

**Federal Communications Commission**

**§ 36.301**

CERTAIN INCOME ACCOUNTS

**§ 36.221 Other operating income and expenses—Account 7100.**

(a) Amounts relating to translation in foreign exchange differentials are assigned to the interstate operations.

(b) All other amounts are apportioned based on Telecommunications Plant in Service, Account 2001, if plant related, or on the nature of the item reflected in the account, if not plant related.

**§ 36.222 Nonoperating income and expenses—Account 7300.**

(a) Only allowance for funds used during construction, and charitable, social and community welfare contributions are considered in this account for separations purposes.

(b) Subsidiary record categories should be maintained for this account that include identification of amounts made to the account for (1) credits representing allowance for funds used during construction and (2) contributions for charitable, social or community welfare purposes, employee activities, membership dues and fees in service clubs, community welfare association and similar organizations.

(c) The portion reflecting allowance for funds used during construction is apportioned on the basis of the cost of Telecommunications Plant Under Construction—Account 2003. The portion reflecting costs for social and community welfare contributions and fees is apportioned on the basis of the apportionment of corporate operations expenses.

[52 FR 17229, May 6, 1987, as amended at 60 FR 12138, Mar. 6, 1995]

**§ 36.223 Interest and related items—Account 7500.**

(a) Only interest paid relating to capital leases is considered in this account for separations purposes. Subsidiary Record Categories should be maintained for this account that include details relating to interest expense on capital leases. Such interest expense is apportioned on a basis consistent with the associated capital leases in Account 2680.

**§ 36.224 Extraordinary items—Account 7600.**

(a) Amounts in this account of an operating nature are apportioned on a basis consistent with the nature of these items.

**§ 36.225 Income effect of jurisdictional ratemaking differences—Account 7910.**

(a) Amounts in this account are directly assigned to the appropriate jurisdiction.

**Subpart D—Operating Expenses and Taxes**

GENERAL

**§ 36.301 Section arrangement.**

This subpart is arranged in sections as follows:

|  |         |
|--|---------|
| General .....  | 36.301  |
|  | and     |
|  | 36.302. |
| Plant Specific Operations Expenses:                              |         |
| General .....  | 36.310. |
| Network Support/General Support Expenses—Accounts 6110 and 6120. | 36.311. |
| Central Office Expenses—Accounts 6210, 6220, 6230.               | 36.321. |
| Information Origination/Termination Expenses—Account 6310.       | 36.331. |
| Cable and Wire Facilities Expenses—Account 6410.                 | 36.341. |
| Plant Nonspecific Operations Expenses:                           |         |
| General .....  | 36.351. |
| Other Property Plant and Equipment Expenses—Account 6510.        | 36.352. |
| Network Operations Expenses—Account 6530.                        | 36.353. |
| Access Expenses—Account 6540.                                    | 36.354. |
| Depreciation and Amortization Expenses—Account 6560.             | 36.361. |
| Customer Operations Expenses:                                    |         |
| General .....  | 36.371. |
| Marketing—Account 6610   | 36.372. |
| Services—Account 6620 .....                                      | 36.373. |
| Telephone Operator Services.                                     | 36.374. |
| Published Directory Listing.                                     | 36.375. |
| All Other .....  | 36.376. |
| Category 1—Local Bus. Office Expense.                            | 36.377. |

**§ 36.302**

|   |                    |
|---|--------------------|
| Category 2—Customer Services (Revenue Accounting).    | 36.378.            |
| Message Processing Expense.                           | 36.379.            |
| Other Billing and Collecting Expense.                 | 36.380.            |
| Carrier Access Charge Billing and Collecting Expense. | 36.381.            |
| Category 3—All other Customer Service Expense.        | 36.382.            |
| Corporate Operations Expenses:                        |                    |
| General .....   | 36.391.            |
| General and Administrative Expenses—Account 6720.     | 36.392.            |
| Operating Taxes—Account 7200.                         | 36.411 and 36.412. |
| Equal Access Expenses .....                           | 36.421.            |

[69 FR 12551, Mar. 17, 2004, as amended at 83 FR 63585, Dec. 11, 2018]

**§ 36.302 General.**

(a) This section sets forth procedures for the apportionment among the operations of operating expenses and operating taxes.

(b) As covered in § 36.2 (c) and (d), the treatment of expenses relating to plant furnished to and obtained from others under rental arrangements is consistent with the treatment of such plant.

(c) In accordance with requirements in part 32 § 32.5999 (f) expenses recorded in the expense accounts are segregated in the accounting process among the following subsidiary record categories as appropriate to each account:

- Salaries and Wages
- Benefits
- Rents
- Other Expenses
- Clearances

(1) Subsidiary Record Categories (SRCs) for Salaries and Wages, Benefits and Other Expenses are applicable to all of the expense accounts except for:

(i) SRCs for access expenses are maintained to identify interstate and state access expense and billing and collection expense for carrier's carrier.

(ii) Depreciation and Amortization Expense SRCs identify the character of the items contained in the account.

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(2) SRCs for Rents and Clearance are only applicable to the Plant Specific Operating Expense accounts 6110 thru 6410.

[52 FR 17229, May 6, 1987, as amended at 83 FR 63586, Dec. 11, 2018]

**PLANT SPECIFIC OPERATIONS EXPENSES**

**§ 36.310 General.**

(a) Plant specific operations expenses include the following accounts:

TABLE 1 TO PARAGRAPH (a)

|   |               |
|---|---------------|
| Network Support Expenses .....                | Account 6110. |
| General Support Expenses .....                | Account 6120. |
| Central Office Switching Expenses.            | Account 6210. |
| Operator System Expenses .....                | Account 6220. |
| Central Office Transmission Expenses.         | Account 6230. |
| Information Origination/Termination Expenses. | Account 6310. |
| Cable and Wire Facilities Expenses.           | Account 6410. |

(b) These accounts are used to record costs related to specific kinds of telecommunications plant and predominantly mirror the telecommunications plant in service detail accounts. Accordingly, these expense accounts will generally be apportioned in the same manner as the related plant accounts.

(c) Except where property obtained from or furnished to other companies is treated as owned property by the company making the separation, and the related operating rents are excluded from the separation studies as set forth in § 36.2 (c) and (d), amounts are apportioned among the operations on bases generally consistent with the treatment prescribed for similar plant costs and consistent with the relative magnitude of the items involved.

[52 FR 17229, May 6, 1987, as amended at 53 FR 33012, Aug. 29, 1988; 69 FR 12551, Mar. 17, 2004; 83 FR 63586, Dec. 11, 2018]