

# Single Rulebook Q&A

<b>Question ID</b>	2013_390
<b>Status</b>	Final Q&A
<b>Legal act</b>	Regulation (EU) No 575/2013 (CRR)
<b>Topic</b>	Supervisory reporting - COREP (incl. IP Losses)
<b>Article</b>	99
<b>Paragraph</b>	-
<b>Subparagraph</b>	-
<b>COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations</b>	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
<b>Article/Paragraph</b>	Not applicable
<b>Date of submission</b>	16/10/2013
<b>Published as Final Q&amp;A</b>	21/03/2014
<b>Disclose name of institution / entity</b>	No
<b>Type of submitter</b>	Credit institution
<b>Subject matter</b>	Reporting of the net DTA that are dependent on future profitability and arise from temporary differences that are not deducted and will be risk weighted at 250%
<b>Question</b>	For the net DTA that are dependent on future profitability and arise from temporary differences that are not deducted and will be risk weighted at 250%, where should we report the RWA?
<b>Background on the question</b>	nothing is mentioned in the guidelines
<b>Final answer</b>	<p>Basically net deferred tax assets which depend on future profitability and arise from temporary differences (DTAs) and which are risk weighted with 250% according to Article 48 (4) of Regulation (EU) No. 575/2013 (CRR) are assigned to the exposure class of the obligor. The reporting of DTAs in the relevant templates of <u>Regulation (EU) No 680/2014 13 ITS on supervisory reporting of institutions</u><del>ITS on Supervisory reporting</del> is derived from assignment of DTA exposures to exposure classes.</p> <p>For example, in case DTAs are exposures to governments, the assignment of DTAs to exposure classes is necessary to distinguish between the</p>

	<p>Standardised Approach (SA) and the Internal Ratings Based Approach (IRB).</p> <p>Depending on the particular counterparty, in SA the exposure would be assigned to the exposure classes 'central governments or central banks' (Article 112 (a) of CRR) or 'regional governments or local authorities' (Art. 112 (b) of CRR).</p> <p>In IRB the net DTA could be assigned to IRB exposure class 'central governments or central banks' (Art. 147 (2) (a) of CRR), with regard to exposures to regional governments it is assumed that they are treated as exposures to central governments according to Articles 115 and 116 of CRR (please see Article 147 (3) (a) of CRR).</p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
<b>Link</b>	<a href="https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_390">https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_390</a>

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