

**Report by the ASCG
on the 28th meeting of the Financial Reporting Technical Committee
16 May 2024**

At the beginning of the meeting, the Financial Reporting Technical Committee (FR TC) discussed the current **focus of activities of the ASCG's 'Tax' working group**. The FR TC asked the 'Tax' working group to address the following topics and to examine the need for amendments to GAS 18 *Deferred Taxes* in this regard: Treatment of tax allocations within the meaning of section 3 (6) of the Minimum Taxation Act (MinStG), top-up taxes related to low-taxed profits of sister companies in a (partial) consolidated financial statement, income tax groups.

The FR TC also continued its discussion of **IASB ED/2024/1 Business Combinations - Disclosures, Goodwill and Impairment**. While in particular the IASB's proposals to change the calculation of the value in use, the disclosure requirements for subsidiaries applying IFRS 19 and the transitional provisions are supported, the FR TC is critical of the intended disclosures of expected synergies and rejects the proposals to reduce shielding and management over-optimism, as these do not appear suitable to meet the challenges of goodwill impairment testing.

The FR TC then discussed the comments received on the **Draft of German Accounting Amendment Standard No. 14 (D-GAAS 14)** and the recommendations of the 'Tax' working group regarding the amendment of D-GAAS 14. The Committee agreed with the proposals of the 'Tax' working group. Subject to an amendment to the wording in paragraph 68 (2) of GAS 18 in the version of D-GAAS 14, the FR TC adopted GAAS 14. The amendment standard will shortly be forwarded to the Federal Ministry of Justice for publication in accordance with section 342q (2) of the HGB.

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