

**MEMO# 18363**

December 21, 2004

# **INVESTMENT COMPANY XBRL TAXONOMY RELEASED FOR PUBLIC COMMENT**

[18363] December 21, 2004 TO: ACCOUNTING/TREASURERS COMMITTEE No. 32-04 RE: INVESTMENT COMPANY XBRL TAXONOMY RELEASED FOR PUBLIC COMMENT Extensible Business Reporting Language is an open source specification for software that uses tags to identify information and facilitate the preparation, publication and analysis of that information. XBRL tags are machine readable, enabling users to extract, exchange, analyze and display tagged financial information. XBRL was developed and continues to be supported by XBRL International, a collaborative consortium of approximately 250 organizations representing many elements of the financial community. XBRL International has developed standard taxonomies that classify and define financial information in accordance with U.S. GAAP and SEC regulations. The SEC recently proposed rule amendments that would enable registrants to voluntarily submit XBRL-tagged financial information as exhibits to filings made on the EDGAR system.<sup>1</sup> The XBRL-US Domain Working Group recently released for public comment a draft taxonomy specifically developed for investment companies. The draft taxonomy is designed to facilitate the creation of XBRL instance documents that comply with generally accepted accounting principles and SEC reporting requirements. The XBRL-US Domain Working Group is seeking comment on the draft taxonomy in an effort to ensure that it is complete (i.e., that there is a data tag for each financial statement element that must be disclosed) and that financial statement elements are properly described. Comments on the draft taxonomy should be submitted to the AICPA no later than January 17, 2005.<sup>2</sup> The XBRL-US Domain Working Group has prepared several tools to assist accountants and other financial professionals in their review of the draft investment company taxonomy. The Reviewer's Guide to Financial Reporting Taxonomies describes a process whereby an individual familiar with financial reporting requirements can evaluate a draft taxonomy from the standpoint of coverage, accuracy and other criteria.<sup>3</sup> In addition, human-readable versions of the draft investment company taxonomy have been prepared in both PDF and Excel format. 1 Memorandum to Accounting/Treasurers Committee No. 28-04 [18057], dated September 30, 2004. 2 The draft taxonomy, a reviewer's guide, and procedures for submitting comments are available at <http://www.xbrl.org/us/fr/gaap/im/2005-02-01/>. 3 The Reviewer's Guide to Financial Reporting Taxonomies is available at <http://www.xbrl.org/us/USFRTF/Reviewer's%20Guide%20to%20Financial%20Reporting%20Taxonomies-2004-09-09.htm>. 2 If you have comments on the draft investment company taxonomy that you would like to be included in a possible Institute comment letter, please contact the undersigned (smith@ici.org or 202/326-5851) no later than January 7, 2005. Gregory M. Smith Director - Operations/Compliance & Fund Accounting

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