

Proprietary USSGL Account Definition Modifications (Effective FY 2024)

1) Leasehold Improvements

Account Title: Leasehold Improvements

Account Number: 182000

Normal Balance: Debit

Definition: This account is used to record the amount of capitalized cost of additions, alterations, or other improvements that either extend the useful life or enlarge/improve the capacity of underlying PP&E leased ~~land, buildings, structures, and facilities occupied~~ by ~~the U.S. Federal Government~~ a federal entity acting as a lessee ~~as well as easements and right-of-way~~. See also SFFAS 60, Par. 35. This account does not close at year-end.

Justification: Ensures consistency with SFFAS 54, Par. 11 and reduces confusion around accounting for Leasehold Improvements.

2) Lessor Lease Receivable

Account Title: Lessor Lease Receivable

Account Number: 193000

Normal Balance: Debit

Definition: This account is used to record the present value of lease payments ~~required from a lessor to be received~~ for the lease term in leases other than short-term, intragovernmental, and lease contracts that transfer ownership. For certain payments not included in the measurement of the Lessor Lease Receivable, see SFFAS 54, Pars. 57-58. This account does not close at year-end.

Justification: Reduces confusion and ensures consistency with SFFAS 54, Par. 56.

3) Lessee Right-To-Use Lease Asset

Account Title: Lessee Right-To-Use Lease Asset

Account Number: 195000

Normal Balance: Debit

Definition: This account is used to record the lessee's right to control the use of an underlying asset during the lease term in leases other than short-term, intragovernmental, and lease contracts that transfer ownership. It is measured at the start of the lease term by adding the amount of the initial lease liability, any lease payments made to the lessor at or before the start of the lease term (less lease incentives,) and any ~~initial direct~~ ~~indirect~~ lease costs necessary to place the lease asset into service. This account does not close at year-end.

Justification: Ensures consistency with SFFAS 54, Pars. 13 & 49c and reduces confusion around the nature of initial direct lease costs.