

§ 32.7099

47 CFR Ch. I (10-1-00 Edition)

Account title	Class A account	Class B account
Allowance for funds used during construction	7340	.....
Gains or losses from the disposition of certain property	7350	.....
Other nonoperating income	7360	.....
Special charges	7370	.....
Nonoperating taxes:		
Nonoperating taxes	1 7400	7400
Nonoperating investment tax credits—net	7410	.....
Nonoperating Federal income taxes	7420	.....
Nonoperating State and local income taxes	7430	.....
Nonoperating other taxes	7440	.....
Provision for deferred nonoperating income taxes—net	7450	.....
Interest and related items:		
Interest and related items	1 7500	7500
Interest on funded debt	7510	.....
Interest expense—capital leases	7520	.....
Amortization of debt issuance expense	7530	.....
Other interest deductions	7540	.....
Extraordinary items:		
Extraordinary items	1 7600	7600
Extraordinary income credits	7610	.....
Extraordinary income charges	7620	.....
Current income tax effect of extraordinary items—net	7630	.....
Provision for deferred income tax effect of extraordinary items—net	7640	.....
Jurisdictional Differences and non-regulated income items:		
Income effect of jurisdictional ratemaking difference—net	7910	7910
Nonregulated net income	7990	7990

¹ To be used by Class A companies to summarize accounts for reporting purposes.

[51 FR 43499, Dec. 2, 1986, as amended at 52 FR 6562, Mar. 4, 1987; 53 FR 49322, Dec. 7, 1988]

§ 32.7099 Content of accounts.

Other Operating Income and Expense accounts are intended to record the results of transactions, events or circumstances during the periods which are incidental or peripheral to the major or central operations of the company. They shall include all items of an operating nature as incidental work performed for others not provided for elsewhere. Whenever practicable the inflows and outflows associated with a transaction, event or circumstances shall be matched and the result shown as a net gain or loss.

§ 32.7100 Other operating income and expenses.

This account number shall be used by Class A telephone companies to summarize for reporting purposes the con-

tents of Accounts 7110 through 7160. Class B companies shall use this account for other operating income and expense items of the type and character required of Class A companies in Accounts 7110 through 7160.

§ 32.7110 Income from custom work.

(a) This account shall include profits realized from custom work (plant construction) performed for others incidental to the company's regulated telecommunications operations. This includes profits from the incidental performance of nontariffed construction activities (including associated engineering and design) for others which are similar in nature to those activities which are performed by the company in constructing its own telecommunications plant facilities.

(b) The records supporting the entries in this account shall be maintained with sufficient particularity to identify separately the revenue and costs associated with each undertaking.

§ 32.7130 Return from nonregulated use of regulated facilities.

This account shall include a return on investment for the use of regulated property plant and equipment to provide nonregulated products and services.

§ 32.7140 Gains and losses from foreign exchange.

This account shall include all gains and losses resulting from the exchange of foreign currency. Transaction (realized) gains or losses shall be measured based on the exchange rate in effect on the transaction date. Unrealized gains or losses shall be measured based on the exchange rate in effect at the balance sheet date.

§ 32.7150 Gains and losses from the disposition of land and artworks.

This account shall include gains or losses resulting from the disposition of land or artworks.

§ 32.7160 Other operating gains and losses.

This account shall be charged or credited, as appropriate, to record the

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results of transactions, events or circumstances which are of an operational nature, but occur irregularly or are peripheral to the major or central operations of the company and not provided for elsewhere.

§ 32.7199 Content of accounts.

The Operating Tax accounts shall include the taxes arising from the central operations of the company.

§ 32.7200 Operating taxes.

This account number shall be used by Class A telephone companies to summarize for reporting purposes the contents of Accounts 7210 through 7250. Class B telephone companies shall use this account for operating taxes of the type and character required of Class A companies in Accounts 7210 through 7250.

§ 32.7210 Operating investment tax credits—net.

(a) This account shall be charged and Account 4320, Unamortized Operating Investment Tax Credits—Net, shall be credited with investment tax credits generated from qualified expenditures related to regulated operations which the company defers rather than recognizes currently in income.

(b) This account shall be credited and Account 4320 shall be charged ratably with the amortization of each year's investment tax credits included in Account 4320 for investment services for ratemaking purposes. (See also Account 7410, Nonoperating Investment Tax Credits—Net.) Such amortization shall be determined in relation to the period of time used for computing book depreciation on the property with respect to which the tax credits relate.

§ 32.7220 Operating Federal income taxes.

(a) This account shall be charged and Account 4070, Income Taxes—Accrued, shall be credited for the amount of Federal Income Taxes for the current period. This account shall also reflect subsequent adjustments to amounts previously charged.

(b) Taxes should be accrued each month on an estimated basis and adjustments made as later data becomes available.

(c) Tax credits, other than investment tax credits, if normalized, shall be recorded consistent with the accounting for investment tax credits and shall be amortized to income as directed by this Commission.

(d) No entries shall be made to this account to reflect interperiod tax allocations.

§ 32.7230 Operating state and local income taxes.

(a) This account shall be charged and Account 4070, Income Taxes—Accrued, shall be credited for the amount of state and local income taxes for the current period. This account shall also reflect subsequent adjustments to amounts previously charged.

(b) Taxes should be accrued each month on an estimated basis and adjustments made as later data becomes available.

(c) No entries shall be made to this account to reflect interperiod tax allocations.

§ 32.7240 Operating other taxes.

(a) This account shall be charged and Account 4080, Other Taxes—Accrued, shall be credited for all taxes, other than Federal, state and local income taxes and payroll related taxes, related to regulated operations applicable to current periods. Among the items includable in this account are property, gross receipts, franchise and capital stock taxes; this account shall also reflect subsequent adjustments to amounts previously charged.

(b) Special assessments for street and other improvements and special benefit taxes, such as water taxes and the like, shall be included in the operating expense accounts or investment accounts, as may be appropriate.

(c) Discounts allowed for prompt payment of taxes shall be credited to the account to which the taxes are chargeable.

(d) Interest on tax assessments which are not paid when due shall be included in Account 7540, Other Interest Deductions.

(e) Taxes paid by the company under tax-free covenants on indebtedness shall be charged to Account 7360, Other Nonoperating Income.