

Missouri-American Water Company  
Pro Forma Current State and Federal Income Taxes at Present and Proposed Rates  
For the Test Year Ended December 31, 2014  
Schedule: CAS-10

Case No. WR-2015-0301  
Case No. SR-2015-0302  
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Line Number	Description	Total Company			
		At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$77,192,523	\$77,192,523	\$127,647,748	\$127,647,748
3					
4	Interest Expense Deduction	<u>28,148,818</u>	<u>28,148,818</u>	<u>28,148,818</u>	<u>28,148,818</u>
5					
6	Income Before Add Backs (Deducts)	<u>49,043,705</u>	<u>49,043,705</u>	<u>99,498,930</u>	<u>99,498,930</u>
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	1,644,481	1,529,071	1,644,481	1,529,071
10	Repairs	(74,459,435)	(74,459,435)	(74,459,435)	(74,459,435)
11	Non-deductible Items	252,000	252,000	252,000	252,000
12	Non-deductible Meals	82,685	82,685	82,685	82,685
13	Preferred Stock	1,420	1,420	1,420	1,420
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	<u>(72,478,849)</u>	<u>(72,594,259)</u>	<u>(72,478,849)</u>	<u>(72,594,259)</u>
18					
19	Taxable Income	<u>(23,435,144)</u>	<u>(23,550,554)</u>	<u>27,020,081</u>	<u>26,904,671</u>
20					
21	Effective Tax Rate (1)	<u>33.175%</u>	<u>5.213%</u>	<u>33.175%</u>	<u>5.213%</u>
22					
23	Pro Forma Income Tax at Present / Proposed Rates	<u>(7,774,691)</u>	<u>(1,227,755)</u>	<u>8,964,056</u>	<u>1,402,614</u>
24					
25	Per Books Amount / Present Rates	<u>(485,612)</u>	<u>(1)</u>	<u>(7,774,691)</u>	<u>(1,227,755)</u>
26					
27	Pro Forma adjustment	<u>(\$7,289,079)</u>	<u>(\$1,227,754)</u>	<u>\$16,738,747</u>	<u>\$2,630,369</u>
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
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Missouri-American Water Company  
Pro Forma Current State and Federal Income Taxes at Present and Proposed Rates  
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Line Number	Description	Total Water			
		At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$75,961,342	\$75,961,342	\$124,682,019	\$124,682,019
3					
4	Interest Expense Deduction	27,490,070	27,490,070	27,490,070	27,490,070
5					
6	Income Before Add Backs (Deducts)	48,471,272	48,471,272	97,191,949	97,191,949
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	2,566	(112,844)	2,566	(112,844)
10	Repairs	(73,541,400)	(73,541,400)	(73,541,400)	(73,541,400)
11	Non-deductible Items	252,000	252,000	252,000	252,000
12	Non-deductible Meals	82,685	82,685	82,685	82,685
13	Preferred Stock	1,420	1,420	1,420	1,420
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(73,202,729)	(73,318,139)	(73,202,729)	(73,318,139)
18					
19	Taxable Income	(24,731,457)	(24,846,867)	23,989,220	23,873,810
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(8,204,748)	(1,295,334)	7,958,559	1,244,606
24					
25	Per Books Amount / Present Rates	(484,295)	519	(8,204,748)	(1,295,334)
26					
27	Pro Forma adjustment	(\$7,720,453)	(\$1,295,853)	\$16,163,307	\$2,539,940
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
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Line Number	Description	Total Sewer			
		At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$1,231,181	\$1,231,181	\$2,965,729	\$2,965,729
3					
4	Interest Expense Deduction	658,748	658,748	658,748	658,748
5					
6	Income Before Add Backs (Deducts)	572,433	572,433	2,306,981	2,306,981
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	1,641,915	1,641,915	1,641,915	1,641,915
10	Repairs	(918,035)	(918,035)	(918,035)	(918,035)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	723,880	723,880	723,880	723,880
18					
19	Taxable Income	1,296,313	1,296,313	3,030,861	3,030,861
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	430,057	67,579	1,005,497	158,008
24					
25	Per Books Amount / Present Rates	(1,317)	(520)	430,057	67,579
26					
27	Pro Forma adjustment	\$431,374	\$68,099	\$575,440	\$90,429
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
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Anna Meadows Water

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$27,606	\$27,606	\$35,622	\$35,622
3					
4	Interest Expense Deduction	7,912	7,912	7,912	7,912
5					
6	Income Before Add Backs (Deducts)	19,694	19,694	27,710	27,710
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	1,511	1,511	1,511	1,511
10	Repairs	(1,722)	(1,722)	(1,722)	(1,722)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(211)	(211)	(211)	(211)
18					
19	Taxable Income	19,483	19,483	27,499	27,499
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	6,464	1,016	9,123	1,434
24					
25	Per Books Amount / Present Rates	(46)	(17)	6,464	1,016
26					
27	Pro Forma adjustment	\$6,510	\$1,033	\$2,659	\$418
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
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31					

		Brunswick			
		At Present Rates		At Proposed Rates	
Line Number	Description	Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	(\$20,419)	(\$20,419)	\$207,298	\$207,298
3					
4	Interest Expense Deduction	46,044	46,044	46,044	46,044
5					
6	Income Before Add Backs (Deducts)	(66,463)	(66,463)	161,254	161,254
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	44,199	44,199	44,199	44,199
10	Repairs	(36,866)	(36,866)	(36,866)	(36,866)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	7,333	7,333	7,333	7,333
18					
19	Taxable Income	(59,130)	(59,130)	168,587	168,587
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(19,617)	(3,083)	55,929	8,789
24					
25	Per Books Amount / Present Rates	(125)	(48)	(19,617)	(3,083)
26					
27	Pro Forma adjustment	(\$19,492)	(\$3,035)	\$75,546	\$11,872
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
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Emerald Pointe					
Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$45,136	\$45,136	\$19,809	\$19,809
3					
4	Interest Expense Deduction	4,400	4,400	4,400	4,400
5					
6	Income Before Add Backs (Deducts)	40,736	40,736	15,409	15,409
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	5,364	5,364	5,364	5,364
10	Repairs	(16,895)	(16,895)	(16,895)	(16,895)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(11,531)	(11,531)	(11,531)	(11,531)
18					
19	Taxable Income	29,205	29,205	3,878	3,878
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	9,689	1,523	1,287	202
24					
25	Per Books Amount / Present Rates	56	(8)	9,689	1,523
26					
27	Pro Forma adjustment	\$9,633	\$1,531	(\$8,402)	(\$1,321)
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Jefferson City					
Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$3,090,223	\$3,090,223	\$3,365,676	\$3,365,676
3					
4	Interest Expense Deduction	745,135	745,135	745,135	745,135
5					
6	Income Before Add Backs (Deducts)	2,345,088	2,345,088	2,620,541	2,620,541
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(51,512)	(51,512)	(51,512)	(51,512)
10	Repairs	(1,749,261)	(1,749,261)	(1,749,261)	(1,749,261)
11	Non-deductible Items	8,014	8,014	8,014	8,014
12	Non-deductible Meals	2,629	2,629	2,629	2,629
13	Preferred Stock	45	45	45	45
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(1,790,085)	(1,790,085)	(1,790,085)	(1,790,085)
18					
19	Taxable Income	555,003	555,003	830,456	830,456
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	184,124	28,934	275,507	43,294
24					
25	Per Books Amount / Present Rates	(15,374)	27	184,124	28,934
26					
27	Pro Forma adjustment	\$199,498	\$28,907	\$91,383	\$14,360
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

		Joplin			
		At Present Rates		At Proposed Rates	
Line Number	Description	Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$7,093,040	\$7,093,040	\$8,534,070	\$8,534,070
3					
4	Interest Expense Deduction	<u>1,864,596</u>	<u>1,864,596</u>	<u>1,864,596</u>	<u>1,864,596</u>
5					
6	Income Before Add Backs (Deducts)	<u>5,228,444</u>	<u>5,228,444</u>	<u>6,669,474</u>	<u>6,669,474</u>
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	78,087	78,087	78,087	78,087
10	Repairs	(3,736,312)	(3,736,312)	(3,736,312)	(3,736,312)
11	Non-deductible Items	18,320	18,320	18,320	18,320
12	Non-deductible Meals	6,011	6,011	6,011	6,011
13	Preferred Stock	103	103	103	103
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	<u>(3,633,791)</u>	<u>(3,633,791)</u>	<u>(3,633,791)</u>	<u>(3,633,791)</u>
18					
19	Taxable Income	<u>1,594,653</u>	<u>1,594,653</u>	<u>3,035,683</u>	<u>3,035,683</u>
20					
21	Effective Tax Rate (1)	<u>33.175%</u>	<u>5.213%</u>	<u>33.175%</u>	<u>5.213%</u>
22					
23	Pro Forma Income Tax at Present / Proposed Rates	<u>529,032</u>	<u>83,134</u>	<u>1,007,103</u>	<u>158,258</u>
24					
25	Per Books Amount / Present Rates	<u>(35,149)</u>	<u>62</u>	<u>529,032</u>	<u>83,134</u>
26					
27	Pro Forma adjustment	<u>\$564,181</u>	<u>\$83,072</u>	<u>\$478,071</u>	<u>\$75,124</u>
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					



Maple/River/Stone

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$182,805	\$182,805	\$165,359	\$165,359
3					
4	Interest Expense Deduction	36,733	36,733	36,733	36,733
5					
6	Income Before Add Backs (Deducts)	146,072	146,072	128,626	128,626
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	67,395	67,395	67,395	67,395
10	Repairs	(93,795)	(93,795)	(93,795)	(93,795)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(26,400)	(26,400)	(26,400)	(26,400)
18					
19	Taxable Income	119,672	119,672	102,226	102,226
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	39,702	6,239	33,915	5,329
24					
25	Per Books Amount / Present Rates	(418)	(157)	39,702	6,239
26					
27	Pro Forma adjustment	\$40,120	\$6,396	(\$5,787)	(\$910)
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

		Mexico			
		At Present Rates		At Proposed Rates	
Line Number	Description	Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$1,698,900	\$1,698,900	\$2,240,699	\$2,240,699
3					
4	Interest Expense Deduction	497,142	497,142	497,142	497,142
5					
6	Income Before Add Backs (Deducts)	1,201,758	1,201,758	1,743,557	1,743,557
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(26,502)	(26,502)	(26,502)	(26,502)
10	Repairs	(1,339,314)	(1,339,314)	(1,339,314)	(1,339,314)
11	Non-deductible Items	3,881	3,881	3,881	3,881
12	Non-deductible Meals	1,273	1,273	1,273	1,273
13	Preferred Stock	22	22	22	22
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(1,360,640)	(1,360,640)	(1,360,640)	(1,360,640)
18					
19	Taxable Income	(158,882)	(158,882)	382,917	382,917
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(52,710)	(8,283)	127,033	19,962
24					
25	Per Books Amount / Present Rates	(7,446)	13	(52,710)	(8,283)
26					
27	Pro Forma adjustment	(\$45,264)	(\$8,296)	\$179,743	\$28,245
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Ozark MTN/LTA					
Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$124,601	\$124,601	\$106,695	\$106,695
3					
4	Interest Expense Deduction	23,699	23,699	23,699	23,699
5					
6	Income Before Add Backs (Deducts)	100,902	100,902	82,996	82,996
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	27,381	27,381	27,381	27,381
10	Repairs	(243,783)	(243,783)	(243,783)	(243,783)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(216,402)	(216,402)	(216,402)	(216,402)
18					
19	Taxable Income	(115,500)	(115,500)	(133,406)	(133,406)
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(38,318)	(6,021)	(44,258)	(6,955)
24					
25	Per Books Amount / Present Rates	(150)	(56)	(38,318)	(6,021)
26					
27	Pro Forma adjustment	(\$38,168)	(\$5,965)	(\$5,940)	(\$934)
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
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Platte County Water

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$1,621,203	\$1,621,203	\$3,087,499	\$3,087,499
3					
4	Interest Expense Deduction	684,902	684,902	684,902	684,902
5					
6	Income Before Add Backs (Deducts)	936,301	936,301	2,402,597	2,402,597
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(32,806)	(32,806)	(32,806)	(32,806)
10	Repairs	(919,426)	(919,426)	(919,426)	(919,426)
11	Non-deductible Items	6,174	6,174	6,174	6,174
12	Non-deductible Meals	2,026	2,026	2,026	2,026
13	Preferred Stock	35	35	35	35
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(943,997)	(943,997)	(943,997)	(943,997)
18					
19	Taxable Income	(7,696)	(7,696)	1,458,600	1,458,600
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(2,553)	(401)	483,896	76,041
24					
25	Per Books Amount / Present Rates	(11,845)	21	(2,553)	(401)
26					
27	Pro Forma adjustment	\$9,292	(\$422)	\$486,449	\$76,442
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
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Missouri-American Water Company  
Pro Forma Current State and Federal Income Taxes at Present and Proposed Rates  
For the Test Year Ended December 31, 2014  
Schedule: CAS-10

		Rankin Acres			
Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$32,233	\$32,233	\$5,023	\$5,023
3					
4	Interest Expense Deduction	1,116	1,116	1,116	1,116
5					
6	Income Before Add Backs (Deducts)	31,117	31,117	3,907	3,907
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(1,347)	(1,347)	(1,347)	(1,347)
10	Repairs	(2,717)	(2,717)	(2,717)	(2,717)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(4,064)	(4,064)	(4,064)	(4,064)
18					
19	Taxable Income	27,053	27,053	(157)	(157)
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	8,975	1,410	(53)	(8)
24					
25	Per Books Amount / Present Rates	(27)	(9)	8,975	1,410
26					
27	Pro Forma adjustment	\$9,002	\$1,419	(\$9,028)	(\$1,418)
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Saddlebrooke Water

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	(\$29,441)	(\$29,441)	\$35,507	\$35,507
3					
4	Interest Expense Deduction	7,886	7,886	7,886	7,886
5					
6	Income Before Add Backs (Deducts)	(37,327)	(37,327)	27,621	27,621
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	35,937	35,937	35,937	35,937
10	Repairs	(15,328)	(15,328)	(15,328)	(15,328)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	20,609	20,609	20,609	20,609
18					
19	Taxable Income	(16,718)	(16,718)	48,230	48,230
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(5,546)	(872)	16,001	2,514
24					
25	Per Books Amount / Present Rates	(28)	(9)	(5,546)	(872)
26					
27	Pro Forma adjustment	(\$5,518)	(\$863)	\$21,547	\$3,386
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Spring Valley/LWM

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$12,272	\$12,272	\$13,365	\$13,365
3					
4	Interest Expense Deduction	2,969	2,969	2,969	2,969
5					
6	Income Before Add Backs (Deducts)	9,303	9,303	10,396	10,396
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	2,293	2,293	2,293	2,293
10	Repairs	(3,730)	(3,730)	(3,730)	(3,730)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(1,437)	(1,437)	(1,437)	(1,437)
18					
19	Taxable Income	7,866	7,866	8,959	8,959
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	2,610	410	2,972	467
24					
25	Per Books Amount / Present Rates	(42)	(15)	2,610	410
26					
27	Pro Forma adjustment	\$2,652	\$425	\$362	\$57
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Missouri-American Water Company  
Pro Forma Current State and Federal Income Taxes at Present and Proposed Rates  
For the Test Year Ended December 31, 2014  
Schedule: CAS-10

		St. Joseph			
		At Present Rates		At Proposed Rates	
Line Number	Description	Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$8,216,413	\$8,216,413	\$9,293,037	\$9,293,037
3					
4	Interest Expense Deduction	2,022,903	2,022,903	2,022,903	2,022,903
5					
6	Income Before Add Backs (Deducts)	6,193,510	6,193,510	7,270,134	7,270,134
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(683,471)	(683,471)	(683,471)	(683,471)
10	Repairs	(4,822,943)	(4,822,943)	(4,822,943)	(4,822,943)
11	Non-deductible Items	21,546	21,546	21,546	21,546
12	Non-deductible Meals	7,070	7,070	7,070	7,070
13	Preferred Stock	121	121	121	121
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(5,477,677)	(5,477,677)	(5,477,677)	(5,477,677)
18					
19	Taxable Income	715,833	715,833	1,792,457	1,792,457
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	237,480	37,318	594,654	93,446
24					
25	Per Books Amount / Present Rates	(41,337)	73	237,480	37,318
26					
27	Pro Forma adjustment	\$278,817	\$37,245	\$357,174	\$56,128
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					



St. Louis Metro

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$52,525,539	\$52,525,539	\$95,528,345	\$95,528,345
3					
4	Interest Expense Deduction	21,091,318	21,091,318	21,091,318	21,091,318
5					
6	Income Before Add Backs (Deducts)	31,434,221	31,434,221	74,437,027	74,437,027
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	501,242	387,083	501,242	387,083
10	Repairs	(58,967,306)	(58,967,306)	(58,967,306)	(58,967,306)
11	Non-deductible Items	189,202	189,202	189,202	189,202
12	Non-deductible Meals	62,080	62,080	62,080	62,080
13	Preferred Stock	1,067	1,067	1,067	1,067
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(58,213,715)	(58,327,874)	(58,213,715)	(58,327,874)
18					
19	Taxable Income	(26,779,494)	(26,893,653)	16,223,312	16,109,153
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(8,884,192)	(1,402,039)	5,382,187	839,814
24					
25	Per Books Amount / Present Rates	(362,993)	641	(8,884,192)	(1,402,039)
26					
27	Pro Forma adjustment	(\$8,521,199)	(\$1,402,680)	\$14,266,379	\$2,241,853
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

		Tri States			
		At Present Rates		At Proposed Rates	
Line Number	Description	Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$43,744	\$43,744	\$353,742	\$353,742
3					
4	Interest Expense Deduction	78,421	78,421	78,421	78,421
5					
6	Income Before Add Backs (Deducts)	(34,677)	(34,677)	275,321	275,321
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	84,277	84,277	84,277	84,277
10	Repairs	(272,139)	(272,139)	(272,139)	(272,139)
11	Non-deductible Items	1,058	1,058	1,058	1,058
12	Non-deductible Meals	347	347	347	347
13	Preferred Stock	6	6	6	6
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(186,451)	(186,451)	(186,451)	(186,451)
18					
19	Taxable Income	(221,128)	(221,128)	88,870	88,870
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(73,360)	(11,528)	29,483	4,633
24					
25	Per Books Amount / Present Rates	(2,030)	3	(73,360)	(11,528)
26					
27	Pro Forma adjustment	(\$71,330)	(\$11,531)	\$102,843	\$16,161
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Warrensburg					
Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$1,255,755	\$1,255,755	\$1,649,981	\$1,649,981
3					
4	Interest Expense Deduction	365,944	365,944	365,944	365,944
5					
6	Income Before Add Backs (Deducts)	889,811	889,811	1,284,037	1,284,037
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(56,843)	(58,094)	(56,843)	(58,094)
10	Repairs	(1,315,340)	(1,315,340)	(1,315,340)	(1,315,340)
11	Non-deductible Items	3,805	3,805	3,805	3,805
12	Non-deductible Meals	1,249	1,249	1,249	1,249
13	Preferred Stock	21	21	21	21
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(1,367,108)	(1,368,359)	(1,367,108)	(1,368,359)
18					
19	Taxable Income	(477,297)	(478,548)	(83,071)	(84,322)
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(158,345)	(24,948)	(27,559)	(4,396)
24					
25	Per Books Amount / Present Rates	(7,300)	13	(158,345)	(24,948)
26					
27	Pro Forma adjustment	(\$151,045)	(\$24,961)	\$130,786	\$20,552
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

		Whitebranch			
Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$49,038	\$49,038	\$20,043	\$20,043
3					
4	Interest Expense Deduction	4,452	4,452	4,452	4,452
5					
6	Income Before Add Backs (Deducts)	44,586	44,586	15,591	15,591
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	3,419	3,419	3,419	3,419
10	Repairs	(4,523)	(4,523)	(4,523)	(4,523)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(1,104)	(1,104)	(1,104)	(1,104)
18					
19	Taxable Income	43,482	43,482	14,487	14,487
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	14,425	2,267	4,806	755
24					
25	Per Books Amount / Present Rates	(41)	(15)	14,425	2,267
26					
27	Pro Forma adjustment	\$14,466	\$2,282	(\$9,619)	(\$1,512)
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

		Redfield			
		At Present Rates		At Proposed Rates	
Line Number	Description	Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	(\$7,306)	(\$7,306)	\$20,249	\$20,249
3					
4	Interest Expense Deduction	4,498	4,498	4,498	4,498
5					
6	Income Before Add Backs (Deducts)	<u>(11,804)</u>	<u>(11,804)</u>	<u>15,751</u>	<u>15,751</u>
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	3,942	3,942	3,942	3,942
10	Repairs	0	0	0	0
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	<u>3,942</u>	<u>3,942</u>	<u>3,942</u>	<u>3,942</u>
18					
19	Taxable Income	<u>(7,862)</u>	<u>(7,862)</u>	<u>19,693</u>	<u>19,693</u>
20					
21	Effective Tax Rate (1)	<u>33.175%</u>	<u>5.213%</u>	<u>33.175%</u>	<u>5.213%</u>
22					
23	Pro Forma Income Tax at Present / Proposed Rates	<u>(2,608)</u>	<u>(410)</u>	<u>6,533</u>	<u>1,027</u>
24					
25	Per Books Amount / Present Rates	<u>0</u>	<u>0</u>	<u>(2,608)</u>	<u>(410)</u>
26					
27	Pro Forma adjustment	<u>(\$2,608)</u>	<u>(\$410)</u>	<u>\$9,141</u>	<u>\$1,437</u>
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Anna Meadows Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$6,911	\$6,911	\$22,181	\$22,181
3					
4	Interest Expense Deduction	4,927	4,927	4,927	4,927
5					
6	Income Before Add Backs (Deducts)	1,984	1,984	17,254	17,254
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	14,559	14,559	14,559	14,559
10	Repairs	(1,722)	(1,722)	(1,722)	(1,722)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	12,837	12,837	12,837	12,837
18					
19	Taxable Income	14,821	14,821	30,091	30,091
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	4,917	773	9,983	1,569
24					
25	Per Books Amount / Present Rates	(46)	(17)	4,917	773
26					
27	Pro Forma adjustment	\$4,963	\$790	\$5,066	\$796
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Cedar Hill Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$58,898	\$58,898	\$162,399	\$162,399
3					
4	Interest Expense Deduction	36,072	36,072	36,072	36,072
5					
6	Income Before Add Backs (Deducts)	22,826	22,826	126,327	126,327
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	29,286	29,286	29,286	29,286
10	Repairs	(114,245)	(114,245)	(114,245)	(114,245)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(84,959)	(84,959)	(84,959)	(84,959)
18					
19	Taxable Income	(62,133)	(62,133)	41,368	41,368
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(20,613)	(3,239)	13,724	2,157
24					
25	Per Books Amount / Present Rates	(223)	(82)	(20,613)	(3,239)
26					
27	Pro Forma adjustment	(\$20,390)	(\$3,157)	\$34,337	\$5,396
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Emerald Pointe Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$166,515	\$166,515	\$125,334	\$125,334
3					
4	Interest Expense Deduction	27,839	27,839	27,839	27,839
5					
6	Income Before Add Backs (Deducts)	138,676	138,676	97,495	97,495
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(27,617)	(27,617)	(27,617)	(27,617)
10	Repairs	(18,659)	(18,659)	(18,659)	(18,659)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(46,276)	(46,276)	(46,276)	(46,276)
18					
19	Taxable Income	92,400	92,400	51,219	51,219
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	30,654	4,817	16,992	2,670
24					
25	Per Books Amount / Present Rates	65	(8)	30,654	4,817
26					
27	Pro Forma adjustment	\$30,589	\$4,825	(\$13,662)	(\$2,147)
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					



Jefferson City Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$150,718	\$150,718	\$350,310	\$350,310
3					
4	Interest Expense Deduction	77,814	77,814	77,814	77,814
5					
6	Income Before Add Backs (Deducts)	72,904	72,904	272,496	272,496
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	211,061	211,061	211,061	211,061
10	Repairs	(462,080)	(462,080)	(462,080)	(462,080)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(251,019)	(251,019)	(251,019)	(251,019)
18					
19	Taxable Income	(178,115)	(178,115)	21,477	21,477
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(59,090)	(9,286)	7,124	1,120
24					
25	Per Books Amount / Present Rates	(413)	(154)	(59,090)	(9,286)
26					
27	Pro Forma adjustment	(\$58,677)	(\$9,132)	\$66,214	\$10,406
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Maplewood Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$65,011	\$65,011	\$76,586	\$76,586
3					
4	Interest Expense Deduction	17,012	17,012	17,012	17,012
5					
6	Income Before Add Backs (Deducts)	47,999	47,999	59,574	59,574
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	39,398	39,398	39,398	39,398
10	Repairs	(16,461)	(16,461)	(16,461)	(16,461)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	22,937	22,937	22,937	22,937
18					
19	Taxable Income	70,936	70,936	82,511	82,511
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	23,533	3,698	27,372	4,302
24					
25	Per Books Amount / Present Rates	(111)	(41)	23,533	3,698
26					
27	Pro Forma adjustment	\$23,644	\$3,739	\$3,839	\$604
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Meramec Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	(\$28,730)	(\$28,730)	\$67,012	\$67,012
3					
4	Interest Expense Deduction	14,884	14,884	14,884	14,884
5					
6	Income Before Add Backs (Deducts)	(43,614)	(43,614)	52,128	52,128
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	56,858	56,858	56,858	56,858
10	Repairs	(70,845)	(70,845)	(70,845)	(70,845)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(13,987)	(13,987)	(13,987)	(13,987)
18					
19	Taxable Income	(57,601)	(57,601)	38,141	38,141
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(19,109)	(3,003)	12,654	1,988
24					
25	Per Books Amount / Present Rates	(187)	(69)	(19,109)	(3,003)
26					
27	Pro Forma adjustment	(\$18,922)	(\$2,934)	\$31,763	\$4,991
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Ozark Meadows Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	(\$7,590)	(\$7,590)	\$5,395	\$5,395
3					
4	Interest Expense Deduction	1,198	1,198	1,198	1,198
5					
6	Income Before Add Backs (Deducts)	(8,788)	(8,788)	4,197	4,197
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	3,594	3,594	3,594	3,594
10	Repairs	(1,300)	(1,300)	(1,300)	(1,300)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	2,294	2,294	2,294	2,294
18					
19	Taxable Income	(6,494)	(6,494)	6,491	6,491
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(2,154)	(339)	2,154	338
24					
25	Per Books Amount / Present Rates	(6)	(3)	(2,154)	(339)
26					
27	Pro Forma adjustment	(\$2,148)	(\$336)	\$4,308	\$677
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Platte County Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	(\$5,708)	(\$5,708)	\$2,535	\$2,535
3					
4	Interest Expense Deduction	563	563	563	563
5					
6	Income Before Add Backs (Deducts)	(6,271)	(6,271)	1,972	1,972
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	(1,085)	(1,085)	(1,085)	(1,085)
10	Repairs	(2,228)	(2,228)	(2,228)	(2,228)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(3,313)	(3,313)	(3,313)	(3,313)
18					
19	Taxable Income	(9,584)	(9,584)	(1,341)	(1,341)
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(3,180)	(500)	(446)	(70)
24					
25	Per Books Amount / Present Rates	(32)	(11)	(3,180)	(500)
26					
27	Pro Forma adjustment	(\$3,148)	(\$489)	\$2,734	\$430
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Saddlebrooke Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$44,857	\$44,857	\$14,483	\$14,483
3					
4	Interest Expense Deduction	3,217	3,217	3,217	3,217
5					
6	Income Before Add Backs (Deducts)	41,640	41,640	11,266	11,266
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	22,980	22,980	22,980	22,980
10	Repairs	(4,039)	(4,039)	(4,039)	(4,039)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	18,941	18,941	18,941	18,941
18					
19	Taxable Income	60,581	60,581	30,207	30,207
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	20,098	3,158	10,021	1,575
24					
25	Per Books Amount / Present Rates	(28)	(11)	20,098	3,158
26					
27	Pro Forma adjustment	\$20,126	\$3,169	(\$10,077)	(\$1,583)
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Stonebridge Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$41,722	\$41,722	\$164,563	\$164,563
3					
4	Interest Expense Deduction	36,553	36,553	36,553	36,553
5					
6	Income Before Add Backs (Deducts)	5,169	5,169	128,010	128,010
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	197,029	197,029	197,029	197,029
10	Repairs	(56,069)	(56,069)	(56,069)	(56,069)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	140,960	140,960	140,960	140,960
18					
19	Taxable Income	146,129	146,129	268,970	268,970
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	48,479	7,618	89,232	14,022
24					
25	Per Books Amount / Present Rates	(209)	(76)	48,479	7,618
26					
27	Pro Forma adjustment	\$48,688	\$7,694	\$40,753	\$6,404
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					

Warren County Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	(\$105,493)	(\$105,493)	\$243,105	\$243,105
3					
4	Interest Expense Deduction	53,998	53,998	53,998	53,998
5					
6	Income Before Add Backs (Deducts)	(159,491)	(159,491)	189,107	189,107
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	31,835	31,835	31,835	31,835
10	Repairs	(170,387)	(170,387)	(170,387)	(170,387)
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	(138,552)	(138,552)	(138,552)	(138,552)
18					
19	Taxable Income	(298,043)	(298,043)	50,555	50,555
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	(98,877)	(15,538)	16,771	2,636
24					
25	Per Books Amount / Present Rates	(127)	(48)	(98,877)	(15,538)
26					
27	Pro Forma adjustment	(\$98,750)	(\$15,490)	\$115,648	\$18,174
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					



Arnold Wastewater

Line Number	Description	At Present Rates		At Proposed Rates	
		Federal	State	Federal	State
1					
2	Utility Operating Income Before Income Taxes	\$844,070	\$844,070	\$1,731,826	\$1,731,826
3					
4	Interest Expense Deduction	384,671	384,671	384,671	384,671
5					
6	Income Before Add Backs (Deducts)	459,399	459,399	1,347,155	1,347,155
7					
8	Addback (Deducts):				
9	Tax over Book Depreciation	1,064,017	1,064,017	1,064,017	1,064,017
10	Repairs	0	0	0	0
11	Non-deductible Items	0	0	0	0
12	Non-deductible Meals	0	0	0	0
13	Preferred Stock	0	0	0	0
14	Lobbying Expense	0	0	0	0
15	Non-deductible Reserve Deficiency	0	0	0	0
16					
17	Total Add Backs (Deducts)	1,064,017	1,064,017	1,064,017	1,064,017
18					
19	Taxable Income	1,523,416	1,523,416	2,411,172	2,411,172
20					
21	Effective Tax Rate (1)	33.175%	5.213%	33.175%	5.213%
22					
23	Pro Forma Income Tax at Present / Proposed Rates	505,399	79,420	799,916	125,701
24					
25	Per Books Amount / Present Rates	0	0	505,399	79,420
26					
27	Pro Forma adjustment	\$505,399	\$79,420	\$294,517	\$46,281
28					
29	(1) Based on a 6.25% statutory rate for SIT and 35% for FIT				
30					
31					