

# Recently issued accounting pronouncements

## Financial services

As part of our continuous efforts to stay current on the latest Financial Accounting Standards Board (FASB) pronouncements, we offer this resource to keep you up to date. We will update this regularly. As always, contact us if you have questions or concerns.

**Last review date:** July 15, 2025, through Accounting Standards Update (ASU) No. 2025-04.

### Legend

- P** - Public business entity that meets the definition of an SEC filer
- PBE** - All other public business entities
- NP** - All other entities

### Accounting Pronouncements Issued Since Last Quarter

Accounting Standards Update	Highlights	Effective Dates
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There have been no relevant ASUs issued since March 17, 2025, the date of our last release.

### Previously Issued Accounting Pronouncements

Accounting Standards Update	Highlights	Effective Dates
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**2023-02, Investments - Equity Method and Joint Ventures (Topic 323)**

ASU No. 2014-01 previously introduced the option to apply the proportional amortization method to account for investments made primarily for the purpose of receiving income tax credits and other income tax benefits when certain requirements are met; however, this guidance limited the proportional amortization method to investments in low-income-housing tax credit structures. The proportional amortization method results in the cost of the investment being amortized in proportion to the income tax credits and other benefits received, with the amortization of the investment and the income tax credits being presented net in the statements of income as a component of income tax expense. Equity investments in other tax credit structures are typically accounted for using the equity method, which results in investment income, gains and losses, and tax credits being presented gross on the statements of income in their respective line items.

ASU No. 2023-02 permits reporting entities to elect to account for their tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met.

**P/PBE:** Fiscal years beginning after December 15, 2023, including interim periods within those fiscal years

**NP:** Fiscal years beginning after December 15, 2024, including interim periods within those fiscal years

Early adoption is permitted.

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**2023-07, Segment Reporting (Topic 280)**

The amendments in this ASU improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. This is accomplished through various new requirements, including the disclosure of significant segment expenses that are regularly provided to the chief operating decision-maker and disclosing an amount for *other segment items* (as defined in the ASU) by reportable segment and a description of its composition.

**P/PBE:** Fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024.

**NP:** Not applicable.

\*Excludes not-for-profit entities (regardless of whether the entity meets the definition of a public entity)

Early adoption is permitted.

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2023-08, Intangibles – Goodwill and Other – Crypto Assets (Subtopic 350-60)

This ASU establishes the first-ever accounting and disclosure framework for crypto assets within US GAAP. Assets that meet six criteria (as defined in the ASU) are required to subsequently be measured at fair value with changes recognized in net income each reporting period. Such assets must be presented separately from other intangible assets in the balance sheet, and changes from the remeasurement of crypto assets must be separately presented from changes in the carrying amounts of other intangible assets in the income statement.

The ASU also provides for various disclosure requirements, including disclosure of the name, cost basis, fair value, and number of units for each significant crypto asset holding, as well as a roll forward, in the aggregate, of crypto asset holding activity for the reporting period.

**P/PBE/NP:** Fiscal years beginning after December 15, 2024, including interim periods within those fiscal years.

Early adoption is permitted; however, if an entity adopts the amendments in an interim period, it must adopt them as of the beginning of the fiscal year that includes that interim period.

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2023-09, Income Taxes (Topic 740)

This ASU provides more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information.

*Rate Reconciliation:* Public business entities are required to disclose specific categories in a tabular rate reconciliation (using both percentages and currency amounts) and provide additional information for reconciling items that meet a quantitative threshold. One of the required categories is "state and local income tax." For this category, public business entities must also disclose a qualitative description of the states and local jurisdictions that make up the majority (greater than 50%) of the effect of the state and local income tax category.

For entities other than public business entities, this ASU requires qualitative disclosure about specific categories of reconciling items and individual jurisdictions that result in a significant difference between the statutory tax rate and the effective tax rate.

*Income Taxes Paid:* All entities must disclose (1) the amount of income taxes paid (net of refunds received) disaggregated by federal, state, and foreign taxes and (2) the amount of income taxes paid (net of refunds received) disaggregated by individual jurisdictions in which income taxes paid is equal to or greater than 5% of total income taxes paid.

*Other:* All entities must disclose (1) income from continuing operations before income tax expense disaggregated between domestic and foreign and (2) income tax expense from continuing operations disaggregated by federal, state, and foreign.

This ASU also eliminates some existing disclosure requirements, including the requirement to (1) disclose the nature and estimate of the range of the reasonably possible change in the unrecognized tax benefits balance in the next 12 months or (2) make a statement that an estimate of the range cannot be made.

**P/PBE:** Annual periods beginning after December 15, 2024.

**NP:** Annual periods beginning after December 15, 2025.

Early adoption is permitted.

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**2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses**

The ASU, among other things, requires disclosure in the notes to the financial statements of specified information about certain costs and expenses. Specifically, public business entities must disclose the amounts of employee compensation, depreciation, and intangible asset amortization. The ASU also lists other expense categories that are likely not relevant to financial institutions. A qualitative description of the amounts remaining in relevant expense captions must be disclosed if not disaggregated quantitatively. A relevant expense caption is defined as an expense caption presented on the face of the income statement that contains any of the expenses specifically required to be disclosed by the ASU. The ASU also requires the disclosure of the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. Example 3, starting at paragraph 220-40-55-20, provides example disclosures for a bank.

**P/PBE:** Annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027.

**NP:** Not applicable.  
Early adoption is permitted.



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