

**Interpretation of the Emerging Accounting Issues Working Group****INT 99-22: EITF 98-8: Accounting for Transfers of Investments That Are in Substance Real Estate****ISSUE NULLIFIED BY SSAP NO. 40 and SSAP No. 103****INT 99-22 Date Discussed**

June 7, 1999; October 4, 1999

**INT 99-22 References**

*SSAP No. 18—Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* (SSAP No. 18)

*SSAP No. 40—Real Estate Investments* (SSAP No. 40)

*SSAP No. 91R—Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* (SSAP No. 91R)

**INT 99-22 Issue**

1. FASB Statement No. 125, *Accounting For Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* (FAS 125), provides specific criteria that must be met to account for a transfer of financial assets as a sale. This criteria differs from the criteria outlined for a sale in FASB Statement No. 66, *Accounting for Sales of Real Estate*, (FAS 66). EITF 98-8, *Accounting for Transfers of Investments That Are in Substance Real Estate* (EITF 98-8), provides guidance in determining which criteria should be used when recording a sale of an investment that is in substance real estate. For statutory purposes, the sale criteria referred to above for FAS 125 and FAS 66 was adopted in SSAP No. 91R and SSAP No. 40, respectively.

**INT 99-22 Discussion**

2. The working group reached a consensus that EITF 98-8 be adopted to provide that transfers of financial assets that are in substance real estate be accounted for based upon the requirements of SSAP No. 40.

**INT 99-22 Status**

3. No further discussion is planned.