

DEPARTMENT OF BUDGET AND FINANCE

STATE OF HAWAII

PUBLIC UTILITIES COMMISSION

UNIFORM SYSTEM OF ACCOUNTS FOR MOTOR CARRIERS

PASSENGER

EFFECTIVE: JANUARY 1, 1993

CHART OF ACCOUNTS

PASSENGER CARRIERS

BALANCE SHEET

ACCOUNT	
<u>NEW</u>	<u>OLD</u>

CURRENT ASSETS

100	100	CASH ON HAND
101	101	CASH IN BANK
104	104	SPECIAL DEPOSITS
105	105	MARKETABLE SECURITIES
108	108	NOTES RECEIVABLE
110	110	ACCOUNTS RECEIVABLE
110-A	110-A	ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS
118	118	MATERIALS AND SUPPLIES
119	119	OTHER CURRENT ASSETS

FIXED ASSETS

200	200	LAND
201	201	BUILDINGS AND IMPROVEMENTS (B & I)
201-D	201-D	ACCUMULATED DEPRECIATION - B & I
202	202	REVENUE EQUIPMENT (R)
202-D	202-D	ACCUMULATED DEPRECIATION - R
203	203	SERVICE CARS AND EQUIPMENT (SC)
203-D	203-D	ACCUMULATED DEPRECIATION - SC
204	204	SHOP AND GARAGE EQUIPMENT (S & G)
204-D	204-D	ACCUMULATED DEPRECIATION - S & G
205	205	OFFICE FURNITURE AND EQUIPMENT (OF)
205-D	205-D	ACCUMULATED DEPRECIATION - OF

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ACCOUNT	
<u>NEW</u>	<u>OLD</u>

FIXED ASSETS - CONTINUED

206	206	OTHER FIXED ASSETS (OTHER)
206-D	206-D	ACCUMULATED DEPRECIATION - OTHER
240	240	NON-PUC FIXED ASSETS (NON-PUC)
240-D	240-D	ACCUMULATED DEPRECIATION - NON-PUC
250	250	INTANGIBLE FIXED ASSETS (INTANGIBLE)
250-A	250-A	ACCUMULATED AMORTIZATION - INTANGIBLE

OTHER ASSETS

300	300	INVESTMENTS
305	305	ADVANCES
310	310	PREPAYMENTS
320	320	OTHER ASSETS

CURRENT LIABILITIES

501	501	NOTES PAYABLE
505	505	ACCOUNTS PAYABLE
507	507	SALARIES AND WAGES PAYABLE
509	509	COD'S UNREMITTED
511	511	TAXES WITHHELD
512	512	ACCRUED PAYROLL TAXES
513	513	INCOME TAXES PAYABLE

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ACCOUNT	
<u>NEW</u>	<u>OLD</u>

CURRENT LIABILITIES - CONTINUED

514	514	OTHER TAXES PAYABLE
518	518	OTHER ACCRUED LIABILITIES
520	520	OTHER CURRENT LIABILITIES

LONG TERM DEBT

600	600	EQUIPMENT OBLIGATIONS
620	620	OTHER LONG TERM DEBT

DEFERRED CREDITS AND RESERVES

700	700	DEFERRED CREDITS
710	710	OTHER RESERVES

EQUITY (CORPORATION)

800	800	CAPITAL STOCK
805	805	PAID IN CAPITAL
820	820	CURRENT YEAR PROFIT AND LOSS
825	-	PRIOR YEAR(S) ADJUSTMENTS
830	830	RETAINED EARNINGS
835	-	TREASURY STOCK

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<u>NEW</u>	<u>OLD</u>

EQUITY (PROPRIETORSHIP)

850	800	CAPITAL
851	810	DRAWING ACCOUNT
852	820	CURRENT YEAR PROFIT AND LOSS
853	-	PRIOR YEAR(S) ADJUSTMENTS

EQUITY (PARTNERSHIP)

875	800	CAPITAL
876	810	PARTNER'S DRAWING ACCOUNT
877	820	CURRENT YEAR PROFIT AND LOSS
878	-	PRIOR YEAR(S) ADJUSTMENTS

OPERATING REVENUES

1010	1010	TOUR REVENUES
1020	1020	TRANSFER REVENUES
1030	1040	SHUTTLE REVENUES
1040	1062	BAGGAGE REVENUES
1050	1070	OTHER PUC REVENUES
1060	*	NON-PUC REVENUES

* FORMERLY 1030 (TAXI), 1050 (SCHOOL BUS),
1061 (AGENCY COMMISSIONS), 1063
(EQUIPMENT RENTALS), AND 1064
(ADVERTISING).

ACCOUNT	
<u>NEW</u>	<u>OLD</u>

OPERATING AND MAINTENANCE EXPENSES

SALARIES AND WAGES

1110	1110	ADMINISTRATIVE
1120	1120	SUPERVISORY
1130	1130	DRIVERS
-	1140	HELPERS, TERMINAL AND WAREHOUSE
1140	-	NARRATORS/GUIDES - NON DRIVERS
1150	1150	DISPATCHERS
1160	1160	REPAIRS, SERVICE AND MAINTENANCE
1170	1170	OFFICE AND CLERICAL
1180	1180	SALESPERSONS
1190	1190	OTHERS, NOT ELSEWHERE CLASSIFIED

PAYROLL RELATED ITEMS

1210	1210	WORKERS' COMPENSATION
1220	1220	FEDERAL INSURANCE CONTRIBUTIONS ACT (FICA)
1230	1230	STATE UNEMPLOYMENT INSURANCE (SUTA)
1240	1240	FEDERAL UNEMPLOYMENT TAX (FUTA)
1250	1250	TEMPORARY DISABILITY INSURANCE (TDI)
-	1260	HEALTH AND WELFARE
1260	-	MEDICAL INSURANCE

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PAYROLL RELATED ITEMS - CONTINUED

ACCOUNT		
<u>NEW</u>	<u>OLD</u>	
1261	-	DENTAL INSURANCE
1262	-	DRUG AND VISION INSURANCE
1263	-	GROUP LIFE INSURANCE
1264	-	OTHER EMPLOYEE EXPENSES
1265	-	MEALS, TRAVEL AND LODGING
1270	1270	PENSIONS
1280	-	BONUSES AND INCENTIVE COMPENSATIONS
1290	1290	OTHER PAYROLL RELATED ITEMS

EQUIPMENT MAINTENANCE

1310	1310	SHOP AND GARAGE
-	1320	REPAIRS AND SERVICING
1320	-	REPAIR PARTS
1321	-	REPAIRS - OUTSIDE SERVICES
1322	-	SHOP SUPPLIES
1330	1330	TIRES AND TUBES
1390	1390	OTHER EQUIPMENT MAINTENANCE EXPENSES

TRANSPORTATION

-	1410	FUEL AND OIL
1410	-	FUEL - DIESEL

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<u>NEW</u>	<u>OLD</u>

TRANSPORTATION - CONTINUED

1411	-	FUEL - GASOLINE
1412	-	OIL AND LUBRICANTS
-	1420	HIRED OR LEASED TRANSPORTATION
1420	-	LEASED OR RENTED EQUIPMENT
-	1430	EQUIPMENT RENTS - WITH DRIVERS
1440	-	SUBCONTRACT TRANSPORTATION
1490	1490	OTHER TRANSPORTATION EXPENSES

STATION OR TERMINAL

1510	1510	TERMINAL RENT
1590	1590	OTHER STATION OR TERMINAL EXPENSES

TRAFFIC

1610	1610	COMMISSIONS
1620	1620	TARIFFS AND SCHEDULES
1630	1630	ADVERTISING
1690	1690	OTHER TRAFFIC EXPENSES

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ACCOUNT	
<u>NEW</u>	<u>OLD</u>

INSURANCE AND SAFETY

1710	1710	PUBLIC LIABILITY AND PROPERTY DAMAGE
1720	1720	CARGO LOSS AND DAMAGE
1730	1730	FIRE, THEFT, AND COLLISION
1740	-	CARRIER PAID CLAIMS
1790	1790	OTHER INSURANCE AND SAFETY EXPENSES

ADMINISTRATIVE AND GENERAL

1810	1810	OFFICE RENT
1820	1820	GENERAL OFFICE EXPENSES
-	1830	LAW AND OUTSIDE AUDITING EXPENSES
1830	-	OUTSIDE ACCOUNTING EXPENSES
1831	-	LEGAL EXPENSES
1840	1840	UTILITIES
1850	1850	BAD DEBTS EXPENSE
-	1860	REGULATORY EXPENSES
1860	-	CONSULTING SERVICES
1870	-	ENTERTAINMENT AND PROMOTION
1871	-	DUES AND SUBSCRIPTIONS
1872	-	ADMINISTRATIVE OVERHEAD ALLOCATION
1890	-	OTHER ADMINISTRATIVE AND GENERAL EXPENSES

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ACCOUNT	
<u>NEW</u>	<u>OLD</u>

DEPRECIATION AND AMORTIZATION EXPENSES

1910	1910	DEPRECIATION - BUILDING AND IMPROVEMENTS
1920	1920	DEPRECIATION - REVENUE EQUIPMENT
1930	1930	DEPRECIATION - SERVICE CARS AND EQUIPMENT
1940	1940	DEPRECIATION - SHOP AND GARAGE EQUIPMENT
1950	1950	DEPRECIATION - OFFICE FURNITURE AND EQUIPMENT
1960	1960	DEPRECIATION - OTHER FIXED ASSETS
1970	1970	DEPRECIATION - NON-PUC FIXED ASSETS
1980	1980	AMORTIZATION OF INTANGIBLES

OPERATING TAXES, LICENSES, AND FEES

2010	2010	VEHICLE LICENSE AND REGISTRATION
2011	-	FEDERAL HIGHWAY USE TAX
2020	2020	REAL PROPERTY TAX
2030	2030	PUC MOTOR CARRIER FEE
2040	2040	AIRPORT FEE
2050	2050	PUBLIC SERVICE COMPANY TAX
2060	-	HARBOR FEES
2070	-	GENERAL EXCISE TAX
2090	2090	OTHER TAXES, LICENSES, AND FEES

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ACCOUNT	
<u>NEW</u>	<u>OLD</u>

OTHER NON-PUC EXPENSES

2100	2100	OTHER NON-PUC EXPENSES
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OTHER INCOME

2210	2210	INTEREST AND DIVIDENDS
2220	2220	OTHER INCOME

OTHER DEDUCTIONS

2310	2310	INTEREST EXPENSE
2320	2320	OTHER DEDUCTIONS

PROVISION FOR INCOME TAXES

2410	2410	FEDERAL INCOME TAX
2420	2420	HAWAII INCOME TAX
2430	2430	OTHER STATE INCOME TAX

DESCRIPTION OF ACCOUNTS
FOR PASSENGER CARRIERS

BALANCE SHEET

ASSETS

Current Assets

100 Cash on Hand

This account shall include amounts advanced to officers, agents, employees and others as petty cash or working funds.

101 Cash in Bank

This account shall include the amount of deposits in banks or other financial institutions; also cash in transit for which agents or drivers have received credit.

104 Special Deposits

This account shall include the amount of cash deposited for a specific purpose such as the payment of dividends, interest notes, mortgages and other current debts; also moneys deposited with federal, state or municipal authorities, or others to insure the performance of contracts within one year from date of deposit.

105 Marketable Securities

This account shall include all securities that are of a readily salable nature.

108 Notes Receivable

This account shall include amounts receivable by notes, contracts, or other written agreements payable on demand or within a time not exceeding one year from date of issue.

110 Accounts Receivable

This account shall include amounts due from others for material and supplies furnished and services rendered; for transportation and storage charges; for balances due from agents, drivers, or other employees; for interest and dividends receivable; for amounts due from other carriers representing traffic and similar items.

110-A Allowance for Uncollectible Accounts

This account shall be credited with receivables which may become uncollectible. To determine the treatment of uncollectibles, the carrier may elect to choose a methodology that is acceptable by the Internal Revenue Service.

118 Materials and Supplies

This account shall include the cost of all materials and supplies held in inventory, including gasoline, oil, tires, tubes, spare parts, etc. When any materials or supplies are issued for use, it shall be credited to this account and charged to the appropriate construction or operation and maintenance expense accounts.

119 Other Current Assets

This account shall include all assets of a current nature which are not includible in any of the foregoing current asset accounts.

Fixed Assets

200 Land

This account shall include the cost of land acquired for use directly in connection with the motor carrier operations for such purposes as general office buildings, shops, garages, stations, terminals, shelters, and loading.

201 Buildings and Improvements

This account shall include the cost of buildings and improvements used in motor carrier operations. It includes buildings and permanent fixtures to house, support or safeguard property or persons.

202 Revenue Equipment

This account shall include vehicles and equipment which are used to generate revenues for its motor carrier operations. Interest, insurance, and finance charges included in deferred payment contracts shall be charged to Account 320, Other Assets, and written off to appropriate accounts as payments are made during the period covered by the contract.

203 Service Cars and Equipment

This account shall include automotive equipment used in connection with keeping revenue vehicles in operation, including cars and trucks used as trouble wagons for servicing revenue vehicles on the road, and vehicles used by officials, starters and inspectors. This account shall also include the cost of appliances or accessory equipment such as cranes, hoists, and special tools and devices which are used to service the vehicles.

204 Shop and Garage Equipment

This account shall include machinery and garage equipment which are used in shops and garages. Records shall be kept to reflect separate costs for each major item of equipment.

205 Office Furniture and Equipment

This account shall include office furniture, office equipment, and appliances used in the carrier's offices, garage, terminal and other areas of its operations.

The records shall be maintained to reflect the carrier's investment in office furniture and equipment at each location.

206 Other Fixed Assets

This account shall include the cost of all other property and equipment not includible in the above.

240 Non-PUC Fixed Assets

This account shall include the cost of land, structures, and equipment owned by the carrier but used in other than motor carrier operations.

200-D Accumulated Depreciation

This account shall reflect the accumulated depreciation balances for each class of property as follows:

201-D	Buildings and Improvements
202-D	Revenue Equipment
203-D	Service Cars and Equipment
204-D	Shop and Garage Equipment
205-D	Office Furniture and Equipment
206-D	Other Fixed Assets
240-D	Non-PUC Fixed Assets

Note: In computing depreciation for financial report purposes, the straight line method must be employed. The service lives of equipment, salvage value, type, class of service, and all other pertinent factors must be in accordance with the Internal Revenue Code, Sections 167-168.

250 Intangible Fixed Assets

This account shall include the costs incurred for organization expenses and franchises, permits, and licenses which are effective for more than one year.

250-A Accumulated Amortization - Intangible Fixed Assets

This account shall include writeoffs and amortization of intangible fixed assets.

Note: The carrier may also write off or amortize the amounts directly to Account 250 rather than crediting Account 250-A.

Other Assets

300 Investments

This account shall include investments in securities issued or assumed by others; notes of other companies and persons, maturing later than one year from date of issue; the cash surrender values of insurance policies carried on the lives of officers and employees when the carrier is beneficiary of such policies.

305 Advances

This account shall include advances to other companies and individuals including any accrued interest.

310 Prepayments

This account shall include the remaining balance for items paid in advance of their accrual, such as insurance premiums, taxes, rents, interest, and similar items. Prepayments which will be written off in its entirety during the calendar year may be charged directly to the appropriate operation and maintenance expense or other account.

320 Other Assets

This account shall include debits and charges that cannot be disposed of and are classified as suspense accounts, items that are deferred, and all other debits not provided above.

LIABILITIES AND CAPITAL

Current Liabilities

501 Notes Payable

This account shall include the amount of notes, contracts and other written agreements, except equipment obligations, payable on demand or within one year from date of issue.

505 Accounts Payable

This account shall include amounts payable to trade accounts for materials, supplies and services received.

507 Salaries and Wages Payable

This account shall include the amount of payroll and related items which are payable or accrued at the end of the calendar year. Unclaimed wages should be transferred to Account 520 - Other Current Liabilities.

509 COD's Unremitted

This account shall be credited with amounts of COD's due to shippers. This account shall be charged when remittances of COD's are made to shippers.

Note: Fees for handling COD's shall be credited to the same account to which the transportation revenue is credited.

511 Taxes Withheld

This account shall include the amount of taxes collected by the carrier through payroll deductions which are payable to the federal and state taxing authorities.

512 Accrued Payroll Taxes

This account shall be credited with the amount of payroll taxes accrued during the accounting period, corresponding debits being made to the appropriate accounts for tax charges.

513 Income Taxes Payable

This account shall include income taxes that are payable to the federal and state taxing authorities.

514 Other Taxes Payable

This account shall be credited with all other taxes that are payable to different taxing authorities.

518 Other Accrued Liabilities

This account shall include all other accrued liabilities not includible in the foregoing accounts.

520 Other Current Liabilities

This account shall include all other current liabilities not includible in the foregoing accounts.

Long-Term Debt

600 Equipment Obligations

This account shall include amounts payable on unmatured equipment obligations in the form of notes, bonds, chattel mortgages, or any other form of agreement. This account shall be subdivided to reflect the balance applicable to current maturities and over one year as follows:

600-A	Current Maturities, Less than One Year
600-B	Over One Year

620 Other Long Term Debt

This account shall include the face value of bonds and other long-term obligations not otherwise provided for. This covers such items as real estate mortgages, assessments for public improvements, receipts outstanding for long-term obligations, and other obligations maturing more than one year from date of issue.

Deferred Credits and Reserves

700 Deferred Credits

This account shall include credits that cannot be disposed of and are classified as suspense accounts, items that are deferred, and all other credits not provided above.

710 Other Reserves

This account shall be subdivided to show each type of reserve maintained by the carrier.

Equity (Corporation)

800 Capital Stock

This account shall include the par value of capital stock outstanding, the stated value of non-par stock outstanding, or the cash value of the consideration received for outstanding non-par stock without stated value.

805 Paid in Capital

This account shall include all capital amounts paid into the corporation. Records shall be maintained to reflect the sources of the paid in capital.

820 Current Year Profit and Loss

This account shall be used as a clearing account for income and expenses so that the net profit or loss for the year can be determined.

825 Prior Year(s) Adjustments

This account shall be used as a clearing account for prior year(s) adjustments.

830 Retained Earnings

This account shall include the accumulated balance of earnings or losses at the close of the year.

835 Treasury Stock

Equity (Sole Proprietorship)

850 Capital

This account shall include the investment by the proprietor. At the end of each year it shall be charged with all withdrawals. The capital account shall also include the net income or loss from the Current Year Profit and Loss account.

851 Drawing Account

This account shall be charged with all withdrawals made by the proprietor during the year. This account will be cleared to the capital account at the close of the year.

852 Current Year Profit and Loss

This account shall be used as a clearing account for income and expenses so that the net profit or loss for the year can be determined.

853 Prior Year(s) Adjustments

This account shall be used as a clearing account for prior year(s) adjustments.

Equity (Partnership)

875 Capital

This account shall be credited with the respective capital invested into the business by the partners. At the end of the year it shall include the withdrawals from the business by each partner and the net income or loss from the Current Year Profit and Loss account. This account shall be maintained to reflect each partner's equity in the business.

876 Partners Drawing

This account shall be charged with all withdrawals made by the partners during the year. The account will be maintained so the withdrawals by each partner will be readily ascertainable. This account will be cleared to the capital account at the close of the year.

877 Current Year Profit and Loss

This account shall be used as a clearing account for income and expenses so that the net profit or loss for the year can be determined.

878 Prior Year(s) Adjustments

This account shall be used as a clearing account for prior year(s) adjustments.

INCOME STATEMENT

OPERATING REVENUES

PUC Operating Revenues

1010 Tour Revenues

This account shall include all revenues earned from the tour operations of the carrier.

1020 Transfer Revenues

This account shall include all revenues earned from the transfer operations of the carrier.

1030 Shuttle Revenues

This account shall include all revenues earned from the shuttle operations of the carrier.

1040 Baggage Revenues

This account shall include all revenues earned from charges made for baggage.

1050 Other PUC Revenues

This account shall include all other PUC revenues not provided for above.

Non-PUC Operating Revenues

1060 Non-PUC Revenues

This account shall include all non-PUC revenues such as taxi, school bus, etc.

Operating and Maintenance Expenses

Salaries and Wages

These accounts shall include salaries, wages and other forms of compensation and consideration for services of officers, managers, supervisors and other employees and shall be classified into the appropriate accounts provided below.

- 1110 Administrative
- 1120 Supervisory
- 1130 Drivers
- 1140 Narrators/Guides - nondrivers
- 1150 Dispatchers
- 1160 Repairs, Service and Maintenance
- 1170 Office and Clerical
- 1180 Salespersons
- 1190 Others, not elsewhere classified

Payroll Related Items

These accounts shall include the costs incurred for the benefit of employees and shall be classified accordingly in the following accounts.

- 1210 Workers' Compensation
- 1220 Federal Insurance Contributions Act (FICA)
- 1230 State Unemployment Insurance (SUTA)
- 1240 Federal Unemployment Tax (FUTA)
- 1250 Temporary Disability Insurance (TDI)
- 1260 Medical Insurance
- 1261 Dental Insurance
- 1262 Drug and Vision Insurance
- 1263 Group Life Insurance
- 1264 Other Employee Expenses *
- 1265 Meals, Travel & Lodging
- 1270 Pensions
- 1280 Bonuses and Incentive Compensation
- 1290 Other Payroll Related Items

* Includes such expenses as testing, licensing, physical exams, training and uniforms.

NOTE: The following expenses shall not include any salaries and wages that are paid or payable to the carrier's employees.

Equipment Maintenance

1310 Shop and Garage

This account shall include the cost of miscellaneous shop and garage expenses, including transportation loading and unloading charges on parts and supplies handled in shops and garages; other miscellaneous shop and garage expenses not provided for elsewhere.

1320 Repair Parts

This account shall include materials and expenses incurred for repairs to equipment used in transportation service; the cost of supplies and miscellaneous expenses incurred in washing, cleaning, greasing and otherwise keeping equipment ready for service.

1321 Repairs - Outside Services

This account shall include charges for storage servicing and repairing of transportation equipment by other than carrier's employees.

1322 Shop Supplies

This account shall include replacement or repairs of tools, equipment, and machinery used in shops and garages.

1330 Tires and Tubes

This account shall include the cost of material used in repairing and replacing tires on transportation equipment, including shoes, inner tubes, valves, flaps and caps. Credit to this account for any amounts realized from the sale of used tires and tubes and for any adjustments on defective tires and tubes.

1390 Other Equipment Maintenance Expense

This account shall include equipment maintenance expenses not provided for elsewhere.

Transportation

1410 Fuel - Diesel

This account shall include the cost of diesel fuel used by transportation equipment.

1411 Fuel - Gasoline and Other Fuels

This account shall include the cost of gasoline and propane gas used by transportation equipment.

1412 Oil and Lubricants

This account shall include the cost of oil, coolants and other lubricants used by the transportation equipment.

1420 Leased or Rented Equipment

This account shall include charges from lease or rental of transportation equipment.

1440 Subcontract Transportation

This account shall include charges from other transportation companies for furnishing vehicles with the services of drivers.

1490 Other Transportation Expenses

This account shall include transportation expenses that are not provided for elsewhere.

Station or Terminal

1510 Terminal Rent

This account shall include the cost of rental for terminal facilities.

1590 Other Station or Terminal Expenses

This account shall include the cost of office and platform supplies and other station or terminal expenses not elsewhere classified.

Traffic

1610 Commissions

This account shall include commissions and fees to outside organizations for the solicitation of traffic.

1620 Tariffs and Schedules

This account shall include the cost of printing and other related expenses incurred in the preparation of tariffs and schedules, including postage and transportation charges. This account shall also include amounts payable to outside agencies for publishing the carrier's tariffs and schedules.

1630 Advertising

This account shall include traffic related advertising expenses, such as printing and distribution cost, commissions and fees paid to outside advertising agents, and costs for advertisements in newspaper, periodical, radio and television.

1690 Other Traffic Expenses

This account shall be charged with traffic department expenses that are not provided for elsewhere.

Insurance and Safety

1710 Public Liability and Property Damage

This account shall include the net cost (*) of commercial insurance to protect the carrier against liability for deaths of or injuries to persons other than the carrier's employees; and damages to the property intrusted to the carrier for transportation or storage resulting from the operation of owned and leased vehicles in motor carrier service.

1720 Cargo Loss and Damage

This account shall include the net cost (*) of commercial insurance to protect the carrier against liability for claims resulting from loss and damage to, or delay of, property intrusted to it for transportation or storage.

1730 Fire, Theft and Collision

This account shall include the net cost (*) of commercial insurance to protect the carrier against loss from fire, theft or collision damage to owned or leased vehicles; and for fire insurance on structures, machinery, equipment, etc., used in motor carrier operations.

1740 Carrier Paid Claims

This account shall include total claims and deductibles not covered by insurance.

1790 Other Insurance and Safety Expenses

This account shall include the net cost (*) of commercial insurance to protect the carrier against loss from boiler, burglary, fidelity, holdup, lightning, plate glass, owners, landlords and tenants liability and other risks not elsewhere provided for. This account shall be charged with premiums on performance and similar bonds. This account shall also be charged with insurance and safety department expenses other than risks or claims that are not provided for elsewhere.

* the amount of the premiums less the amounts of dividends or refunds.

Administrative and General

1810 Office Rent

This account shall include the cost of rental for office space.

1820 General Office Expenses

This account shall include the cost of supplies and expenses incurred in connection with the carrier's general administrative functions.

1830 Outside Accounting Expenses

This account shall include the cost of services provided by external or outside auditors and accountants.

1831 Legal Expenses

This account shall include legal expenses including amounts paid for outside attorney fees.

1840 Utilities

This account shall include charges from utility companies such as telephone, electric, utility gas, water, and sewer.

1850 Bad Debts Expense

This account shall be charged with the writeoff of the uncollectible portion of a receivable account. For collections of past writeoffs, carriers may elect to choose a methodology that is acceptable by the Internal Revenue Service.

1860 Consulting Services

This account shall include costs for professional and technical consultation for services such as computer equipment and programs and office equipment.

1870 Entertainment and Promotion

This account shall include charges for entertainment and promotions that relate to the interests of promoting the motor carrier business and acceptable by the Internal Revenue Service.

1871 Dues and Subscriptions

This account shall include any dues or membership fees for clubs, organizations and fraternities that are associated with transportation industry. This account shall also include subscription costs for items such as tax guides, periodicals, or other professional materials utilized in the motor carrier business.

1872 Administrative Overhead Allocation

This account pertains to a controlled organization such as a parent or holding company which provides administrative and/or technical support to a division, a subsidiary, or a related company. This account shall include the direct charges and/or allocated charges from its parent or related company for support on administrative and/or technical matters. These charges shall be itemized on a subsidiary journal and supported by documents, invoices, vouchers, and other related records.

1890 Other Administrative & General Expenses

This account shall include all administrative and general expenses connected with motor carrier operations not provided for elsewhere, including expenses incurred for publishing and mailing reports and notices to stockholders, cash overages and shortages, fees specifically related to the obtaining of certificates, and repairs to general office structures and fixtures. This account shall also include expenses incurred by the carrier in connection with formal cases before Federal or State regulatory bodies or cases to which such a body is a party, other than those incurred in securing certificates of convenience and necessity.

Depreciation and Amortization Expenses

1910 thru 1970

These accounts shall include the amount of depreciation charges applicable to the accounting period for all classes of depreciable operating property. The amounts charged to these accounts shall be concurrently credited to Account 200-D series, Allowance for Depreciation. These accounts shall be maintained to reflect the following subdivisions:

1910 Buildings and Improvements
1920 Revenue Equipment
1930 Service Cars and Equipment
1940 Shop and Garage Equipment
1950 Office Furniture and Equipment
1960 Other Fixed Assets
1970 Non-PUC Fixed Assets

In computing depreciation for financial report purposes, the straight line method shall be employed. The service lives of equipment, salvage value, type, class of service, and all other pertinent factors shall be in accordance with the Internal Revenue Code, Sections 167-168.

1980 Amortization of Intangibles

This account shall include the annual amortization charges applicable to the accounting period for amounts carried in Account 250, Intangibles. The amortization period to writeoff the balance for each intangible asset shall be made in accordance with the directives issued by the Internal Revenue Service.

Operating Taxes, Licenses and Fees

2010 Vehicle License and Registration

This account shall include the cost of fees assessed for operating vehicles over the highways, such as registration fees, license plate fees, gross weight fees, and other similar items.

2011 Federal Highway Use Tax

This account shall include the federal highway tax for the use of heavy vehicles with a taxable gross weight in excess of 26,000 pounds.

2020 Real Property Tax

This account shall include the amount of taxes assessed by the respective county for real estate used in the motor carrier operations.

2030 PUC Motor Carrier Fee

This account shall include fee paid to the State of Hawaii Public Utilities Commission on gross revenues received from services connected with or incidental to PUC regulated transportation services.

2040 Airport Fee

This account shall include fee paid to State of Hawaii Department of Transportation, Airports Division, for prearranged ground transportation to and from the airport.

2050 Public Service Company Tax

This account shall include taxes paid to the State of Hawaii Department of Taxation on the gross taxable income received from all transportation services defined in the public service company tax law.

2060 Harbor Fees

This account shall include fees paid to the State of Hawaii Department of Transportation, Harbors Division, for prearranged ground transportation to and from the harbors.

2070 General Excise Tax

This account shall include taxes paid or payable to the State of Hawaii Department of Taxation on gross taxable income received from various sources (other than transportation services) defined in the general excise and use tax law.

2090 Other Taxes, Licenses and Fees

This account shall include all other operating taxes and fees not specifically provided for above. Note: Fuel taxes shall be included in Accounts 1410, 1411 or 1412 wherever applicable.

Other Non-PUC Expenses

2100 Other Non-PUC Expenses

This account shall include non-PUC expenses that cannot be classified into the expense accounts provided above.

OTHER INCOME AND DEDUCTIONS

Other Income

2210 Interest and Dividends

This account shall include interest and dividends received and accrued from investments, securities and all other interest-bearing assets.

2220 Other Income

This account shall include all income from other non-operating income not provided for elsewhere.

Other Deductions

2310 Interest Expense

This account shall include interest accrued on outstanding obligations issued or assumed by the carrier, including equipment obligations, advances, bonds, and debentures. It shall also include interest on notes, unpaid taxes, and other payables.

2320 Other Deductions

This account shall include all other expenses or deductions not provided for in any of the foregoing accounts. These expenses or deductions shall include penalties and fines for violations of law, and charitable and political contributions.

Provision for Income Taxes

This account shall be charged with Federal, State or other taxes paid on the net income or profits of a corporation. These taxes shall be included in the appropriate subaccount as follows:

- 2410 Federal Income Tax
- 2420 Hawaii Income Tax
- 2430 Other State Income Tax

Personal income taxes of sole proprietors and members of a partnership shall not be charged to this account. If the proprietorship and partnership taxes are paid or payable from funds of the business, the amounts shall be charged to appropriate Current Year Profit and Loss account as follows:

- 852 Sole Proprietorship
- 877 Partnership