 a.(4) be amended as follows:

Intangible assets other than lease assets and subscription assets, by major class of asset. Intangible assets representing right-to-use intangible underlying assets are not required to be disclosed separately and should not be reported with owned intangible assets.

Paragraph 5

We request that the Board include a more precise description of the concept of "held for sale" and believe an expanded description of this term would benefit both financial statement preparers and users of the statements. In addition, we request guidance on situations when the entity reports an asset as held for sale one year, but later decides not to sell the asset.

Appendix C – Illustration

We request that the Illustration be modified to indicate depreciation/amortization since Statements 87 and 96 require that these types of assets to be amortized.

We appreciate the opportunity to provide our comments. Should you have any questions or need additional information regarding our response, please contact Kim O'Ryan of NASACT at (859) 276-1147 or me at (404) 656-2174.

Sincerely,

Greg Griffin
President, NASACT
State Auditor, Georgia