



## **Professional Standards Committee Highlights**

### **GASB EXPOSURE DRAFT OF PROPOSED IMPLEMENTATION GUIDANCE ON GASB 87 (LEASES)**



On February 19, 2019 the Governmental Accounting Standards Board (GASB) issued an Exposure Draft of a proposed Implementation Guide on GASB Statement No. 87, *Leases* (GASB 87), which becomes effective for fiscal years beginning after December 15, 2019 (December 31, 2020, for December year-ends and June 30, 2021, for June year-ends).

GASB 87 requires all leases to be reported on the balance sheet, with certain limited exceptions. Previously, many government leases were permitted to be reported as operating leases, which resulted in those leases not being reported on the reporting government's balance sheet. Under this new single model, the lessee will recognize a lease liability and a corresponding intangible asset while the lessor will recognize a lease receivable and a deferred inflow of resources.

The objective of the proposed Implementation Guide is to provide guidance that clarifies, explains or elaborates on the requirements of GASB 87.

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The Exposure Draft of the proposed Implementation Guide may be downloaded from the GASB's website at [www.gasb.org](http://www.gasb.org).

**The deadline for submitting written comments on the proposed Implementation Guide is April 30, 2019.**

If you have questions regarding this topic, contact Jason Al-Imam, Chair of the Professional Standards Committee at [standards.chair@csmfo.org](mailto:standards.chair@csmfo.org).

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*The Professional Standards Committee operates as a technical resource to CSMFO members. The Committee is comprised of municipal and commercial members whose mission is to keep members informed of emerging issues and best practices.*

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