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Technical Director  
Financial Accounting Standards Board  
401 Merritt 7  
PO Box 5116  
Norwalk, CT 06856-5116

File Reference Number: 2018-200

Re: Proposed Accounting Standards Update, *Leases (Topic 842) – Targeted Improvements*

Verizon Communications Inc. ("Verizon") appreciates the opportunity to comment on the Proposed Accounting Standards Update, *Leases (Topic 842) – Targeted Improvements*. Verizon, one of the world's leading providers of communications, information and entertainment products and services, is a registrant with the Securities and Exchange Commission ("SEC") and is classified as a Large Accelerated Filer.

Verizon supports the Board's proposal to make targeted improvements to simplify the application of the new leasing standard. The Board's proposal to allow for another transition method in which the transition to the new lease standard is applied by recognizing a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption will reduce the costs and complexities associated with implementing Topic 842.

Verizon agrees that the lack of comparability resulting from this transition option is mitigated by existing disclosures provided for operating leases.

Verizon also supports the Board's proposal to provide lessors with the practical expedient, by class of underlying assets, to not separate nonlease components from the related lease components, if certain conditions are met. We believe this practical expedient appropriately

balances the cost/benefit considerations when the timing and pattern of revenue recognized is not affected by this policy election.

We believe finalizing the proposed amendments relating to the new lease standard in a timely manner is critical. Any changes may impact current ongoing implementation efforts including, but not limited to, system configuration. We also encourage the FASB to continue to monitor implementation issues from the new leases standard as well as explore additional expedients that may provide transition relief for preparers without eliminating useful decision-making information for users.

Thank you for the opportunity to comment. We would be pleased to discuss our comments in more detail with the members of the Board or Staff.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Tracy Krause". The signature is fluid and cursive, with the first name "Tracy" and last name "Krause" clearly distinguishable.

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Vice President – Accounting & External Reporting