

Program Title:

Financial Reporting for Taxes – Rate-regulated Utilities

Wednesday, December 11, 8:30 a.m. - 5:30 p.m.

Las Vegas, Nevada

Program Description:

This one-day course focuses on the specific issues in accounting for income taxes for rate-regulated utilities. This course focuses on flow-through accounting, how utilities may account for changes in tax rates, accounting for investment tax credits and Treasury grants, and book/tax differences that may result in tax-related regulatory assets or liabilities. During the session, we'll discuss examples involving computations and journal entries and the effects of accounting for income taxes on ratemaking. We'll also discuss the IRS normalization requirements, and other current topics.

We will begin with an industry overview and discuss income taxes and ratemaking, including the concepts of flow through accounting for deferred taxes and the normalization method and the differences between the two (including examples). We will describe rules for accounting for changes in tax law and explain how utilities frequently record the effects of enacted changes in tax rate on deferred tax liabilities (including examples). We will describe the alternative methods for accounting for investment tax credits and how to account for Treasury grants in lieu of credits (including illustrations). We will describe the normalization requirements pertaining to deferred tax liabilities, net operating loss carry forwards, excess deferred tax liabilities and investment tax credit. We will explain the accounting for allowance for equity funds used during construction (AFUDC equity) and illustrate the effect on a revenue requirement.

We will describe and illustrate the alternatives used for US GAAP and regulatory reporting purposes to account for consolidated tax saving or benefits on separate company financial statements of utilities. We will explain the differences between accounting for uncertain income tax positions for US GAAP and FERC purposes. We will summarize the accounting for the book/tax difference for accrued Medicare subsidies and discuss the ratemaking implications of the repeal of the deduction for costs funded by the Medicare subsidy.

Program Learning Objectives:

Participants will better understand the interaction between accounting for income taxes and setting a utility's revenue requirement, the impact of ASC 980-740 on the effective tax rate, accounting for income tax issues that frequently arise in rate cases, and the effect of the normalization requirements of the Internal Revenue Code, Treasury regulations and IRS private letter rulings on accounting for income taxes in the regulated books of account of a utility and in setting rates.

Program Delivery Mode:

Group Live

Program Level:

Advanced

Pre-Requisite Education/Experience:

We recommend the participant has either attended "Just the Basics" (or similar course) or has significant experience working in the Financial Reporting for Income Taxes area.

Advanced Preparation:

None

Assigned CPE Subject Area and Number of CPE Credits:

Accounting = 8 credits*

*** Disclaimer: CPE Subject Area and Number of CPE credits are pending review.**

NASBA Registry Sponsor Statement:

Deloitte LLP, Deloitte & Touche LLP, Deloitte Financial Advisory Services LLP, and Deloitte Tax LLP are registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors for Group Live and Group Internet-Based training programs. State Boards of Accountancy have final authority on the acceptance of individual courses for CPE credits.

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In accordance with the standards of the National Registry of CPE Sponsors, CPE credits are granted based on a 50-minute hour.

Complaint Resolution Policy:

Contact Allison Neuenschwander at +1 313-324-1125 or aneuenschwander@deloitte.com to register complaints related to the timeliness/accuracy of CPE credit reporting, program delivery, or program content.

Registration Instructions: You may register online via the link provided in the original invitation.

Refund/Cancellation Policy:

Cancellations received by November 11: *100% Refund*

Cancellations received between November 12-25: *50% Refund*

Cancellations received on or after November 26: *No Refunds*

No-Shows: *No Refunds*

Registration Fees:

Course Name	Register & pay on/ before October 1	Register & pay on/ after October 2	Register & pay for any combination of at least two courses
<i>Rate-regulated Utilities</i>	<i>\$890</i>	<i>\$990</i>	<i>\$890</i>

Course Evaluations:

Evaluations will be distributed at the end of the event.