

Federal Communications Commission

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taxes Account 1300, Prepaid Taxes, or 1410, Other Noncurrent Assets, as appropriate.

§ 32.4100 Net current deferred operating income taxes.

(a) This account shall include the balance of income tax expense related to current items from regulated operations which have been deferred to later periods as a result of the normalized method of accounting for tax differentials authorized by this Commission and not provided for elsewhere.

(b) As regulated assets or liabilities which generated the deferred income tax are reclassified from long-term or noncurrent status to current, the appropriate deferred income tax shall be reclassified from Account 4340, Net Noncurrent Deferred Operating Income Taxes, to this account.

(c) This account shall be debited or credited with the amount being debited or credited to Account 7250, Provision For Deferred Operating Income Taxes—Net, in accordance with that account's description and § 32.22 of subpart B.

(d) The classification of deferred income taxes as current or noncurrent shall follow the classification of the asset or liability that gave rise to the deferred income tax. If there is no related asset or liability, classification shall be based on the expected turnaround of the temporary differences.

(e) Subsidiary record categories shall be maintained in order that the company may separately report the amounts contained herein that are property related and those that are nonproperty related. Such subsidiary record categories shall be reported as required by Part 43 of this Commission's Rules and Regulations.

[51 FR 43499, Dec. 2, 1986, as amended at 59 FR 9419, Feb. 28, 1994]

§ 32.4110 Net current deferred nonoperating income taxes.

(a) This account shall include the balance of income tax expense resulting from comprehensive interpreted tax allocation which has been deferred to later periods.

(b) As other assets or liabilities which generated the deferred income tax are reclassified from long-term or noncurrent status to current, the ap-

propriate deferred income tax shall be reclassified from Account 4350, Net Noncurrent Deferred Nonoperating Income Taxes, to this account.

(c) This account shall be debited or credited with the amount being credited or debited to Account 7450, Provision For Deferred Nonoperating Income Taxes—Net, in accordance with that account's description and § 32.22 of Subpart B.

(d) This account shall also include the balance of the income taxes (Federal, state and local) related to current extraordinary items which have been deferred to later periods resulting from comprehensive interperiod tax allocation.

(e) As the extraordinary item which generated the deferred income tax becomes current, the appropriate deferred income tax shall be reclassified from Account 4350, Net Noncurrent Deferred Nonoperating Income Taxes, to this account.

(f) This account shall be debited or credited with the amount being credited and debited to Account 7640, Provision for Deferred Income Tax Effect of Extraordinary Items—Net.

(g) The classification of deferred income taxes as current or noncurrent shall follow the classification of the asset or liability that gave rise to deferred income tax. If there is no related asset or liability, classification shall be based on the expected turnaround of the temporary differences.

(h) Subsidiary record categories shall be maintained in order that the company may separately report the amounts contained herein that are property related and those that are nonproperty related. Such subsidiary record categories shall be reported as required by part 43 of this Commission's Rules and Regulations.

[51 FR 43499, Dec. 2, 1986, as amended at 59 FR 9419, Feb. 28, 1994]

§ 32.4120 Other accrued liabilities.

(a) This account shall include the amount of wages, compensated absences, interest on indebtedness of the company, dividends on capital stock, and rents accrued to the date for which the balance sheet is made, but not payable until after that date.

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(b) This account shall be maintained so as to show separately the amount and nature of the items accrued to the date of the balance sheet.

(c) Matured rents, dividends and interest shall be included in Account 4010, Accounts Payable.

(d) Interest payable under monthly settlements on short-term loans, advances, and open accounts shall be included in Account 4010.

§ 32.4130 Other current liabilities.

This account shall include liabilities of current character which are not includable in Accounts 4010 through 4120.

§ 32.4210 Funded debt.

(a) This account shall include the total face amount of unmatured debt, maturing more than one year from date of issue, issued by the company and not retired, and the total face amount of similar unmatured debt of other companies, the payment of which has been assumed by the company, including funded debt the maturity of which has been extended by specific agreement.

(b) This account shall include such items as mortgage bonds, collateral trust bonds, income bonds, convertible debt, debt securities with detachable warrants and other similar obligations maturing more than one year from date of issue.

(c) In the case of debt securities with detachable warrants this account shall include only the face amount of the security at the time of issuance. The value of detachable warrants shall be charged to either Account 4220, Premium on Long-Term Debt, or Account 4230, Discount on Long-Term Debt, as appropriate, and credited to Account 4520, Additional Paid-in Capital, in the case of capital stock warrants or retained in this account as a separately identifiable amount in the case of detachable long-term debt warrants. No similar allocation shall be made for the issuance of either convertible debt or debt securities with non-detachable warrants.

(d) Subsidiary records shall be maintained for each issue.

(e) Securities maturing in one year or less, including securities maturing serially, shall be included in Account

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4050, Current Maturities—Long-Term Debt.

(f) Investment advances, including those represented by notes, shall be included in Account 4270, Other Long-Term Debt.

§ 32.4220 Premium on long-term debt.

(a) This account shall include the premium associated with all classes of long-term debt. Premium, as applied to securities issued or assumed by the company, means the excess of the current money value received at their sale over the sum of their book or face amount and interest or dividends accrued at the date of the sale.

(b) Amounts included in this account shall be amortized monthly by the interest method and credited to Account 7510, Interest on Funded Debt. (Note also § 32.4210(c) of this subpart.)

(c) Subsidiary records shall be maintained to identify the premium attributable to each issue.

§ 32.4230 Discount on long-term debt.

(a) This account shall include the discount associated with all classes of long-term debt. Discount, as applied to securities issued or assumed by the company, means the excess of the book or face amount of the securities plus interest or dividends accrued at the date of the sale over the current money value of the consideration received at their sale.

(b) Amounts included in this account shall be amortized monthly by the interest method and charged to Account 7510, Interest On Funded Debt. (Note also § 32.4210(c) of this subpart.)

(c) Subsidiary records shall be maintained to identify the discount attributable to each issue.

§ 32.4240 Reacquired debt.

This account shall include the face amount of debt reacquired prior to maturity that has not been retired. Gain or loss shall be recognized at the time of reacquisition by credits or charges to Account 7360, Other Nonoperating Income, except that material gains or losses shall be treated as extraordinary. (See Accounts 7610, Extraordinary Income Credits, and 7620, Extraordinary Income Charges.)