

§ 1770.16

7 CFR Ch. XVII (1–1–03 Edition)

| Class of company |        | Account title   |
|------------------|--------|---|
| Account No.      |        |   |
| A                | B      |   |
|                  |        | <p>This account shall be charged and Account 4070.2, Income Taxes Accrued—State and Local, shall be credited for the amount of nonoperating state and local income taxes for the current period. This account shall also reflect subsequent adjustments to amounts previously charged. Taxes shall be accrued each month on an estimated basis and adjustments made as later data becomes available. No entries shall be made to this account to reflect interperiod tax allocation.</p>  |
|                  | 7400.4 | <p><i>Nonoperating Other Taxes</i></p>  |
|                  | 7400.5 | <p>This account shall be charged and Account 4080.5, Other Taxes Accrued—Miscellaneous, shall be credited for all nonoperating taxes, other than Federal, state, and local income taxes, and payroll related taxes for the current period. Among the items includable in this account are property, gross receipts, franchise and capital stock taxes. This account shall also reflect subsequent adjustments to amounts previously charged.</p> <p><i>Provision for Deferred Nonoperating Income Taxes—Net</i></p>   |
|                  | 7600.1 | <p>This account shall be charged or credited, as appropriate, with contra entries recorded in either Account 4110, Net Current Deferred Nonoperating Income Taxes, or Account 4350, Net Noncurrent Deferred Nonoperating Income Taxes, as appropriate, for nonoperating tax expenses that have been deferred. Subsidiary record categories shall be maintained to distinguish between property and nonproperty related deferrals and so that the company may separately report the amounts contained herein that relate to Federal, state, and local income taxes.</p> <p><i>Extraordinary Income Credits</i></p>   |
|                  | 7600.2 | <p>This account shall be credited with nontypical, noncustomary, and infrequently recurring gains which would significantly distort the current year's income computed before such extraordinary items, if reported other than as extraordinary items. Income tax relating to the amounts recorded in this account shall be recorded in Account 7600.3, Current Income Tax Effect for Extraordinary Items—Net, and Account 7600.4, Provision for Deferred Income Tax Effect of Extraordinary Items—Net.</p> <p><i>Extraordinary Income Charges</i></p>  |
|                  | 7600.3 | <p>This account shall be debited with nontypical, noncustomary, and infrequently recurring losses which would significantly distort the current year's income computed before such extraordinary items, if reported other than as extraordinary items. Income tax relating to the amounts recorded in this account shall be recorded in Account 7600.3, Current Income Tax Effect for Extraordinary Items—Net, and Account 7600.4, Provision for Deferred Income Tax Effect of Extraordinary Items—Net.</p> <p><i>Current Income Tax Effect of Extraordinary Items—Net</i></p>  |
|                  | 7600.4 | <p>This account shall be charged or credited and Account 4070.1, Income Taxes Accrued—Federal, or Account 4070.2, Income Taxes Accrued—State and Local, shall be credited or charged, as appropriate, for all current income tax effects (Federal, state, and local) of items included in Account 7600.1, Extraordinary Income Credits, and Account 7600.2, Extraordinary Income Charges.</p> <p><i>Provision for Deferred Income Tax Effect of Extraordinary Items—Net</i></p> <p>This account shall be charged or credited, as appropriate, with a contra amount recorded in Account 4350, Net Noncurrent Deferred Nonoperating Income Taxes, or Account 4110, Net Current Deferred Nonoperating Income Taxes, for the income tax effects (Federal, state, and local) of items included in Account 7600.1, Extraordinary Income Credits, and Account 7600.2, Extraordinary Income Charges, that have been deferred.</p> |

[55 FR 3388, Feb. 1, 1990; 55 FR 17352, Apr. 24, 1990, as amended at 55 FR 53488, Dec. 31, 1990]

§ 1770.16 **Supplementary accounts required of nonprofit organizations.**

| Class of company |        | Account title  |
|------------------|--------|--|
| Account No.      |        |  |
| A                | B      |  |
|                  |        | <i>Current Assets</i>  |
| 1350.1           | 1350.1 | Subscriptions to Capital Stock.                                  |
| 1350.2           | 1350.2 | Subscriptions to Memberships.                                    |
| 1350.3           | 1350.3 | Subscriptions to Members' Equity Certificates.                   |
| 1350.4           | 1350.4 | Other Current Assets.  |
|                  |        | <i>Current Liabilities</i>                                       |
| 4130.1           | 4130.1 | Patronage Capital Payable.                                       |
| 4130.2           | 4130.2 | Other Current Liabilities—Miscellaneous.                         |
|                  |        | <i>Long-Term Debt</i>  |
| 4270.1           | 4270.1 | Members' Redeemable Equity Certificates Subscribed but Unissued. |
| 4270.2           | 4270.2 | Members' Redeemable Equity Certificates Issued.                  |

**Rural Utilities Service, USDA**

**§ 1770.26**

| Class of company |        | Account title  |
|------------------|--------|--|
| Account No.      |        |  |
| A                | B      |  |
| 4270.3           | 4270.3 | <i>Other Long-Term Debt.</i>   |
| 1350.1           | 1350.1 | <i>Subscriptions to Capital Stock</i><br>This account shall include the balance due from subscribers upon legally enforceable subscriptions to capital stock. The purchase price of subscriptions shall be charged to this account at the time the subscription is received. The par value of the stock subscribed shall be credited to Account 4540.11, Capital Stock Subscribed, and the difference between the purchase price and the par value shall be credited to Account 4520, Additional Paid-In Capital.  |
| 1350.2           | 1350.2 | <i>Subscriptions to Memberships</i><br>This account shall include the balance due on memberships subscribed. The face amount of memberships subscribed shall be charged to this account at the time the subscription is received. The offsetting credit shall be to Account 4540.12, Memberships Subscribed but Unissued. A subscription ledger shall be maintained to record for each subscriber, the amount subscribed, payments made, and the balance due. The balance in this account shall be reconciled monthly with the subscription ledger.  |
| 1350.3           | 1350.3 | <i>Subscriptions to Members' Equity Certificates</i><br>This account shall include the balance due on member's equity certificates subscribed. The face amount of certificates subscribed shall be charged to this account at the time the subscription is received. The offsetting credit shall be to Account 4540.13, Members' Equity Certificates Subscribed but Unissued, or to Account 4270.1, Members' Redeemable Equity Certificates Subscribed but Unissued. A subscription ledger shall be maintained to record for each subscriber, the amount subscribed, payments made, and the balance due. The balance in this account shall be reconciled monthly with the subscription ledger. The subscription ledger shall be maintained in such a manner as to separately identify redeemable and nonredeemable certificates. |
| 1350.4           | 1350.4 | <i>Other Current Assets</i><br>This account shall include the amount of all current assets which are not includable in Accounts 1120 through 1350.3.   |
| 4130.1           | 4130.1 | <i>Patronage Capital Payable</i><br>This account shall include the amount of patronage capital which has been authorized to be returned to patrons.  |
| 4130.2           | 4130.2 | <i>Other Current Liabilities—Miscellaneous</i><br>This account shall include liabilities of current character which are not includable in Accounts 4010 through 4130.1.  |
| 4270.1           | 70.1   | <i>Members' Redeemable Equity Certificates Subscribed but Unissued</i><br>This account shall include the face amount of members' equity certificates which are redeemable at some specified future date for which subscriptions have been received but for which certificates have not been issued. This account shall be credited at the time the subscription is received and Account 1350.3, Subscriptions to Members' Equity Certificates, debited. This account shall be debited and Account 4270.2, Members' Redeemable Equity Certificates Issued, credited when a subscriber has paid the subscription in full and the equity certificates are issued.   |
| 4270.2           | 4270.2 | <i>Members' Redeemable Equity Certificates Issued</i><br>This account shall include the face amount of outstanding members' equity certificates which are redeemable at some specified future date. A subsidiary members' redeemable equity certificate record shall be maintained to reflect the detail of the balance in this account.   |
| 4270.3           | 4270.3 | <i>Other Long-Term Debt</i><br>This account shall include long-term debt not provided for elsewhere.   |

§§ 1770.17–1770.25 [Reserved]

§ 1770.26 General.

**Subpart C—Accounting Interpretations**

SOURCE: 61 FR 39847, July 31, 1996, unless otherwise noted.

(a) The standard provisions of the security instruments utilized by the Rural Utilities Service (RUS) and the Rural Telephone Bank (RTB) for all telecommunications borrowers require borrowers to at all times keep and safely preserve, proper books, records, and accounts in which full and true entries will be made of all of the dealings,