



FIL-2-2018
January 3, 2018

DEPOSITORY INSTITUTION REPORTS

TO: CHIEF EXECUTIVE OFFICER (also of interest to Chief Financial Officer)

SUBJECT: Revisions to the Consolidated Reports of Condition and Income (Call Report) for March and June 2018

The Federal Financial Institutions Examination Council (FFIEC) has approved the implementation of additional burden-reducing revisions and certain other reporting changes to all three versions of the Call Report. The revised reporting requirements will take effect as of March 31 or June 30, 2018, depending on the change, subject to approval by the U.S. Office of Management and Budget. These Call Report changes were proposed by the three federal banking agencies, under the auspices of the FFIEC, in June 2017 (see [FIL-24-2017](#), dated June 27, 2017) and result from ongoing efforts by the FFIEC and the banking agencies to ease reporting requirements and lessen reporting burden that is focused on, but not limited to, small institutions.

After considering the comments received on the June 2017 proposal, the banking agencies will proceed with the proposed revisions to the FFIEC 051, FFIEC 041, and FFIEC 031 reports that involve the deletion or consolidation of numerous Call Report items, the raising of certain reporting thresholds, and a reduction in reporting frequency for a number of items. For small institutions filing the FFIEC 051 report, these changes affect approximately seven percent of the data items collected. The agencies will also proceed with the proposed scope revision to the FFIEC 031 report, which will require all institutions with consolidated total assets of \$100 billion or more that do not have foreign offices to begin filing the FFIEC 031 instead of the FFIEC 041 report. The agencies will delay the effective date of these reporting revisions and scope revision until the June 30, 2018, report date, rather than implementing them as of March 31, 2018, as originally proposed. This effective date coincides with the proposed effective date for the agencies' recently proposed burden-reducing Call Report revisions (see [FIL-57-2017](#), dated November 8, 2017).

In addition, the agencies will implement revisions to several Call Report schedules in response to changes in the accounting for equity securities and other equity investments, with some modifications to the changes proposed in June 2017. These changes will take effect as of the March 31, 2018, report date, which corresponds with the first reporting period when certain institutions must adopt these accounting changes for financial reporting purposes. Finally, based on the issues raised in the comments received on the proposed revisions to the definition of "past due" for regulatory reporting purposes, the agencies are giving further consideration to this proposal, including its effect on and relationship to other regulatory reporting requirements. Accordingly, the agencies are not proceeding with this proposed instructional revision at this time.

To assist you in understanding how these reporting changes affect the three versions of the Call Report, redlined copies of the FFIEC 051, FFIEC 041, and FFIEC 031 report forms showing the burden-reducing changes, the scope revision, and the equity securities revisions are available on the FFIEC's website (https://www.ffiec.gov/ffiec_report_forms.htm) on the web page for each report form. Lists detailing the schedules and data items affected by the burden-reducing revisions to each of the three versions of the Call Report also have been posted on these web pages on the FFIEC's website. These web pages also include draft revisions to the instruction book for the FFIEC 051 Call Report and the separate instruction book for the FFIEC 041 and FFIEC 031 Call Reports.

Institutions should also note that the banking agencies jointly issued a final rule on November 21, 2017, that extends the transition provisions applicable during 2017 under the regulatory capital rules for certain regulatory capital deductions, risk weights, and minority interest limitations. The relief provided under the final rule, which is effective January 1, 2018, applies to banking organizations that are not advanced approaches banking organizations for regulatory capital purposes. Thus, non-advanced approaches banking organizations will continue to apply the transition provisions applicable for calendar year 2017 for mortgage servicing assets, deferred tax assets arising from temporary differences that could not be realized through net operating loss carrybacks, significant and non-significant investments in the capital of unconsolidated financial institutions, and minority interests exceeding the capital rules' minority interest limitations. In contrast, under the final rule, advanced approaches banking organizations are required to apply the capital rules' fully phased-in treatment for these items beginning January 1, 2018. Draft revised instructions for Call Report Schedule RC-R, Regulatory Capital, that will take effect for the March 31, 2018, report date to implement the final rule's extended transition provisions for non-advanced approaches banking organizations are available on the web page for each of the three versions of the Call Report on the FFIEC's website.

Please share this letter with the person responsible for preparing Call Reports at your institution. For further information about these reporting revisions, state member banks should contact their Federal Reserve District Bank. National banks, savings associations, and FDIC-supervised banks should contact the FDIC's Data Collection and Analysis Section in Washington, D.C., by telephone at (800) 688-FDIC (3342) or email at FDICInfoReq@fdic.gov.

Judith E. Dupré
Executive Secretary

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