

(b) This account shall be subdivided as follows by all carrier groups:

**72.1 Airworthiness Allowance Provisions—Airframes.**

Record here current provisions for effecting an equitable distribution of airframe overhaul costs between different accounting periods. Record here also credits for airframe overhaul costs incurred in the current period which have been charged against related airworthiness allowances.

**72.3 Airframe Overhauls Deferred.**

Record here airframe overhauls of the current period transferred to subaccount 1601.2, Unamortized Airframe Overhauls, and the amount of deferred airframe overhaul costs amortized for the current period.

**72.6 Airworthiness Allowance Provisions—Aircraft Engines.**

Record here current provisions for effecting an equitable distribution of aircraft engine overhauls costs between different accounting periods. Record here also credits for aircraft engine overhaul costs incurred in the current period which have been charged against related airworthiness allowances.

**72.8 Aircraft Engine Overhauls Deferred.**

Record here airframe overhauls of the current period transferred to subaccount 1602.2, Unamortized Aircraft Engine Overhauls, and the amount of deferred aircraft engine overhaul costs amortized for the current period.

[ER-948, 41 FR 12295, Mar. 25, 1976, as amended by ER-1401, 50 FR 245, Jan. 3, 1985]

**73 Provisions for Obsolescence and Deterioration—Expendable Parts.**

(a) Where allowances for loss in value of flight equipment expendable parts are established, provisions for accruals to such allowances shall be charged to this account and credited to balance sheet account 1311 Allowance for Obsolescence in accordance with the provisions of that account.

(b) This account shall be subdivided as follows by all air carrier groups:

**73.1 Current provisions.** Record here provisions during the current period for losses in value of expendable parts.

**73.2 Inventory decline credits.** Record here credits applicable to the current period for any adjustments for excess inventory allowance levels determined pursuant to section 6-1311.

[ER-980, 42 FR 37, Jan. 3, 1977]

**74 Amortization.**

(a) Record here amortization of deferred charges attaching to the air transportation services conducted by the air carrier which are not prepayments of recurrent expenses ordinarily

requiring expenditures of working capital within one year.

(b) This account shall be subdivided as follows by all air carrier groups:

**74.1 Developmental and Preoperating Expenses**

Record here amortization of the cost of projects carried in balance sheet account 1830 Unamortized Developmental and Preoperating Costs.

**74.2 Other Intangibles.**

Record here mortization of the cost of intangibles not provided for otherwise.

[ER-755, 37 FR 19726, Sept. 21, 1972, as amended by ER-980, 42 FR 38, Jan. 3, 1977; Amdt. 241-58, 54 FR 5596, Feb. 6, 1989]

**75 Depreciation.**

(a) Record here provisions for depreciation of property and equipment carried in balance sheet accounts 1601 through 1640, inclusive.

(b) This account shall be subdivided as follows:

ALL AIR CARRIER GROUPS

**75.1 Depreciation—Airframes.**

Record here provisions for depreciation of property and equipment carried in balance sheet subaccount 1601.1 Airframes.

**75.2 Depreciation—Aircraft Engines.**

Record here provisions for depreciation of property and equipment carried in balance sheet subaccount 1602.1 Aircraft Engines.

GROUP II AND GROUP III AIR CARRIERS

**75.3 Depreciation—Airframe Parts.**

Record here provisions for depreciation of spare airframe instruments and parts carried in balance sheet subaccount 1608.1 Airframe Parts and Assemblies.

**75.4 Depreciation—Aircraft Engine Parts.**

Record here provisions for depreciation of spare aircraft engine instruments and parts carried in balance sheet subaccount 1608.5 Aircraft Engine Parts and Assemblies.

ALL AIR CARRIER GROUPS

**75.5 Depreciation—Other Flight Equipment.**

Record here provisions for depreciation of property and equipment carried in balance sheet account 1607 Improvements to Leased Flight Equipment (exclusive of capitalized overhauls accounted for on a deferral and amortization basis) and balance sheet subaccount 1608.9 Other Parts and Assemblies. Group I air carriers shall also include in this subaccount provisions for depreciation of property carried in balance sheet account 1608 Flight Equipment Rotable Parts and Assemblies.

**75.6 Depreciation—Flight Equipment.**