transactions enter into the determination of pretax accounting income for the period even though some transactions may affect the determination of taxes payable in a different period, as further qualified in this section.

(b) Once comprehensive inter-period tax allocation has been initiated, either in whole or in part, it must be practiced on a consistent basis and must not be changed or discontinued without prior Commission approval.

(c) Tax effects deferred currently will be recorded as deferred debits or deferred credits in accounts 190, Accumulated deferred income taxes (§367.1900), 282, Accumulated deferred income taxes—Other property (§367.2820), and 283, Accumulated deferred income taxes—Other (§367.2830), as appropriate. The resulting amounts recorded in these accounts must be disposed of as prescribed in this system of accounts or as otherwise authorized by the Commission.

§ 367.19 Accounting for leases.

(a) All leases must be classified as either capital or operating leases.

(b) The service company must record a capital lease as an asset in account 101.1, Property under capital leases (§367.1011) and an obligation in account 227, Obligations under capital leases—Non-current (§367.2270), or account 243,