

## 31.205-49 Goodwill.

Goodwill, an unidentifiable intangible asset, originates under the purchase method of accounting for a business combination when the price paid by the acquiring *company* exceeds the sum of the identifiable individual assets acquired less liabilities assumed, based upon their fair values. The excess is commonly referred to as goodwill. Goodwill *may* arise from the *acquisition* of a *company* as a whole or a portion thereof. Any *costs* for amortization, expensing, write-off, or write-down of goodwill (however represented) are unallowable.

**Parent topic:** [31.205 Selected costs.](#)