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2345 Deferred Investment Tax Credits.

Record here investment tax credits utilized as reduction of tax liabilities, when the carrier exercises the option to defer such credits for amortization over the service life of the related equipment.

[Amdt. 241–58, 54 FR 5594, Feb. 6, 1989]

2390 Other Deferred Credits.

Record here credits, not provided for elsewhere, the proper final disposition of which cannot be effected until additional information has been received.

STOCKHOLDERS' EQUITY

2820 Preferred Stock.

Record here in separate subdivisions for each class and series, the par or stated value of preferred capital stock issued or in the case of no-par stock without stated value, the full consideration received.

2840 Common Stock.

Record here in separate subdivisions for each class and series, the par or stated value of common stock issued or in case of no-par stock without stated value, the full consideration received.

2860 Subscribed and Unissued Stock.

Record here in separate subdivisions for each class and series, the par or stated value, or the subscription price in the case of stock without par or stated value, of legally enforceable subscriptions to the capital stock of the air carrier.

2890 Additional Capital Invested.

(a) Record herein separate subdivisions for each class and series, the difference between the price at which capital stock is sold and the par or stated value of the stock; gains or losses arising from the reacquisition and the resale or retirement of each class and series of capital stock; donations; the excess of retained earnings capitalized over par or stated value of capital stock issued; adjustments in capital resulting from reorganization or recapitalization; and proceeds attributable to detachable stock purchase warrants related to debt issues. This account shall also include balances of contributions to the business enterprise of individual proprietors or partners.

(b) Each air carrier shall maintain the following subaccounts:

2890.1 *Premium on capital stock.* Record here in separate subdivisions for each class and series of capital stock issued the excess of the cash value of consideration received over the par or stated value and accrued dividends of stock issued together with assessments against stockholders representing payments required in excess of par or stated value.

2890.2 *Discount on capital stock.* Record here in separate subdivisions for each class and series of capital stock issued, the excess of the par or stated value over the cash value of consideration received, less accrued dividends. Discounts applicable to a particular class and series of capital stock may be offset against premiums from the same class and series of capital stock. Discounts and premiums on different classes and series of capital stock shall not be offset. The air carrier may, at its option, record in this subaccount commissions and expenses incurred in the issuance of capital stock and may charge balance sheet account 2900 Retained Earnings to the extent capital stock expense may exceed any existing balance of paid-in capital over the par or stated value of capital stock.

2890.3 *Other Capital Stock Transactions.* Record here in separate subdivisions for each class and series, the balance of credits arising from the reacquisition and resale or cancellation of capital stock, credits arising from a reduction in the par or stated value of capital stock or the net balance of credits or debits resulting from other paid-in capital transactions such as proceeds attributable to detachable stock purchase warrants related to debt issues, not provided for elsewhere, which is identified with a particular class and series of capital stock.

2900 Retained Earnings.

(a) Record here the net income or loss from operations of the air carrier and dividends declared on capital stock.

(b) This account shall not be charged with dividends on treasury stock. If a dividend is not payable in cash, the values entered in this account shall be completely described.

(c) Delayed credits or charges to income shall not be entered in this account directly but in appropriate profit and loss accounts.

(d) Net income or loss accounted for during the current fiscal year shall not be entered in this account until the close of the fiscal year. Individual proprietorships or partnerships may clear

net income or loss accounted for during the year directly to balance sheet account 2890 Additional Capital Invested, or optionally, to this account for subsequent transfer to balance sheet account 2890 Additional Capital Invested.

(e) A separate subaccount to this account shall be maintained to record changes in the valuation of marketable equity securities included in noncurrent assets. Such changes shall be reflected in this subaccount to the extent the balance in this subaccount represents a net unrealized loss as of the current balance sheet date.

[ER–980, 42 FR 29, Jan. 3, 1977, as amended by ER–1401, 50 FR 242, Jan. 3, 1985]

2990 Treasury Stock.

(a) Record here the cost of capital stock issued by the air carrier reacquired by it and not retired or canceled.

(b) Separate records shall be established for each class and series of capital stock held in this account.

[ER–980, 42 FR 29, Jan. 3, 1977, as amended by Amdt. 241–58, 54 FR 5594, Feb. 6, 1989]

PROFIT AND LOSS CLASSIFICATION

SECTION 7—CHART OF PROFIT AND LOSS ACCOUNTS

Objective classification of profit and loss elements	Functional or financial activity to which applicable (00)		
	Group I carriers	Group II carriers	Group III carriers
OPERATING REVENUES AND EXPENSES			
Transport revenues:			
01 Passenger:			
01.*1* Passenger—first class	31, 32	31, 32	31, 32.
01.*2* Passenger—coach	31, 32	31, 32	31, 32.
05 Mail:			
05.*1* Priority	31, 32	31, 32	31, 32.
05.*2* Nonpriority	31, 32	31, 32	31, 32.
05.*3* Foreign	31, 32	31, 32	31, 32.
06 Property:			
06.*1* Freight	31, 32	31, 32	31, 32.
06.*2* Excess passenger baggage	31, 32	31, 32	31, 32.
07 Charter:			
07.*1* Passenger	32	32	32.
07.*2* Property	32	32	32.
19 Air transport—other:			
19.*1* Reservation cancellation fees	31, 32	31, 32	31, 32.
19.*2* Miscellaneous operating revenues	31, 32	31, 32	31, 32.
08 Public service revenues (subsidy)	48	48	48.
Transport-related revenues and expenses:			
09 In-flight sales:			
09.*1* Liquor and food—gross revenues	48	48	48.
09.*2* Movies and stereo—gross revenues	48	48	48.
09.*3* Other—gross revenues	48	48	48.
09.*4* Liquor and food—depreciation expense	71	71	71.
09.*5* Liquor and food—other expense	71	71	71.
09.*6* Movies and stereo—depreciation expense	71	71	71.
09.*7* Movies and stereo—other expense	71	71	71.
09.*8* Other—depreciation expense	71	71	71.
09.*9* Other—expense	71	71	71.
10 Restaurant and food service (ground):			
10.*1* Gross revenues	48	48	48.
10.*2* Depreciation expense	71	71	71.
10.*3* Other expenses	71	71	71.
11 Rents:			
11.*1* Gross revenues	48	48	48.
11.*2* Depreciation expense	71	71	71.
11.*3* Other expenses	71	71	71.
12 Limousine service:			
12.*1* Gross revenues	48	48	48.
12.*2* Depreciation expense	71	71	71.