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FOR IMMEDIATE RELEASE

IMA Embraces Bill to Ease SOX Rules for Small Businesses

The following is commentary from Paul A. Sharman, ACMA, president and CEO, Institute of Management Accountants (IMA®), regarding proposed legislation by Congressman Scott Garrett that would extend SOX Section 404 compliance deadlines for small businesses.

Montvale, N.J., July 18, 2007 -- The Institute of Management Accountants (IMA®), the world's leading association representing the management accounting profession, supports legislation introduced by Congressman Scott Garrett (R-NJ) to extend the amount of time small businesses have to comply with reporting requirements of The Sarbanes-Oxley Act (SOX), Section 404. IMA is pleased that the U.S. House of Representatives passed Congressman Garrett's amendment on June 28, 2007.

Congressman Garrett's bill, ***The Small Business SOX Compliance Extension Act***, intends to extend the current small business exemption from SOX Section 404 auditing and reporting requirements for an additional year. This legislation, offered by Congressmen Garrett and Tom Feeney (FL), as an amendment to the Financial Services Appropriations Act for FY08, is expected to be considered by the U.S. Senate in upcoming weeks. IMA has served as an information source for both offices, providing technical subject matter assistance.

To date, the SEC and PCAOB have, despite extensive feedback from a variety of stakeholders including IMA, elected to make little change to their December exposure drafts of implementation guidance. As a result, IMA sees the need for U.S. lawmakers to redirect the SOX regulatory regime toward a path that will be cost-effective and practical for smaller public companies, as well as for companies of all sizes.

Small businesses are vital to America's economy and have created 60 – 80 percent of net new jobs during the past decade. We believe that full implementation of the costly and error-prone control assessment methods proposed in the revised regulations will negatively impact the growth, success and global competitiveness of the more than 6,000 U.S. listed non-accelerated filers.

IMA's testimony to the U.S. Congress on June 8, 2007 stated that a delay in SOX 404 compliance for small-cap companies is necessary, and we look forward to a favorable outcome by the U.S. Senate to protect small businesses.

During the past three years, IMA has devoted significant time and resources to studying, researching and analyzing SOX and the massive economic costs and problems associated with the current regulatory framework. IMA's efforts include a 2006 research study to identify the root causes of SOX Sections 302 and 404 implementation issues.

About IMA

With a worldwide network of nearly 65,000 professionals, IMA is the world's leading organization dedicated to empowering accounting and finance professionals to drive business performance. IMA provides a dynamic forum for professionals to advance their careers through Certified Management Accountant (CMA®) certification, research, professional education, networking and advocacy of the highest ethical and professional standards.

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