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Comments on draft SNA chapter
Chapter 7: The distribution of income accounts

§ 7.52

"The valuation of the options may be estimated using a stock options pricing model or as the difference between the market price and strike price at vesting date."
Calculating the value of the ESOs as the difference between the market price and strike price at vesting date seems to be contrary to AEG recommendations on the subject. The AEG recommended "that the ESOs should be valued at market price, or by using a suitable option pricing model."

§ 7.59

The formula in this paragraph suggests that the increase in the employee's entitlement for any given year is not influenced by property income that results from the investment of possible technical reserves accumulated by the pension fund. We feel that the employee's entitlements are influenced by property income.

§ 7.60

"Some schemes may be expressed as non-contributory because no actual contributions are made (…) Nevertheless, an imputed contribution by the employer is calculated and imputed as just described"

It is not clear whether this paragraph concerns a third kind of non-autonomous pension fund or the circumstances where employers temporarily continue to pay wages and salaries in the event of sickness, maternity, injury, disability, etc. of their employees without involving an insurance enterprise or social security fund. We therefore ask for a more explicit formulation of the paragraph, including examples if possible.

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§ 7.120

“The investment income payable on defined contribution entitlements is equal to the investment income on the funds plus any income earned by renting land or buildings owned by the fund “
As defined in § 7.117 investment income attributed to insurance policy holders includes net operating surpluses from the renting or leasing of residential and other buildings. § 7.120 also mentions income earned by renting land or buildings but it does not specify whether to consider gross income or only the net operating surpluses from the renting.
In order to avoid any confusion or accounting disparity we ask for a harmonization of the mentioned definitions.

§ 7.85d

The AEG recommendation states:
"Costs of ownership transfer on land should be recorded as fixed assets and included with land improvements." These costs should therefore be considered as gross fixed capital formation.

§ 7.85 d states:
«Taxes on financial and capital transactions: these consist of taxes payable on the purchase or sale of non-financial and financial assets (…). They become payable when the ownership of land or other assets changes (…). They are treated as taxes on the services of intermediaries."

It is our understanding that these taxes on financial and capital transactions are part of the costs of ownership transfer. If that is the case paragraph 7.85d seems to be in contradiction with AEG recommendations.