Company Feedback on LIFO vs. Full Expensing of Inventory

Please return to Roy Littlefield IV at rlittlefield2@tireindustry.org. Responses may also be faxed to 301.430.7283 or submitted by mail to 1532 Pointer Ridge Place, Suite C, Bowie, MD 20716.

Please note: responses including company name will not be disclosed to any other companies or members, the feedback we receive will remain confidential and for our own records.

Company:

1. Which method is more beneficial for your company? (Please select one response)

    a. Current, full expensing of inventory purchases

    b. Staying on LIFO

2. Is your response to Question 1 affected by the ability to carryover net operating losses, i.e., if you were assured that your company eventually would be able to get the benefit of the full expensing deduction through NOL c/o? ___Yes ___No

3. Is your response to Question 1 affected by transition rules for existing inventory balances and existing reserve balances? ___Yes ___No

4. Please indicate whether your response to Question 1 would change under the following transition rules:

    a. Allow full write-off of existing inventory and reserve balances in Year 1

    b. Spread write-off of existing inventory and reserve balances over 4 years

    c. Spread write-off of existing inventory and reserve balances over 10 years

5. If you prefer to stay on LIFO, does the continued risk of LIFO repeal concern you? ______Yes _____No

6. Would adoption of the border adjustable tax affect your response to Question 1? ______Yes _____NO

7. Please explain: