

## Federal Energy Regulatory Commission

## § 367.2830

not be returned to customers through rates or refunds, such amounts must be credited to Account 421, Miscellaneous income or loss (§367.4210), or Account 434, Extraordinary income (§367.4340), as appropriate, in the year such determination is made.

(d) The records supporting the entries to this account must be so kept that the service company can furnish full information as to the nature and amount of each regulatory liability included in this account, including justification for inclusion of such amounts in this account.

### **§367.2550 Account 255, Accumulated deferred investment tax credits.**

This account must be credited with all investment tax credits deferred by companies that have elected to follow deferral accounting, partial or full, rather than recognizing in the income statement the total benefits of the tax credit as realized. After this election, a company may not transfer amounts from this account, except as authorized in this account and in accounts 411.4, Investment tax credit adjustments, service company property (§367.4114) or 411.5, Investment tax credit adjustments, other income and deductions (§367.4115), or with approval of the Commission.

### **§367.2820 Account 282, Accumulated deferred income taxes—Other property.**

(a) This account must include the tax deferrals resulting from adoption of the principle of comprehensive inter-period income tax allocation described in the General Instructions in §367.17 that are related to all property other than accelerated amortization property.

(b) This account must be credited and accounts 410.1, Provision for deferred income taxes, operating income (§367.4101), or 410.2, Provision for deferred income taxes, Other income and deductions (§367.4102), as appropriate, must be debited with tax effects related to property described in paragraph (a) of this section where taxable income is lower than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into

the determination of pretax accounting income.

(c) This account must be debited, and accounts 411.1, Provision for deferred income taxes—Credit, operating income (§367.4111), or 411.2, Provision for deferred income taxes—Credit, other income and deductions (§367.4112), as appropriate, must be credited with tax effects related to property described in paragraph (a) of this section where taxable income is higher than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

(d) The service company is restricted in its use of this account to the purposes described in paragraphs (a) through (c) of this section. It must not transfer the balance in this account or any related portion to retained earnings or make any other use of the balance except as provided in paragraph (a) through (c) of this section without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of property on which there is a related balance, this account must be charged with an amount equal to the related income tax expense, if any, arising from the disposition and accounts 411.1, Income taxes deferred in prior years—Credit, operating income (§367.4111), or 411.2, Income taxes deferred in prior years—Credit, other income and deductions (§367.4112), must be credited. When property is disposed of by transfer to a wholly-owned subsidiary, the related balance in this account also must be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance must be retained to offset future group item tax deficiencies.

### **§367.2830 Account 283, Accumulated deferred income taxes—Other.**

(a) This account must include all credit tax deferrals resulting from the

**§ 367.3010**

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adoption of the principles of comprehensive inter-period income tax allocation described in the General Instructions in § 367.17 other than those deferrals that are includible in account 282, Accumulated deferred income taxes—Other property (§ 367.2820).

(b) This account must be credited, and accounts 410.1 Provision for deferred income taxes, operating income (§ 367.4101), or 410.2 Provision for deferred income taxes, other income and deductions (§ 367.4102), as appropriate, must be debited with tax effects related to items described in paragraph (a) of this section where taxable income is lower than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

(c) This account must be debited, and accounts 411.1, Provision for deferred income taxes-Credit, operating income (§ 367.4111), or 411.2, Provision for deferred income taxes-Credit, other income and deductions (§ 367.4112), as appropriate, must be credited with tax effects related to items described in paragraph (a) of this account where taxable income is higher than pretax accounting income due to differences between the periods in which revenue and expense transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income.

(d) Records with respect to entries to this account, as described in paragraphs (a) through (c) of this section, and the account balance, must be maintained so as to show the factors of calculation with respect to each annual amount of the item or class of items.

(e) The service company is restricted in its use of this account to the purposes described in paragraphs (a) through (c) of this section. It must not transfer the balance in the account or any portion of the account to retained earnings or to any other account or make any use of the account except as provided in the text of this account, without prior approval of the Commission. Upon the disposition by sale, exchange, transfer, abandonment or premature retirement of items on which

there is a related balance herein, this account must be charged with an amount equal to the related income tax effect, if any, arising from the disposition and accounts 411.1, Provision for deferred income taxes-Credit, operating income (§ 367.4111), or 411.2, Provision for deferred income taxes—Credit, other income and deductions (§ 367.4112), as appropriate, must be credited.

(f) When property is disposed of by transfer to a wholly-owned subsidiary, the related balance in this account also must be transferred. When the disposition relates to retirement of an item or items under a group method of depreciation where there is no tax effect in the year of retirement, no entries are required in this account if it can be determined that the related balance must be retained to offset future group item tax deficiencies.

**Subpart G—Service Company  
Property Chart of Accounts**

**§ 367.3010 Account 301, Organization.**

(a) This account must include all fees paid to federal or state governments for the privilege of incorporation and expenditures incident to organizing the corporation, partnership, or other enterprise and putting it into readiness to do business.

(b) This account must include the following items:

(1) Cost of obtaining certificates authorizing the service company to engage in its business.

(2) Fees and expenses for incorporation.

(3) Fees and expenses for mergers or consolidations.

(4) Office expenses incident to organizing the service company.

(5) Stock and minute books and corporate seal.

(c) This account must not include any discounts upon securities issued or assumed; nor may it include any costs incident to negotiating loans, selling bonds or other evidences of debt or expenses in connection with the authorization, issuance or sale of capital stock.

(d) Exclude from this account and include in the appropriate expense account, the cost of preparing and filing