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GASB Proposes Guidance to Assist Stakeholders with Application of Statement No. 103, Financial Reporting Model Improvements.

Norwalk, CT, February 25, 2026—The Governmental Accounting Standards Board (GASB) issued a proposed Implementation Guide today containing questions and answers intended to clarify, explain, or elaborate on the requirements related to subsidies in Statement No. 103, *Financial Reporting Model Improvements*.

The [proposed implementation guidance](#) on Financial Reporting Model Improvements—Subsidies contains eight new questions and answers that address the application of GASB requirements under Statement 103 related to subsidies. The proposed guide also includes amendments to Question 4.5 in Implementation Guide No. 2025-1, *Implementation Guidance Update—2025*, also related to subsidies.

The GASB periodically issues new and updated guidance to assist state and local governments in applying generally accepted accounting principles (GAAP) to specific facts and circumstances that they encounter. The guidance is developed based on:

- Application issues raised during due process on GASB pronouncements;
- Questions the staff receives throughout the year; and
- Topics identified by members of the Governmental Accounting Standards Advisory Council and other stakeholders.

The guidance in Implementation Guides is cleared by the Board and constitutes Category B GAAP, which is authoritative.

Stakeholders are asked to review the proposal and provide input to the GASB by April 27, 2026.

Comments may be submitted either in writing and addressed to the Director of Research and Technical Activities, who may be emailed at director@gasb.org, or through an [electronic input form](#).