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Delegations will find attached document D080402/01.

Encl.: D080402/01



Brussels, **XXX**
[...] (2022) **XXX** draft

D080402/01

COMMISSION REGULATION (EU) .../...

of **XXX**

**amending Regulation (EC) No 1126/2008 as regards International Accounting Standard
12**

(Text with EEA relevance)

COMMISSION REGULATION (EU) .../...

of **XXX**

amending Regulation (EC) No 1126/2008 as regards International Accounting Standard 12

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards¹, and in particular Article 3(1) thereof,

Whereas:

- (1) By Commission Regulation (EC) No 1126/2008² certain international accounting standards and interpretations that were in existence on 15 October 2008 were adopted.
- (2) On 7 May 2021, the International Accounting Standards Board published amendments to International Accounting Standard (IAS) 12 *Income Taxes*. Those amendments clarify how companies are to account for deferred taxes on transactions such as leases and decommissioning obligations and aim to reduce diversity in the reporting of deferred tax assets and liabilities on leases and decommissioning obligations.
- (3) By way of consequence of the amendments to IAS 12 *Income Taxes*, International Financial Reporting Standard (IFRS) 1 *First-time Adoption of International Financial Reporting Standards* was also amended in order to ensure consistency between those standards.
- (4) Following the consultation with the European Financial Reporting Advisory Group, the Commission concludes that the amendments to IAS 12 *Income Taxes* meet the criteria for adoption set out in Article 3(2) of Regulation (EC) No 1606/2002.
- (5) Regulation (EC) No 1126/2008 should therefore be amended accordingly.
- (6) The measures provided for in this Regulation are in accordance with the opinion of the Accounting Regulatory Committee,

HAS ADOPTED THIS REGULATION:

Article 1

The Annex to Regulation (EC) No 1126/2008 is amended as follows:

- (1) International Accounting Standard (IAS) 12 *Income Taxes* is amended as set out in the Annex to this Regulation;

¹ OJ L 243, 11.9.2002, p. 1.

² Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 320, 29.11.2008, p. 1).

- (2) International Financial Reporting Standard (IFRS) 1 *First-time Adoption of International Financial Reporting Standards* is amended in accordance with the amendments to IAS 12 *Income Taxes* as set out in the Annex to this Regulation.

Article 2

Each company shall apply the amendments referred to in Article 1, at the latest, as from the commencement date of its first financial year starting on or after 1 January 2023.

Article 3

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Commission
The President
Ursula von der Leyen