

§ 367.4160

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construction or service contracts, under which the service company undertakes projects to construct physical property for associate or non-associate companies (see General Instructions § 367.24, Construction and service contracts for other companies) and the cost of services performed for others not provided for elsewhere.

§ 367.4160 Account 416, Costs and expenses of merchandising, jobbing and contract work.

(a) This account must include the following labor items for services provided:

(1) Canvassing and demonstrating appliances in homes and other places for the purpose of selling appliances.

(2) Demonstrating and selling activities in sales rooms.

(3) Installing appliances on customer premises where the work is done only for purchasers of appliances from the associated company.

(4) Installing wiring, piping, or other property work, on a jobbing or contract basis.

(5) Preparing advertising materials for appliance sales purposes.

(6) Receiving and handling customer orders for merchandise or for jobbing services.

(7) Cleaning and tidying sales rooms.

(8) Maintaining display counters and other equipment used in merchandising.

(9) Arranging merchandise in sales rooms and decorating display windows.

(10) Reconditioning repossessed appliances.

(11) Bookkeeping and other clerical work in connection with merchandising and jobbing activities.

(12) Supervising merchandise and jobbing operations.

(b) This account must include the following materials and expenses items:

(1) Advertising in newspapers, periodicals, radio, television, and other similar items.

(2) Cost of merchandise sold and of materials used in jobbing work.

(3) Stores expenses on merchandise and jobbing stocks.

(4) Fees and expenses of advertising and commercial artists' agencies.

(5) Printing booklets, dodgers, and other advertising data.

(6) Premiums given as inducement to buy appliances.

(7) Light, heat and power.

(8) Depreciation on equipment used primarily for merchandise and jobbing operations.

(9) Rent of sales rooms or of equipment.

(10) Transportation expense in delivery and pick-up of appliances by the associated company's facilities.

(11) Stationery and office supplies and expenses.

(12) Losses from uncollectible merchandise and jobbing accounts.

(c) Records in support of this account shall be so kept as to permit ready summarization of costs and expenses by such major items as are feasible.

(d) Related taxes must be recorded in account 408.2, Taxes other than income taxes, other income and deductions (§ 367.4082), or account 409.2, Income taxes, other income and deductions (§ 367.4092), as appropriate.

§ 367.4180 Account 418, Non-operating rental income.

(a) The expenses shall include all elements of costs incurred in the ownership and rental of property and the accounts shall be maintained so as to permit ready summarization of operation, maintenance, rents, depreciation, and amortization.

(b) Related taxes shall be recorded in Account 408.2, Taxes other than income taxes, other income and deductions (§ 367.4082) or Account 409.2, Income taxes, other income and deductions (§ 367.4092), as appropriate.

§ 367.4181 Account 418.1, Equity in earnings of subsidiary companies.

This account must include the service company's equity in the earnings or losses of subsidiary companies for the year.

§ 367.4190 Account 419, Interest and dividend income.

(a) This account must include interest revenues on securities, loans, notes, advances, special deposits, tax refunds and all other interest-bearing assets, and dividends on stocks of other companies, whether the securities on which the interest and dividends are received are carried as investments or included