

News Release

FOR IMMEDIATE RELEASE

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AICPA ISSUES STATEMENT OF POSITION ON ACCOUNTING FOR REAL ESTATE TIME-SHARING TRANSACTIONS

NEW YORK (December 16, 2004) — The Accounting Standards Executive Committee (AcSEC) of the American Institute of Certified Public Accountants has issued a Statement of Position (SOP) 04-2, *Accounting for Real Estate Time-Sharing Transactions*.

AcSEC issued the SOP to address diversity in practice caused by a lack of guidance specific to real estate time-sharing transactions. Areas of diversity in practice have included accounting for uncollectibles, recovery or repossession of time-sharing intervals, selling and marketing costs, operations during holding periods, developer subsidies to interval owners associations, and upgrade and reload transactions. The SOP is effective for financial statements issued for fiscal years beginning after June 15, 2005, with earlier application encouraged.

Concurrently, the Financial Accounting Standards Board has issued Statement of Financial Accounting Standards No. 152, *Accounting for Real Estate Time-Sharing Transactions – an amendment of FASB Statements Nos. 66 and 67*. That Statement includes amendments to FASB pronouncements that are being made in conjunction with issuance of the SOP.

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Copies of the SOP (product no. 014942) are available at the Accounting and Auditing Literature section of www.cpa2biz.com/store or by phone at 888-777-7077.

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