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INFORMATION
GPO

Operators Systems Expenses—Account 6220
Central Office Transmission Expenses—Account 6230 (Class B Telephone Companies); Accounts 6231 and 6232 (Class A Telephone Companies)
Information Origination/Termination Expenses—Account 6310 (Class B Telephone Companies); Accounts 6311, 6341, 6351, and 6362 (Class A Telephone Companies)
Cable and Wire Facilities Expense—Account 6410 (Class B Telephone Companies); Accounts 6411, 6421, 6422, 6423, 6424, 6426, 6431, and 6441 (Class A Telephone Companies)

Plant Non-Specific Expenses

Network Operations Expenses—Account 6530 (Class B Telephone Companies); Accounts 6531, 6532, 6533, 6534, and 6535 (Class A Telephone Companies)

Customer Operations Expenses

Marketing—Account 6610 (Class B Telephone Companies); Accounts 6611 and 6613 (Class A Telephone Companies)
Services—Account 6620

[52 FR 17229, May 6, 1987, as amended at 69 FR 12552, Mar. 17, 2004]

Operating Taxes

§ 36.411 Operating taxes—Account 7200 (Class B Telephone Companies); Accounts 7210, 7220, 7230, 7240, and 7250 (Class A Telephone Companies).

(a) This account includes the taxes arising from the operations of the company, i.e.,

Operating Investment Tax Credits
Operating Federal Income Taxes
Operating State and Local Income Taxes
Operating Other Taxes
Provision for Deferred Operating Income Taxes

§ 36.412 Apportionment procedures.

(a) For apportionment purposes, the expenses in this account are segregated into two groups as follows: (1) Operating Federal, State and local income taxes and (2) all other operating taxes.

(b) Operating Federal, State and local income taxes are apportioned among the operations on the basis of the approximate net taxable income (positive or negative) applicable to each of the operations. The approximate net taxable income from each of the operations is the summation of the following amounts apportioned to each operation by means of the procedures set forth in this Manual:

(1) Operating revenues,

(2) Less operating expenses,

(3) Less operating taxes except the net income tax being apportioned and except any other tax not treated as a deductible item in the determination of taxable net income for this purpose.

(4) Less operating fixed charges.

(i) The amount of fixed charges attributable to the operations is obtained by subtracting the tax component (positive or negative) attributable to other than the operating fixed charges, i.e., fixed charges on non-operating investments are that proportion of total fixed charges which non-operating net investments are of total operating and non-operating net investments.

(ii) Operating fixed charges including interest on Rural Telephone Bank Stock are apportioned among the operations on the basis of the separation of the cost of telephone plant less appropriate reserves.

(c) Other operating taxes should be directly assigned to the appropriate jurisdiction where possible, e.g., Local Gross Receipts may be directly identified as applicable to one jurisdiction. Where direct assignment is not feasible, these expenses should be apportioned among the operations on the basis of the separation of the cost of Telecommunications Plant in Service—Account 2001.

Equal Access Expenses

§ 36.421 Equal access expenses.

(a) Equal access expenses include only initial incremental pre-subscription costs and other initial incremental expenditures related directly to the provision of equal access, that would not be required to upgrade the capabilities of the office involved absent the provision of equal access. Equal access expenses are limited to such expenditures for converting central offices that serve competitive interexchange carriers or where there has been a bona fide request for conversion to equal access.

(b) Equal access expenses are apportioned between the jurisdictions by first segregating them from all other expenses in the primary accounts and then allocating them on the same basis as equal access investment.