U.S. and international accounting rule makers finally may be ready next month to resolve a debate over corporate lease accounting, that would bring $2 trillion worth of lease obligations onto corporate balance sheets. Members of the U.S. Financial Accounting Standards Board and the International Accounting Standards Board said Thursday they were ready to vote on a method for how new lease accounting rules will impact corporate earnings in June, which means a new draft of the rules could be finished by the end of this year.

The lease accounting overhaul is part of a six-year effort to align global accounting rules and increase transparency around off-balance sheet obligations. Companies, however, have been reticent to embrace the change as it could bulk up their balance sheets, alter fundamental ratios, and require changes to debt covenants.

In a joint discussion at FASB headquarters in Norwalk, Connecticut, members of both boards said they were open to voting on two methods for representation of lease costs, that they have discussed with companies and investors since April . The first option, which the boards proposed in their first draft of a lease accounting proposal, recognizes leases, or the right to use a piece of property or equipment as a new “right of use asset” on corporate balance sheets. It requires a depreciation method that front-loads, or concentrates the cost of the lease into its early years. The second option would bring leases on the balance sheet, but let companies expense their rent payments equally over the course of a lease, similar to what they do now. Board members said they wanted to vote in June on whether to allow companies to use only one method or the other, or some combination.

“I think we’re stuck with at least considering seriously two different lease models,” FASB member Thomas Linsmeier said at the meeting. While he said it is tempting for the board to choose just one model, he said he’s become convinced that there are “fundamentally different” types of leases. Some leases he said are just another form of financing, where a lessee is choosing to take out a lease rather than finance the purchase of the asset. But other leases, such as real estate leases, simply let companies buy access to a property for a certain period of time, and don’t have all the same financing components.

“Just because you write ‘lease’ at the top of the paper does not mean they all convey the same rights and obligations,” FASB Chairman Leslie Seidman said.

Some board members said they were supportive of adopting two forms of leases, citing input from airline companies who said they would be happy to use the "right of use" model for their planes, but wanted to use traditional straight-line rent expenses for their real estate leases.

Other board members, including Patricia McConnell from the IASB, said they wanted to stay with just one model, rather than two for the sake of "simplicity," but debated whether the "right of use" model or the straight-line method would be best.

Two other methods of asset amortization that the boards discussed with companies and investors over the past few months were largely rejected as "non-starters" on Thursday because board members said auditors and companies found them too complex and difficult to apply.

The accounting rule makers have faced fresh criticism on the lease project in the past few days. U.S. Congressman Brad Sherman (D-CA) and **Congressman John Campbell (R-CA)** from the U.S. House Financial Services Committee sent a letter signed by 60 lawmakers to the FASB this week saying that they wanted FASB to do a comprehensive study on the costs of lease accounting before making a final rule.

The board members, however, said that on Thursday that they still believe investors want to see lease obligations on corporate balance sheets to get a clearer picture of corporate liabilities. The boards have "unqualified, overwhelming support for putting leases on the balance sheet," IASB Chairman Hans Hoogervorst said at the meeting.