

GENERAL WATERWORKS MANAGEMENT AND SERVICE COMPANY

April 24, 1987

Mr. Harvey Hubbs, Secretary
Missouri Public Service Commission
100 East Capitol Street
Jefferson City, MO 65102

RE: Capital City Water Company
Case No. A08748

FILED
MAY 1 1987
PUBLIC SERVICE COMMISSION

Dear Mr. Hubbs:

Enclosed for filing are five copies of the following exhibits:

- 1) Exhibit No. 1A shows the revenue requirement for the unadjusted calendar year 1986 at the 46% Federal income tax rate;
- 2) Exhibit No. 2A shows the unadjusted rate base for the same calendar year;
- 3) Exhibit No. 3A shows the revenue requirement for the unadjusted calendar year 1986 at the 40% Federal income tax rate; and
- 4) Exhibit No. 4A shows the revenue requirement for the unadjusted calendar year 1986 at the 34% Federal income tax rate.

The above exhibits are identical to the exhibits that were sent to Mr. Schweiterman on April 9, 1986, pursuant to his request except they were designated as Exhibit Nos. 1, 2, 3, and 4. In addition to the change of Exhibit No. 4 to Exhibit No. 4A, the Company recalculated deferred income taxes at the appropriate composite rate of 36.26%.

As a follow-up to the meeting of April 13, 1987 in Jefferson City between counsel and staff of the Missouri Public Service Commission, members of the Office of Public Counsel and the Company, enclosed also for filing are five copies of the following exhibits:

- 1) Exhibit No. 1B shows the revenue requirement for the unadjusted calendar year 1986 at the 46% Federal Income tax rate with the appropriate rate base reflected on Exhibit No. 2B;
- 2) Exhibit No. 2B shows the rate base per books. This is identical to Exhibit No. 2A except that Customer Advances and Contributions in Aid of Construction which are not included in Plant in Service have been removed.

Mr. Harvey Hubbs
April 24, 1987
Page 2

3) Exhibit No. 3B shows the revenue requirement for the unadjusted calendar year 1986 at the 40% Federal income tax rate with the appropriate rate base shown in Exhibit No. 2B. In addition to the above, page 2 of Exhibit No. 3B reflects the addition to taxable income of one-fourth of the unbilled revenue at December 31, 1986 which the Company is amortizing over four years in accordance with IRS regulations.

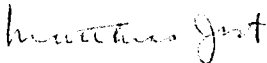
4) Exhibit No. 4B is identical to Exhibit No. 3B except that Federal income taxes are calculated at a 34% rate.

5) Exhibits No. 1C through Exhibit No. 4C are similar to Exhibits No. 1B through 4B except that the revenue requirements are based on twelve months ending March 31, 1987.

Since Exhibit No. 4C shows a revenue deficiency of \$34,199 at the 34% Federal income tax rate and since the Company is planning substantial capital expenditures before the end of 1987, no rate reduction is warranted. In fact, after completion of all capital expenditures the Company may file a rate increase application with the Missouri Public Service Commission.

If your calculations indicate otherwise, please let me know.

Very truly yours,



Matthias Jost

MJ/df

Enclosures

cc w/enc: Office of Public Counsel (2)
G. M. Hill

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- DECEMBER 31, 1986

| LINE # | DESCRIPTION | PER BOOKS 12/31/86 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | RATES PRO FORMA |
|-----------|--|--------------------------|----------------------------|--------------------------|-------------------------------------|-----------------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,709,910 | | 2,709,910 | 60,792 | 2,770,702 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,758,971 | 0 | 1,758,971 | | 1,758,971 |
| 3. | DEPRECIATION | 107,642 | 0 | 107,642 | | 107,642 |
| 4. | TAXES OTHER THAN INCOME | 121,801 | 0 | 121,801 | | 121,801 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 1,988,414 | 0 | 1,988,414 | 0 | 1,988,414 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 0 | 721,496 | 60,792 | 782,288 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 182,599 | 484 | 183,083 | 28,872 | 211,955 |
| 8. | DEFERRED INCOME TAXES | 41,580 | 3,910 | 45,490 | | 45,490 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 218,526 | 4,394 | 222,920 | 28,872 | 251,792 |
| 10. | NET OPERATING INCOME | 502,970 | (4,394) | 498,576 | 31,920 | 530,496 |
| 11. | RATE BASE | | | 4,305,975 | | 4,305,975 |
| 12. | RATE OF RETURN | | | 11.58% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 1A
PAGE 2 OF 3

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

AT PRESENT RATES

TWELVE MONTHS ENDED DECEMBER 31, 1986

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 782,288 |
| 2. | LESS: TAX DEDUCTIONS: | | |
| 3. | INTEREST EXPENSE (A) | 240,537 | 240,537 |
| 4. | EXCESS TAX OVER BOOK | 95,788 | 95,788 |
| 5. | TOTAL TAX DEDUCTIONS | 336,325 | 336,325 |
| 6. | TAXABLE INCOME- STATE | 385,171 | 445,963 |
| 8. | ST. INC. TAX @5.00% | 10,934 | 12,614 |
| 9. | FEDERAL TAXABLE INCOME | 374,237 | 433,349 |
| 10. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 11. | FD. INC. TAX-REMAINING TX. INC. @ 46% | 172,149 | 199,341 |
| 12. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 13. | TOTAL FEDERAL INCOME TAX | 166,496 | 193,688 |
| 14. | TOTAL FEDERAL & STATE TAXES | 177,430 | 206,302 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED DECEMBER 31, 1986

| <u>LINE</u> <u>0</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | \$ 4,305,975 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | \$ 2,264,943 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | \$ 240,537 |
| 6. | TAX DEPRECIATION EXPENSE | \$ 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | \$ 95,788 |
| 9. | FEDERAL TAX RATE | X 47.49 % |
| 10. | DEFERRED FEDERAL INCOME TAX | \$ 45,490 |

CAPITAL CITY WATER COMPANY
RATE BASE
TWELVE MONTHS ENDED 12/31/86

EXHIBIT NO. 2A

| <u>LINE #</u> | <u>DESCRIPTION</u> | <u>AMOUNT (A)</u> |
|---------------|--------------------------------|--------------------|
| 1. | UTILITY PLANT | \$7,004,464 |
| 2. | PROVISION FOR DEPRECIATION | (\$1,625,927) |
| 3. | ADVANCES FOR CONSTRUCTION | (\$577,273) |
| 4. | CONTRB. IN AID OF CONSTRUCTION | (\$347,706) |
| 5. | MATERIAL AND SUPPLIES | 692,785 |
| 6. | PREPAID EXPENSES | 628,143 |
| 7. | DEFERRED EXPENSES | 9123,902 |
| 8. | DEFERRED TAXES | (\$194,513) |
| 9. | CASH WORKING CAPITAL (B) | 63,100 |
| 10. | RATE BASE | <u>\$4,305,975</u> |

NOTE (A): AMOUNTS PER 1986 FINANCIAL STATEMENTS
(B) PER LAST ORDER

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- DECEMBER 31, 1986

| LINE # | DESCRIPTION | PER BOOKS 12/31/86 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED ADJUSTMENTS | RATES PRO FORMA |
|-----------|--|--------------------------|----------------------------|--------------------------|-------------------------------|-----------------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,709,910 | | 2,709,910 | 8,464 | 2,718,374 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,758,971 | 0 | 1,758,971 | | 1,758,971 |
| 3. | DEPRECIATION | 107,642 | 0 | 107,642 | | 107,642 |
| 4. | TAXES OTHER THAN INCOME | 121,801 | 0 | 121,801 | | 121,801 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 1,988,414 | 0 | 1,988,414 | 0 | 1,988,414 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 0 | 721,496 | 8,464 | 729,960 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 182,599 | (21,283) | 161,316 | 3,544 | 164,860 |
| 8. | DEFERRED INCOME TAXES | 41,580 | (1,322) | 40,258 | | 40,258 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 218,526 | (22,605) | 195,921 | 3,544 | 199,464 |
| 10. | NET OPERATING INCOME | 502,970 | 22,605 | 525,575 | 4,920 | 530,496 |
| 11. | RATE BASE | | | 4,305,975 | | 4,305,975 |
| 12. | RATE OF RETURN | | | 12.21% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 3A
PAGE 2 OF 3

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

AT PRESENT RATES

TWELVE MONTHS ENDED DECEMBER 31, 1986

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 729,960 |
| | LESS: TAX DEDUCTIONS: | | |
| 5. | INTEREST EXPENSE (A) | 240,537 | 240,537 |
| 6. | EXCESS TAX OVER BOOK | 95,788 | 95,788 |
| 7. | TOTAL TAX DEDUCTIONS | 336,325 | 336,325 |
| 8. | TAXABLE INCOME- STATE | 385,171 | 393,635 |
| 9. | ST. INC. TAX @5.00% | 12,079 | 12,338 |
| 10. | FEDERAL TAXABLE INCOME | 373,092 | 381,297 |
| 11. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 12. | FD. INC. TAX-REMAINING TX. INC. @ 40% | 149,237 | 152,519 |
| 13. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 14. | TOTAL FEDERAL INCOME TAX | 143,584 | 146,866 |
| 15. | TOTAL FEDERAL & STATE TAXES | 155,663 | 159,204 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED DECEMBER 31, 1966

| <u>LINE</u> <u>9</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | \$ 4,305,975 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | \$ 2,264,943 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | \$ 240,537 |
| 6. | TAX DEPRECIATION EXPENSE | \$ 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | \$ 95,788 |
| 9. | FEDERAL TAX RATE | X 42.028 % |
| 10. | DEFERRED FEDERAL INCOME TAX | \$ 40,258 |

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- DECEMBER 31, 1986

| LINE # | DESCRIPTION | PER BOOKS 12/31/86 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | PRO FORMA |
|-----------|--|--------------------------|----------------------------|--------------------------|-------------------------------------|--------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,709,910 | | 2,709,910 | (34,861) | 2,675,049 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,758,971 | 0 | 1,758,971 | | 1,758,971 |
| 3. | DEPRECIATION | 107,642 | 0 | 107,642 | | 107,642 |
| 4. | TAXES OTHER THAN INCOME | 121,801 | 0 | 121,801 | | 121,801 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 1,988,414 | 0 | 1,988,414 | 0 | 1,988,414 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 0 | 721,496 | (34,861) | 686,635 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 182,599 | (42,917) | 139,682 | (12,622) | 127,060 |
| 8. | DEFERRED INCOME TAXES | 41,580 | (6,847) | 34,733 | | 34,733 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 218,526 | (49,764) | 168,762 | (12,622) | 156,139 |
| 10. | NET OPERATING INCOME | 502,970 | 49,764 | 552,734 | (22,239) | 530,496 |
| 11. | RATE BASE | | | 4,305,975 | | 4,305,975 |
| 12. | RATE OF RETURN | | | 12.84% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 4A
PAGE 2 OF 3COMPUTATION OF STATE AND FEDERAL INCOME TAXESAT PRESENT RATESTWELVE MONTHS ENDED DECEMBER 31, 1986

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 686,635 |
| | LESS: TAX DEDUCTIONS: | | |
| 5. | INTEREST EXPENSE (A) | 240,537 | 240,537 |
| 6. | EXCESS TAX OVER BOOK | 95,788 | 95,788 |
| 7. | TOTAL TAX DEDUCTIONS | 336,325 | 336,325 |
| 8. | TAXABLE INCOME- STATE | 385,171 | 350,310 |
| 9. | ST. INC. TAX @5.00% | 13,218 | 12,048 |
| 10. | FEDERAL TAXABLE INCOME | 371,953 | 338,262 |
| 11. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 12. | FD. INC. TAX-remaining TX. INC. @ 34% | 126,464 | 115,009 |
| 13. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 14. | TOTAL FEDERAL INCOME TAX | 120,811 | 109,356 |
| 15. | TOTAL FEDERAL & STATE TAXES | 134,029 | 121,404 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED DECEMBER 31, 1966

| <u>LINE</u> <u>6</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | \$ 4,305,975 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | \$ 2,254,943 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | \$ 240,537 |
| 6. | TAX DEPRECIATION EXPENSE | \$ 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | \$ 95,788 |
| 9. | FEDERAL TAX RATE | 36.25% |
| 10. | DEFERRED FEDERAL INCOME TAX | \$ 34,733 |

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- DECEMBER 31, 1986

| LINE # | DESCRIPTION | PER BOOKS 12/31/86 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | PRO FORMA |
|-----------|--|--------------------------|----------------------------|--------------------------|-------------------------------------|--------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,709,910 | | 2,709,910 | 82,484 | 2,792,394 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,758,971 | 0 | 1,758,971 | | 1,758,971 |
| 3. | DEPRECIATION | 107,642 | 0 | 107,642 | | 107,642 |
| 4. | TAXES OTHER THAN INCOME | 121,801 | 0 | 121,801 | | 121,801 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 1,988,414 | 0 | 1,988,414 | 0 | 1,988,414 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 0 | 721,496 | 82,484 | 803,980 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 182,599 | (2,632) | 179,967 | 39,174 | 219,141 |
| 8. | DEFERRED INCOME TAXES | 41,580 | 3,948 | 45,528 | | 45,528 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 218,526 | 1,316 | 219,842 | 39,174 | 259,016 |
| 10. | NET OPERATING INCOME | 502,970 | (1,316) | 501,654 | 43,310 | 544,964 |
| 11. | RATE BASE | | | 4,423,411 | | 4,423,411 |
| 12. | RATE OF RETURN | | | 11.34% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 18

PAGE 2 OF 3

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

AT PRESENT RATES

TWELVE MONTHS ENDED DECEMBER 31, 1986

| LINE NO. | | PRO FORMA | |
|-------------|--------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 803,980 |
| 2. | LESS: TAX DEDUCTIONS: | | |
| 3. | INTEREST EXPENSE (A) | 247,097 | 247,097 |
| 4. | EXCESS TAX OVER BOOK | 95,788 | 95,788 |
| 5. | TOTAL TAX DEDUCTIONS | 342,885 | 342,885 |
| 6. | TAXABLE INCOME- STATE | 378,611 | 461,095 |
| 8. | ST. INC. TAX @5.00% | 10,752 | 13,032 |
| 9. | FEDERAL TAXABLE INCOME | 367,859 | 448,063 |
| 10. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 11. | FD. INC. TAX-RUNNING TX. INC. @ 46% | 169,215 | 206,109 |
| 12. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 13. | TOTAL FEDERAL INCOME TAX | 163,562 | 200,456 |
| 14. | TOTAL FEDERAL & STATE TAXES | 174,314 | 213,488 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED DECEMBER 31, 1965

| <u>LINE</u> <u>0</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | \$ 4,423,411 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | \$ 2,325,714 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | \$ 247,097 |
| 6. | TAX DEPRECIATION EXPENSE | \$ 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | \$ 95,788 |
| 9. | FEDERAL TAX RATE | X 47.53 % |
| 10. | DEFERRED FEDERAL INCOME TAX | \$ 45,528 |

CAPITAL CITY WATER COMPANY
RATE BASE
TWELVE MONTHS ENDED 12/31/86

EXHIBIT NO. 28

| LINE # | DESCRIPTION | AMOUNT (A) |
|--------|-------------------------------|------------------------|
| 1. | UTILITY PLANT | 87,004,464 |
| 2. | PROVISION FOR DEPRECIATION | (81,625,927) |
| 3. | ADVANCES FOR CONSTRUCTION | (8473,859) |
| 4. | CONTR. IN AID OF CONSTRUCTION | (8533,684) |
| 5. | MATERIAL AND SUPPLIES | 892,785 |
| 6. | PREPAID EXPENSES | 828,143 |
| 7. | DEFERRED EXPENSES | 8123,902 |
| 8. | DEFERRED TAXES | (8194,513) |
| 9. | CASH WORKING CAPITAL (B) | 83,100 |
| 10. | RATE BASE | <hr/> 84,483,411 <hr/> |

NOTE (A): AMOUNTS PER 1986 FINANCIAL STATEMENTS
(B) PER LAST ORDER

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- DECEMBER 31, 1986

| LINE # | DESCRIPTION | PER BOOKS 12/31/86 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | PRO FORMA |
|-----------|--|--------------------------|----------------------------|--------------------------|-------------------------------------|--------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,709,910 | | 2,709,910 | 65,613 | 2,775,523 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,758,971 | 0 | 1,758,971 | | 1,758,971 |
| 3. | DEPRECIATION | 107,642 | 0 | 107,642 | | 107,642 |
| 4. | TAXES OTHER THAN INCOME | 121,801 | 0 | 121,801 | | 121,801 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 1,988,414 | 0 | 1,988,414 | 0 | 1,988,414 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 0 | 721,496 | 65,613 | 787,109 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 182,599 | (2,370) | 180,229 | 27,454 | 207,683 |
| 8. | DEFERRED INCOME TAXES | 41,580 | (1,464) | 40,116 | | 40,116 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 218,526 | (3,834) | 214,692 | 27,454 | 242,145 |
| 10. | NET OPERATING INCOME | 502,970 | 3,834 | 506,804 | 38,160 | 544,964 |
| 11. | RATE BASE | | | 4,423,411 | | 4,423,411 |
| 12. | RATE OF RETURN | | | 11.46% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 30
PAGE 2 OF 3

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

AT PRESENT RATES

TWELVE MONTHS ENDED DECEMBER 31, 1986

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 787,109 |
| | LESS: TAX DEDUCTIONS: | | |
| 5. | INTEREST EXPENSE (A) | 247,097 | 247,097 |
| 6. | EXCESS TAX OVER BOOK | 95,768 | 95,768 |
| 7. | TOTAL TAX DEDUCTIONS | 342,865 | 342,865 |
| 7A. | UNBILLED REVENUES | 51,768 | 51,768 |
| 8. | TAXABLE INCOME- STATE | 430,379 | 493,992 |
| 9. | ST. INC. TAX 85.00% | 13,463 | 15,472 |
| 10. | FEDERAL TAXABLE INCOME | 416,916 | 480,520 |
| 11. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 12. | FD. INC. TAX-REMAINING TX. INC. @ 40% | 166,766 | 192,208 |
| 13. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 14. | TOTAL FEDERAL INCOME TAX | 161,113 | 186,555 |
| 15. | TOTAL FEDERAL & STATE TAXES | 174,576 | 202,027 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED DECEMBER 31, 1986

| <u>LINE</u> <u>0</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | 0 4,423,411 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | 0 2,325,714 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | 0 247,097 |
| 6. | TAX DEPRECIATION EXPENSE | 0 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | 0 95,788 |
| 9. | FEDERAL TAX RATE | X 41.88 % |
| 10. | DEFERRED FEDERAL INCOME TAX | 0 40,116 |

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- DECEMBER 31, 1986

| LINE # | DESCRIPTION | PER BOOKS 12/31/86 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | PRO FORMA |
|-----------|--|--------------------------|----------------------------|--------------------------|-------------------------------------|--------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,709,910 | | 2,709,910 | (14,105) | 2,695,805 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,758,971 | 0 | 1,758,971 | | 1,758,971 |
| 3. | DEPRECIATION | 107,642 | 0 | 107,642 | | 107,642 |
| 4. | TAXES OTHER THAN INCOME | 121,801 | 0 | 121,801 | | 121,801 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 1,988,414 | 0 | 1,988,414 | 0 | 1,988,414 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 0 | 721,496 | (14,105) | 707,391 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 182,599 | (44,146) | 138,453 | (5,106) | 133,348 |
| 8. | DEFERRED INCOME TAXES | 41,580 | (6,847) | 34,733 | | 34,733 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 218,526 | (50,993) | 167,533 | (5,106) | 162,427 |
| 10. | NET OPERATING INCOME | 502,970 | 50,993 | 553,963 | (8,999) | 544,964 |
| 11. | RATE BASE | | | 4,423,411 | | 4,423,411 |
| 12. | RATE OF RETURN | | | 12.52% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 48

PAGE 2 OF 3

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

AT PRESENT RATES

TWELVE MONTHS ENDED DECEMBER 31, 1986

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 721,496 | 707,391 |
| | LESS: TAX DEDUCTIONS: | | |
| 5. | INTEREST EXPENSE (A) | 247,097 | 247,097 |
| 6. | EXCESS TAX OVER BOOK | 93,788 | 93,788 |
| 7. | TOTAL TAX DEDUCTIONS | 342,885 | 342,885 |
| 7A | UNBILLED REVENUES | 51,768 | 51,768 |
| 8. | TAXABLE INCOME- STATE | 430,379 | 416,274 |
| 9. | ST. INC. TAX @5.00% | 14,736 | 14,262 |
| 10. | FEDERAL TAXABLE INCOME | 363,875 | 350,244 |
| 11. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 12. | FD. INC. TAX-remaining TX. INC. @ 34% | 123,717 | 119,083 |
| 13. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 14. | TOTAL FEDERAL INCOME TAX | 118,064 | 113,430 |
| 15. | TOTAL FEDERAL & STATE TAXES | 132,800 | 127,692 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED DECEMBER 31, 1966

| <u>LINE</u> <u>0</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | \$ 4,423,411 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 32.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | \$ 2,325,714 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | \$ 247,097 |
| 6. | TAX DEPRECIATION EXPENSE | \$ 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | \$ 95,788 |
| 9. | FEDERAL TAX RATE | 36.25% |
| 10. | DEFERRED FEDERAL INCOME TAX | \$ 34,733 |

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- MARCH 31, 1987

| LINE # | DESCRIPTION | PER BOOKS 3/31/87 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | PRO FORMA |
|--------|--|----------------------|-------------------------|-----------------------|-------------------------------------|--------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,706,830 | | 2,706,830 | 131,212 | 2,838,042 |
| | OPERATING EXPENSES: | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,794,694 | 0 | 1,794,694 | | 1,794,694 |
| 3. | DEPRECIATION | 112,226 | 0 | 112,226 | | 112,226 |
| 4. | TAXES OTHER THAN INCOME | 123,690 | 0 | 123,690 | | 123,690 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 2,030,610 | 0 | 2,030,610 | 0 | 2,030,610 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 676,220 | 0 | 676,220 | 131,212 | 807,432 |
| | INCOME TAXES: | | | | | |
| 7. | CURRENT INCOME TAXES | 166,089 | (8,122) | 157,967 | 62,316 | 220,283 |
| 8. | DEFERRED INCOME TAXES | 41,580 | 3,948 | 45,528 | | 45,528 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 202,016 | (4,174) | 197,842 | 62,316 | 260,158 |
| 10. | NET OPERATING INCOME | 474,204 | 4,174 | 478,378 | 68,896 | 547,274 |
| 11. | RATE BASE | | | 4,442,159 | | 4,442,159 |
| 12. | RATE OF RETURN | | | 10.77% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 1C
PAGE 2 OF 3

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

AT PRESENT RATES

TWELVE MONTHS ENDED MARCH 31, 1967

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 676,220 | 807,432 |
| 2. | LESS: TAX DEDUCTIONS: | | |
| 3. | INTEREST EXPENSE (A) | 248,144 | 248,144 |
| 4. | EXCESS TAX OVER BOOK | 95,788 | 95,788 |
| 5. | TOTAL TAX DEDUCTIONS | 343,932 | 343,932 |
| 6. | TAXABLE INCOME- STATE | 332,288 | 463,500 |
| 8. | ST. INC. TAX @5.00% | 9,472 | 13,098 |
| 9. | FEDERAL TAXABLE INCOME | 322,816 | 450,402 |
| 10. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 11. | FD. INC. TAX-remaining TX. INC. @ 46% | 148,495 | 207,185 |
| 12. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 13. | TOTAL FEDERAL INCOME TAX | 142,842 | 201,532 |
| 14. | TOTAL FEDERAL & STATE TAXES | 152,314 | 214,630 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED MARCH 31, 1987

| <u>LINE</u> <u>#</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | \$ 4,442,159 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | \$ 2,336,576 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | \$ 248,144 |
| 6. | TAX DEPRECIATION EXPENSE | \$ 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,412 |
| 8. | EXCESS TAX OVER BOOK | \$ 95,788 |
| 9. | FEDERAL TAX RATE | X 47.53 % |
| 10. | DEFERRED FEDERAL INCOME TAX | \$ 45,528 |

CAPITAL CITY WATER COMPANY
RATE BASE
TWELVE MONTHS ENDED 3/31/87

EXHIBIT NO. 2C

| <u>LINE #</u> | <u>DESCRIPTION</u> | <u>AMOUNT (A)</u> |
|---------------|-------------------------------|-------------------------|
| 1. | UTILITY PLANT | \$7,142,815 |
| 2. | PROVISION FOR DEPRECIATION | (\$1,653,454) |
| 3. | ADVANCES FOR CONSTRUCTION | (\$530,273) |
| 4. | CONTR. IN AID OF CONSTRUCTION | (\$535,144) |
| 5. | MATERIAL AND SUPPLIES | \$85,635 |
| 6. | PREPAID EXPENSES | \$10,499 |
| 7. | DEFERRED EXPENSES | \$120,910 |
| 8. | DEFERRED TAXES | (\$201,929) |
| 9. | CASH WORKING CAPITAL (B) | \$3,100 |
| 10. | RATE BASE | <hr/> \$4,442,159 <hr/> |

NOTE (A): AMOUNTS PER 1987 FINANCIAL STATEMENTS
(B) PER LAST ORDER

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- MARCH 31, 1987

| LINE # | DESCRIPTION | PER BOOKS 3/31/87 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | RATES PRO FORMA |
|-----------|--|-------------------------|----------------------------|--------------------------|-------------------------------------|-----------------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,706,830 | | 2,706,830 | 114,107 | 2,820,937 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,794,694 | 0 | 1,794,694 | | 1,794,694 |
| 3. | DEPRECIATION | 112,226 | 0 | 112,226 | | 112,226 |
| 4. | TAXES OTHER THAN INCOME | 123,690 | 0 | 123,690 | | 123,690 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 2,030,610 | 0 | 2,030,610 | 0 | 2,030,610 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 676,220 | 0 | 676,220 | 114,107 | 790,327 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 166,089 | (5,240) | 160,849 | 47,742 | 208,591 |
| 8. | DEFERRED INCOME TAXES | 41,580 | (1,464) | 40,116 | | 40,116 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 202,016 | (6,704) | 195,312 | 47,742 | 243,053 |
| 10. | NET OPERATING INCOME | 474,204 | 6,704 | 480,908 | 66,365 | 547,274 |
| 11. | RATE BASE | | | 4,442,159 | | 4,442,159 |
| 12. | RATE OF RETURN | | | 10.83% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 3C
PAGE 2 OF 3COMPUTATION OF STATE AND FEDERAL INCOME TAXESAT PRESENT RATESTWELVE MONTHS ENDED MARCH 31, 1987

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 676,220 | 790,327 |
| | LESS: TAX DEDUCTIONS: | | |
| 5. | INTEREST EXPENSE (A) | 248,144 | 248,144 |
| 6. | EXCESS TAX OVER BOOK | 95,788 | 95,788 |
| 7. | TOTAL TAX DEDUCTIONS | 343,932 | 343,932 |
| 7A | UNBILLED REVENUES | 51,768 | 51,768 |
| 8. | TAXABLE INCOME- STATE | 384,056 | 498,163 |
| 9. | ST. INC. TAX @5.00% | 12,045 | 15,538 |
| 10. | FEDERAL TAXABLE INCOME | 372,011 | 482,625 |
| 11. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 12. | FD. INC. TAX-remaining TX. INC. @ 40% | 148,804 | 193,050 |
| 13. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 14. | TOTAL FEDERAL INCOME TAX | 143,151 | 187,397 |
| 15. | TOTAL FEDERAL & STATE TAXES | 155,196 | 202,935 |

CAPITAL CITY WATER COMPANY

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

INTEREST AND DEFERRED TAXES

TWELVE MONTHS ENDED MARCH 31, 1987

| <u>LINE</u> <u>#</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | 0 4,442,159 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | 0 2,336,576 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | 0 248,144 |
| 6. | TAX DEPRECIATION EXPENSE | 0 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | 0 95,788 |
| 9. | FEDERAL TAX RATE | X 41.88 % |
| 10. | DEFERRED FEDERAL INCOME TAX | 0 40,116 |

CAPITAL CITY WATER COMPANY
STATEMENT OF OPERATING INCOME PER BOOKS
TEST YEAR- MARCH 31, 1987

| LINE # | DESCRIPTION | PER BOOKS 3/31/87 | TEST YEAR ADJUSTMENT | ADJUSTED TEST YEAR | UNDER PROPOSED RATES ADJUSTMENTS | PRO FORMA |
|-----------|--|-------------------------|----------------------------|--------------------------|-------------------------------------|--------------|
| | | (1) | (2) | (3) | (4) | (5) |
| 1. | OPERATING REVENUES | 2,706,830 | | 2,706,830 | 34,199 | 2,741,029 |
| | <u>OPERATING EXPENSES:</u> | | | | | |
| 2. | OPERATION & MAINTENANCE | 1,794,694 | 0 | 1,794,694 | | 1,794,694 |
| 3. | DEPRECIATION | 112,226 | 0 | 112,226 | | 112,226 |
| 4. | TAXES OTHER THAN INCOME | 123,690 | 0 | 123,690 | | 123,690 |
| 5. | TOTAL OPERATING EXPENSES EXCLUDING INCOME TAXES | 2,030,610 | 0 | 2,030,610 | 0 | 2,030,610 |
| 6. | OPERATING INCOME BEFORE INCOME TAXES | 676,220 | 0 | 676,220 | 34,199 | 710,419 |
| | <u>INCOME TAXES:</u> | | | | | |
| 7. | CURRENT INCOME TAXES | 166,089 | (44,412) | 121,677 | 12,388 | 134,066 |
| 8. | DEFERRED INCOME TAXES | 41,580 | (6,847) | 34,733 | | 34,733 |
| 9. | ITC AMORTIZATION | (5,653) | 0 | (5,653) | 0 | (5,653) |
| 10. | TOTAL INCOME TAXES | 202,016 | (51,259) | 150,757 | 12,388 | 163,145 |
| 10. | NET OPERATING INCOME | 474,204 | 51,259 | 525,463 | 21,810 | 547,274 |
| 11. | RATE BASE | | | 4,442,159 | | 4,442,159 |
| 12. | RATE OF RETURN | | | 11.83% | | 12.32% |

CAPITAL CITY WATER COMPANY

EXHIBIT NO. 4C
PAGE 2 OF 3

COMPUTATION OF STATE AND FEDERAL INCOME TAXES

AT PRESENT RATES

TWELVE MONTHS ENDED MARCH 31, 1987

| LINE NO. | | PRO FORMA | |
|-------------|---------------------------------------|----------------------|----------------------|
| | | AT EXISTING RATES | AT PROPOSED RATES |
| 1. | OPERATING INCOME BEFORE INCOME TAXES | 676,220 | 710,419 |
| | LESS: TAX DEDUCTIONS: | | |
| 5. | INTEREST EXPENSE (A) | 248,144 | 248,144 |
| 6. | EXCESS TAX OVER BOOK | 95,788 | 95,788 |
| 7. | TOTAL TAX DEDUCTIONS | 343,932 | 343,932 |
| 7A | UNBILLED REVENUES | 51,768 | 51,768 |
| 8. | TAXABLE INCOME- STATE | 384,056 | 418,255 |
| 9. | ST. INC. TAX @5.00% | 13,181 | 14,329 |
| 10. | FEDERAL TAXABLE INCOME | 319,107 | 352,158 |
| 11. | FD. INC. TAX-FIRST 100,000 @ 25.75% | 0 | 0 |
| 12. | FD. INC. TAX-remaining TX. INC. @ 34% | 108,496 | 119,734 |
| 13. | LESS: INVESTMENT TAX CREDIT | (5,653) | (5,653) |
| 14. | TOTAL FEDERAL INCOME TAX | 102,843 | 114,081 |
| 15. | TOTAL FEDERAL & STATE TAXES | 116,024 | 128,410 |

CAPITAL CITY WATER COMPANY
COMPUTATION OF STATE AND FEDERAL INCOME TAXES
INTEREST AND DEFERRED TAXES
TWELVE MONTHS ENDED MARCH 31, 1967

| <u>LINE</u> <u>#</u> | | <u>AMOUNT</u> |
|-------------------------|--------------------------------------|---------------|
| 1. | RATE BASE | \$ 4,442,159 |
| 2. | RATIO OF DEBT TO CAPITALIZATION | X 52.60% |
| 3. | DEBT PORTION OF TOTAL CAPITALIZATION | \$ 2,336,576 |
| 4. | INTEREST RATE | X 10.62% |
| 5. | TOTAL INTEREST | \$ 248,144 |
| 6. | TAX DEPRECIATION EXPENSE | \$ 203,230 |
| 7. | BOOK DEPRECIATION EXPENSE | - 107,442 |
| 8. | EXCESS TAX OVER BOOK | \$ 95,788 |
| 9. | FEDERAL TAX RATE | 36.26% |
| 10. | DEFERRED FEDERAL INCOME TAX | \$ 34,733 |