

## UNIFORM SYSTEM OF ACCOUNTS FOR TAXICAB COMPANIES

### General Provisions

**NAC 706.558 Definitions.** As used in [NAC 706.558](#) to [706.855](#), inclusive, unless the context otherwise requires, the words and terms defined in [NAC 706.561](#) to [706.648](#), inclusive, have the meanings ascribed to them in those sections.

(Supplied in codification)

**NAC 706.561 “Accounts” defined.** ([NRS 706.8818](#), [706.8829](#)) “Accounts” means the accounts prescribed in this system of accounts.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 1, eff. 12-24-70]

**NAC 706.564 “Actually issued” defined.** ([NRS 706.8818](#), [706.8829](#)) “Actually issued,” as applied to securities issued or assumed by the company, means those sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock and those issued in accordance with contractual requirements direct to trustees of sinking funds.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 2, eff. 12-24-70]

**NAC 706.567 “Actually outstanding” defined.** ([NRS 706.8818](#), [706.8829](#)) “Actually outstanding,” as applied to securities issued or assumed by the company, means those which have been actually issued and are neither retired nor held by or for the company. Securities held by trustees must be considered as actually outstanding.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 3, eff. 12-24-70]

**NAC 706.570 “Amortization” defined.** ([NRS 706.8818](#), [706.8829](#)) “Amortization” means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which the benefit is anticipated to be realized.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 4, eff. 12-24-70]

**NAC 706.573 “Associated companies” defined.** ([NRS 706.8818](#), [706.8829](#))

1. “Associated companies” means companies or persons that directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with the accounting company.

2. For the purposes of this section, “control,” “controlling,” “controlled by” and “under common control with” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether that power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether that power is established through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 5, eff. 12-24-70]

**NAC 706.576 “Book cost” defined.** ([NRS 706.8818](#), [706.8829](#)) “Book cost” means the amount at which property is recorded in accounts without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 6, eff. 12-24-70]

**NAC 706.579 “Company” defined.** ([NRS 706.8818](#), [706.8829](#))

1. “Company” means any sole proprietorship, firm, copartnership, corporation, association, or joint-stock association.

2. The term includes any trustee, receiver, assignee or personal representative operating a taxicab service under the jurisdiction of the Authority.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 8, eff. 12-24-70]

**NAC 706.582 “Contingent assets” defined.** ([NRS 706.8818](#), [706.8829](#)) “Contingent assets” means a possible source of value to the company dependent upon the fulfillment of conditions regarded as uncertain.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 9, eff. 12-24-70]

**NAC 706.585 “Contingent liabilities” defined.** ([NRS 706.8818](#), [706.8829](#)) “Contingent liabilities” means items which may, under certain conditions, become obligations of the company but which are neither direct nor assumed liabilities at the date of the balance sheet.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 10, eff. 12-24-70]

**NAC 706.588 “Cost” defined.** ([NRS 706.8818](#), [706.8829](#)) “Cost” means the amount of money actually paid for property or services, or the value of any consideration other than cash, determined on a cash basis.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 11, eff. 12-24-70]

**NAC 706.591 “Cost of disposition” defined.** ([NRS 706.8818](#), [706.8829](#)) “Cost of disposition” means the cost of demolishing, dismantling, tearing down or otherwise removing company property, including the cost of transportation and incidental handling.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 12, eff. 12-24-70]

**NAC 706.594 “Current assets” defined.** ([NRS 706.8818](#), [706.8829](#)) “Current assets” means:

1. Cash;
2. Those assets which are readily convertible into cash or are held for current use in operations;
3. Current claims against others, payment of which is reasonably assured; and
4. Amounts accruing to the company which are subject to current settlement, except such items for which accounts other than those designated as current assets are provided.

[Taxicab Auth., Uniform System of Accounts Reg. part Current Assets, eff. 12-24-70; A 11-16-79]

**NAC 706.597 “Date of disposal” defined.** ([NRS 706.8818](#), [706.8829](#)) “Date of disposal,” as applied to property, means the date when property is disposed of.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 13, eff. 12-24-70]

**NAC 706.600 “Debt expense” defined.** ([NRS 706.8818](#), [706.8829](#)) “Debt expense” means all expenses in connection with the issuance and initial sale of evidence of debt, such as fees for drafting mortgages and trust deeds, fees and taxes for issuing or recording evidences of debt, cost of engraving and printing bonds and certificates of indebtedness, fees paid trustees, specific costs of obtaining governmental authority, fees for legal service, fees and commissions paid underwriters,

brokers, and salesmen for marketing evidences of debt, fees and expenses of listing on exchanges, and other similar costs.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 14, eff. 12-24-70]

**NAC 706.603 “Depreciation” defined.** ([NRS 706.8818](#), [706.8829](#)) “Depreciation,” as applied to operating property, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of property in the course of service from the causes which are known to be in current operation and against which the company is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and the requirements of public authorities.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 15, eff. 12-24-70; A 11-16-79]

**NAC 706.606 “Discount” defined.** ([NRS 706.8818](#), [706.8829](#)) “Discount,” as applied to the securities issued or assumed by the company, means the excess of the par (the stated value of no-par stocks) or the face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 16, eff. 12-24-70]

**NAC 706.609 “Functional division” defined.** ([NRS 706.8818](#), [706.8829](#)) “Functional division” means the division of overall activities engaged in by an operating company into identifiable and separable supporting activities, such as dispatching activities, shop and garage activities, cab operating activities, general and administrative activities and other activities.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 17, eff. 12-24-70]

**NAC 706.612 “Investment advances” defined.** ([NRS 706.8818](#), [706.8829](#)) “Investment advances” means advances, represented by notes or bank account only, with respect to which it is mutually agreed or intended between the creditor and debtor that the advances may be settled by the issuance of securities or not be subject to current settlement.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 18, eff. 12-24-70]

**NAC 706.615 “Net book cost” defined.** ([NRS 706.8818](#), [706.8829](#)) “Net book cost,” when applied to property, means the book cost less related depreciation or amortization reserves.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 19, eff. 12-24-70; A 11-16-79]

**NAC 706.618 “Nominally issued” defined.** ([NRS 706.8818](#), [706.8829](#)) “Nominally issued,” as applied to securities issued or assumed by the company, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the company, but which have not been sold, or issued direct to trustees of sinking funds in accordance with contractual requirements.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 20, eff. 12-24-70]

**NAC 706.621 “Nominally outstanding” defined.** ([NRS 706.8818](#), [706.8829](#)) “Nominally outstanding,” as applied to securities issued or assumed by the company, means those which, after being actually issued, have been reacquired by or for the company under circumstances which require them to be considered as held alive and not retired. Securities held by trustees must be considered as actually outstanding.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 21, eff. 12-24-70]

**NAC 706.624 “Original cost” defined.** ([NRS 706.8818](#), [706.8829](#)) “Original cost,” as applied to company property, means the cost of property at the time of acquisition.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 22, eff. 12-24-70; A 11-16-79]

**NAC 706.627 “Outside labor” defined.** ([NRS 706.8818](#), [706.8829](#)) “Outside labor” means labor services performed for the company by any person who is not an employee, partner or owner of the company.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 23, eff. 12-24-70]

**NAC 706.630 “Premium” defined.** ([NRS 706.8818](#), [706.8829](#)) “Premium,” as applied to the securities issued or assumed by the company, means the excess of the cash value of the consideration received from their sale over the sum of their par (the stated value of no-par stocks) or face value and interest or dividends accrued at the date of sale.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 25, eff. 12-24-70]

**NAC 706.633 “Property disposed” and “property retired” defined.** ([NRS 706.8818](#), [706.8829](#)) “Property disposed” or “property retired,” as to company property, means property which has been removed, sold, abandoned, destroyed or which for any cause has been withdrawn from service.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 26, eff. 12-24-70]

**NAC 706.636 “Replacement asset” and “replacement property” defined.** ([NRS 706.8818](#), [706.8829](#)) “Replacement asset” or “replacement property” means an asset or property which will perform substantially the same functions or serve a purpose similar in nature to the asset or property disposed of.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 27, eff. 12-24-70]

**NAC 706.639 “Salvage value” defined.** ([NRS 706.8818](#), [706.8829](#)) “Salvage value” means:

1. The amount received for property retired or disposed of, less the cost of disposition.
2. An arbitrary value set up for accounting purposes on resalable, usable or depreciable property.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 28, eff. 12-24-70; A 11-16-79]

**NAC 706.642 “Service life” defined.** ([NRS 706.8818](#), [706.8829](#)) “Service life” means the period of time between the date when property is placed in service and the date of its retirement from service.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 29, eff. 12-24-70]

**NAC 706.645 “Service value” defined.** ([NRS 706.8818](#), [706.8829](#)) “Service value” means the difference between the book cost and the salvage value of property owned by the company.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 30, eff. 12-24-70]

**NAC 706.648 “Straight-line method” defined.** ([NRS 706.8818](#), [706.8829](#)) “Straight-line method,” as applied to depreciation accounting, means the plan under which the service value of property is charged to depreciation expense and credited to depreciation reserves through equal periodic charges as nearly as may be during its service life.

[Taxicab Auth., Uniform System of Accounts Reg. Definitions § 31, eff. 12-24-70]

**NAC 706.651 Records required. ([NRS 706.8818](#), [706.8829](#))**

1. Each company must keep its books of account and all other books, records and memoranda which support the entries in its books of account and be able to furnish readily full information as to any item included in any account. Each entry must be supported by such detailed information as will permit ready identification, analysis and verification of all relevant facts.

2. The books and records must include not only accounting records in a limited technical sense, but all other records, such as trip sheets, minute books, stock books, reports, correspondence, memoranda and other records which may be useful in developing the history of or facts regarding any transaction.

3. Trip sheets, invoices, cancelled checks, ledgers, inventory records, minute books, reports, correspondence, memoranda and other documents, not currently in use, must be stored in such orderly and systematic manner as will permit ready review or reference to any particular dated trip sheet or other record for at least 3 years.

4. In addition to prescribed accounts, clearing accounts, temporary, or experimental accounts and subdivisions of any accounts, may be kept, provided the integrity of the prescribed accounts is not impaired.

5. All amounts included in the accounts prescribed for operating revenue deductions must be just and reasonable and any payments or accruals by the company in excess of just and reasonable charges must be included in the account for miscellaneous other expenses described in subsection 4 of [NAC 706.852](#).

6. The Authority may at any time call for additional detailed information from the company to be obtained from the books and records required to be maintained by the company under [NAC 706.558](#) to [706.855](#), inclusive, when in the judgment of the Authority such additional information is necessary for regulatory purposes.

7. The arrangement or sequence of the accounts prescribed is not controlling for the arrangement or sequence in report forms which may be prescribed by the Authority.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 1, eff. 12-24-70; A 11-16-79]

**NAC 706.654 Accounting method and period. ([NRS 706.8818](#), [706.8829](#))**

1. Each entry in the uniform system of accounts for taxicab operations must be made by the “double-entry” method of bookkeeping and each account must be maintained on an “accrual basis.” If bills covering such transactions have not been received or rendered, the amounts must be estimated and accruals based on these estimates or orders must be recorded. Appropriate adjustments must be made when phone bills, utility bills or other bills are received.

2. Each company shall keep its books on a monthly basis so that for each month all applicable transactions are entered in the books of the company.

3. Each company shall close its books for regulatory purposes at the end of each calendar year.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 2, eff. 12-24-70; A 11-16-79]

**NAC 706.657 Accounting method: Interpretation. ([NRS 706.8818](#), [706.8829](#))** To maintain uniformity of accounting, companies shall submit questions of doubtful interpretation to the Authority for consideration and decision.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 3, eff. 12-24-70]

**NAC 706.660 Item lists.** ([NRS 706.8818](#), [706.8829](#)) Lists of “items” appearing in the texts of the accounts or in [NAC 706.558](#) to [706.855](#), inclusive, are for the purpose of more clearly indicating the application of the prescribed accounting. The lists are intended to be representative, but not exhaustive.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 4, eff. 12-24-70]

**NAC 706.663 Functional divisions of accounts.** ([NRS 706.8818](#), [706.8829](#)) Functional divisions of accounts have been set up in [NAC 706.558](#) to [706.855](#), inclusive, and all such accounts must be used if applicable to the company’s operations.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 5, eff. 12-24-70]

**NAC 706.666 Inventory requirements.** ([NRS 706.8818](#), [706.8829](#))

1. Physical inventories must be taken on the last day of each calendar year, or in lieu thereof, during the last week of the calendar year, of all materials and supplies which affect the operational, repair or maintenance activities of the company, such as fuel, oil, tires, batteries, radio tubes, shop parts and small tools. An adjustment to the proper expense account must be made for the difference between the inventories taken at the end of the calendar year and the inventories recorded for the beginning of the calendar year. If any bills have not been received or recorded for items considered in the year-end inventory, proper accrual entries must be made at a realistic estimated cost value. The adjustments must reflect proper expenses for the ending of the current year.

2. Inventories of all materials and supplies must be segregated in accordance with the functional divisions so that expenses may be allocated properly.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 6, eff. 12-24-70; A 11-16-79]

**NAC 706.669 Fixed assets.** ([NRS 706.8818](#), [706.8829](#)) The accounts must include the original cost of all property which:

1. Is owned by the company and devoted to the company’s taxicab operations;
2. Has an estimated service life of more than 1 year; and
3. Had an original cost of over \$100.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 7, eff. 12-24-70; A 11-16-79]

**NAC 706.672 Depreciable assets.** ([NRS 706.8818](#), [706.8829](#))

1. To insure that all records for preparing financial reports forwarded to the Taxicab Authority are maintained on a comparable basis, the requirements regarding depreciation for reporting and regulatory purposes are shown in the following table:

(a) Method: The straight-line method is the only allowable method of computing annual depreciation charges to operations.

(b) Service Lives and Salvage Values:

(1) Operating Depreciable Assets:

Category	Service Life	Salvage Value
Taxicabs	48 months	none
Air conditioners (if separate)	48 months	none
Fuel conversion kits	48 months	none
Taximeters, new	60 months	none

Taximeters, used	36 months	none
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(2) Dispatching Depreciable Assets:

Category	Service Life	Salvage Value
New: Radios	60 months	none
Telephonic equipment	60 months	none
Transmitters	60 months	none

Category	Service Life	Salvage Value
New: Radio and telephonic test equipment	60 months	none
Used: Radios	36 months	none
Telephonic equipment	36 months	none
Transmitters	36 months	none
Radio and telephonic test equipment	36 months	none

(3) Shop and Garage Depreciable Assets:

Category	Service Life	Salvage Value
Automotive equipment — new	48 months	none
Automotive equipment — used	36 months	none
Shop equipment — new	84 months	none
Shop equipment — used	36 months	none
Fuel conversion plant — new	84 months	none
Fuel conversion plant — used	36 months	none
Body shop equipment — new	84 months	none
Body shop equipment — used	36 months	none

(4) General and Administrative Depreciable Assets:

Category	Service Life	Salvage Value
Office equipment — new	84 months	none
Office equipment — used	36 months	none
Furniture and fixtures — new	120 months	none
Furniture and fixtures — used	60 months	none
Office and buildings — original	360 months	none
Office and buildings — additions	360 months	none
Office and buildings — air-conditioning	84 months	none
Leasehold improvements	Length of lease — unless life of asset warrants a shorter amortization period	none

2. The requirements for depreciable assets as shown in the table do not preclude the company from using longer or shorter service lives, higher or lower salvage values, or another method of

calculating depreciation for any purposes other than recording amounts and reporting under the uniform system of accounts.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 8, eff. 12-24-70; A 11-16-79] — (NAC A 10-13-88)

**NAC 706.675 Gain or loss on dispositions. ([NRS 706.8818](#), [706.8829](#))**

1. Account 596, Gain or Loss on Disposal of All Automotive Equipment, must include all gains or losses as appropriate on the disposition of taxicabs of the company devoted to its taxicab operations.

2. This account must be maintained with sufficient detail and description, supported by appropriate records, of each item included so as to permit ready identification, analysis and verification of all facts relative to each asset disposed of.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 9, eff. 12-24-70; A 11-16-79] — (NAC A 10-13-88)

**NAC 706.678 Payroll and payroll costs. ([NRS 706.8818](#), [706.8829](#))**

1. Salaries, wages, or other compensation, including reasonable salaries paid to officers and proprietors, and payroll costs applicable to such compensation, must be maintained on a functional division basis and charged as applicable to the payroll and payroll cost accounts set up under the functional divisions in this uniform system of accounts.

2. When an employee, including the officer or proprietor, who normally performs services in one functional division, performs services during the employee's working period in other functional divisions, his or her compensation and payroll costs for that period must be allocated on a time basis and charged to the applicable and appropriate division accounts. Subsections 1 to 5, inclusive, of [NAC 706.822](#) describe the method applicable to payroll and payroll costs of shop and garage employees for maintenance and repairs only.

3. Salaries, wages or other compensation, including reasonable salaries paid to officers and proprietors and payroll costs charged to operating revenue deductions must be supported by a monthly "Payroll and Payroll Cost Distribution Summary" detailing all particulars including FICA, FUTA, NUC and SIIS costs charged to each functional account.

[Taxicab Auth., Uniform System of Accounts Reg. Gen. Instructions § 10, eff. 12-24-70; A 11-16-79] — (NAC A 10-13-88)

**Accounts**

**NAC 706.681 Current assets: Items not to be included. ([NRS 706.8818](#), [706.8829](#))** Any item, the amount or collectibility of which is not reasonably assured, must not be included in the group of accounts designated as current assets, unless an adequate provision for possible loss has been made.

[Taxicab Auth., Uniform System of Accounts Reg. part Current Assets, eff. 12-24-70; A 11-16-79]

**NAC 706.684 Current assets: Account for cash on hand. ([NRS 706.8818](#), [706.8829](#))** The account for cash on hand includes all undeposited money, in cash or checks, as of the close of business at the year's end. Proper credit must be made to the accounts for which this money was received, such as taxicab fares, accounts receivable-trade, advertising revenue, and payments on loans or accounts other than trade.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 101 & 102, eff. 12-24-70; A and renumbered as § 102, 11-16-79]

**NAC 706.687 Current assets: Account for cash in banks. ([NRS 706.8818](#), [706.8829](#))** The account for cash in banks includes all money on deposit in a banking institution to the credit of the company. Special cash deposits for payment of interest, dividends, payroll taxes or other special purposes must be included in this account in separate subdivisions which specify the purpose for which each special deposit is made.

[Taxicab Auth., Uniform System of Accounts Reg. § 103, eff. 12-24-70; A 11-16-79]

**NAC 706.690 Current assets: Account for petty cash. ([NRS 706.8818](#), [706.8829](#))**

1. The account for petty cash includes all money used to facilitate disbursements for small expenditures and to avoid the drawing of many small checks. It also includes any money used for check-cashing accommodations. Responsibility for this account must be assigned to a designated officer or employee or to other designated persons. Proper entries must be kept for complete identification and verification.

2. This account must not include any advances or loans to stockholders, directors, officers, partners, employees or agents. Such advances or loans are to be included in the accounts described in [NAC 706.696](#).

[Taxicab Auth., Uniform System of Accounts Reg. §§ 101 & 102, eff. 12-24-70; A and renumbered as § 101, 11-16-79]

**NAC 706.693 Current assets: Account for accounts receivable-trade. ([NRS 706.8818](#), [706.8829](#))**

1. The account for accounts receivable-trade includes any amounts that may be due the company arising from or attributable to the company's taxicab operations, for which payment has not been received.

2. Records must be maintained, showing the balances due from each person or company. The sum of these individual balances must be in agreement with the total of this account.

[Taxicab Auth., Uniform System of Accounts Reg. § 120, eff. 12-24-70; A 11-16-79]

**NAC 706.696 Current assets: Accounts for employees' and officers' accounts receivable. ([NRS 706.8818](#), [706.8829](#))**

1. The account for accounts receivable — employees includes any amounts that may be due the company from its employees, exclusive of officers, for which payment has not been received.

2. The account for accounts receivable — officers includes any amounts that may be due the company from its officers, proprietors or partners, for which payment has not been received.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 123 & 124, eff. 12-24-70; A 11-16-79]

**NAC 706.699 Current assets: Account for notes receivable. ([NRS 706.8818](#), [706.8829](#))**

1. The account for notes receivable includes the book cost, not includable elsewhere, of all collectible obligations in the form of notes, drafts and similar evidences of money due the company.

2. Complete information must be maintained in this account for each note, including the maker of the note, payor, payee, date of issuance, date of maturity, interest rate and penalties. This information must clearly indicate the amounts due from each person or company.

3. The face amount of notes receivable discounted, sold or transferred without releasing the company as endorser must be credited to a separate subdivision of this account and appropriate

disclosure must be made in financial statements of any contingent liability arising from those transactions.

[Taxicab Auth., Uniform System of Accounts Reg. § 140, eff. 12-24-70; A 11-16-79]

**NAC 706.702 Current assets: Account for other accounts receivable. (NRS 706.8818, 706.8829)** The account for other accounts receivable includes any amounts that may be due the company that are not attributable to the company's taxicab operations, for which payment has not been received. This account must clearly indicate how much is due from each company or person.

[Taxicab Auth., Uniform System of Accounts Reg. § 122, eff. 12-24-70; A 11-16-79]

**NAC 706.705 Current assets: Account for bad debts. (NRS 706.8818, 706.8829)** Provision for any actual or probable losses under the accounts described in [NAC 706.693](#) to [706.702](#), inclusive, must be credited to the account for bad debts with a corresponding charge to the account for bad debts described in subsection 5 of [NAC 706.831](#) or the account for miscellaneous other expenses described in subsection 4 of [NAC 706.852](#).

[Taxicab Auth., Uniform System of Accounts Reg. § 121, eff. 12-24-70; A 11-16-79]

**NAC 706.708 Current assets: Account for inventory supplies. (NRS 706.8818, 706.8829)**

1. The account for inventory supplies includes the inventories of all gasoline and other fuel in storage tanks at the end of the calendar year, using the lower of cost or market method to compute value.

2. This account must also include the inventories at the end of the calendar year of all oil on hand as well as tires, batteries, radio parts, shop parts and small tools, computing value at the lower of cost or market.

3. Appropriately entitled subaccounts must be maintained for materials and supplies related to each of the functional divisions maintained by the company, for example, operating, dispatching, shop and garage and general.

4. The differences between the opening inventories at the beginning of the calendar year and the year-end inventories must be recorded as adjustments to the following accounts for operating expense described in subsection 6 of [NAC 706.816](#):

- (a) Account for fuel.
- (b) Account for oil.
- (c) Account for tires.
- (d) Account for repairs and maintenance.

[Taxicab Auth., Uniform System of Accounts Reg. § 175, eff. 12-24-70; A 11-16-79]

**NAC 706.711 Current assets: Account for prepaid expenses. (NRS 706.8818, 706.8829)**

1. The account for prepaid expenses includes amounts representing prepayments, for example, insurance, rents, taxes and other items, and must be maintained and supported in such manner as to disclose the amount of each class of prepayments. Subaccounts may be maintained for this purpose.

2. Where prepayments are made, this account must be charged with the full amount of prepayment and subsequently credited with each portion that will ratably distribute the prepayment to expense over the benefited period. A portion ratably credited to prepaid expense must be charged to the appropriate functional accounts for operating expense.

[Taxicab Auth., Uniform System of Accounts Reg. § 190, eff. 12-24-70; A 11-16-79]

**NAC 706.714 Current assets: Account for refundable deposits. ([NRS 706.8818](#), [706.8829](#))**

The account for refundable deposits includes all refundable deposits with federal, state, county or municipal authorities as well as fiscal agents or others for the fulfillment of obligations.

[Taxicab Auth., Uniform System of Accounts Reg. § 191, eff. 12-24-70]

**NAC 706.717 Current assets: Account for miscellaneous current assets. ([NRS 706.8818](#), [706.8829](#))**

The account for miscellaneous current assets includes the book cost of all other current assets not provided for elsewhere, appropriately described and supported so as to show the nature of each asset included in the account.

[Taxicab Auth., Uniform System of Accounts Reg. § 192, eff. 12-24-70; A 11-16-79]

**NAC 706.720 Accounts for fixed assets. ([NRS 706.8818](#), [706.8829](#))**

1. Accounts for fixed assets include the original cost of property owned by the company which is devoted to the company's taxicab operations, having an estimated service life of more than 1 year and a cost of \$100 or more.

2. The cost of additions to and improvements of property leased from others, which are also includable in these accounts, must be recorded in subdivisions separate and distinct from those relating to owned property. Such additions or improvements must be included in the account for leasehold improvements described in [NAC 706.729](#).

3. When the consideration given for property is other than cash, the value of the consideration must be determined on a cash basis. In the entry recording such a transaction, the actual consideration must be properly described to make it easily identifiable. The company must be prepared to furnish the Authority with details regarding the method used by the company to determine the cash value.

4. When property is purchased under a plan involving deferred payments, no charge may be made to the asset accounts for interest, insurance or other expenditures occasioned solely by that form of payment.

5. Upon a disposition or abandonment of any of these assets, the applicable asset account must be credited in the amount at which the asset was recorded and the amount must be debited as appropriate to the account for gain or loss on disposal of automotive equipment described in subsection 14 of [NAC 706.816](#), or the account for gain on sale of assets, except automotive equipment described in subsection 4 of [NAC 706.849](#).

[Taxicab Auth., Uniform System of Accounts Reg. § 200, eff. 12-24-70; A 11-16-79]

**NAC 706.723 Fixed assets: Land account. ([NRS 706.8818](#), [706.8829](#))**

1. The land account includes the cost of all land devoted to the company's taxicab operations. In addition to the original price of the land, this account must include all costs incidental to the purchase when acquired, if paid by the purchaser, such as agent's commissions, escrow fees, title fees, liens satisfied to clear title and prorated tax expense.

2. Where special assessments for public improvements provide for deferred payments, the full amount of the assessments must be charged to the appropriate land account and the unpaid balance must be carried in an appropriate liability account. Interest on unpaid balances must be charged to the interest account. If any part of the cost of public improvement is included in the general tax levy, that amount must be charged to the appropriate tax account and not to this account.

[Taxicab Auth., Uniform System of Accounts Reg. § 201, eff. 12-24-70; A 11-16-79]

**NAC 706.726 Fixed assets: Buildings account. ([NRS 706.8818](#), [706.8829](#))** The buildings account includes the cost of all buildings devoted to the company's taxicab operations. The cost of

buildings includes the cost of fixtures attached to and forming a permanent part of the building and which cannot be removed without cutting into the wall, ceilings or floors, or without in some way impairing the buildings, such as plumbing pipes and fixtures, heating and air-conditioning apparatus, electric wiring and fixtures, elevators, cranes and hoists and the machinery for operating them.

[Taxicab Auth., Uniform System of Accounts Reg. § 205, eff. 12-24-70; A 11-16-79]

**NAC 706.729 Fixed assets: Account for leasehold improvements.** ([NRS 706.8818](#), [706.8829](#)) The account for leasehold improvements includes the cost of all additions to and improvements of property leased from others. All entries must be made with sufficient detail to permit ready identification.

[Taxicab Auth., Uniform System of Accounts Reg. § 231, eff. 12-24-70; A 11-16-79]

**NAC 706.732 Fixed assets: Account for shop and garage equipment.** ([NRS 706.8818](#), [706.8829](#)) The account for shop and garage equipment includes the cost of all hoists, electric motors, lathes, drill presses, air compressor equipment, tire changing equipment, wheel alignment equipment, welding sets, work benches and expensive special purpose tools which cost over \$100. This account must not include any hand or other portable tools which:

1. Are likely to be lost or stolen;
2. Have a value of \$100 or less; or
3. Have a short life or period of use.

➔ Such items must be charged as appropriate to the account for repairs and maintenance described in paragraph (d) of subsection 6 of [NAC 706.816](#) or the account for repairs and maintenance of shop and garage equipment described in subsection 11 of [NAC 706.822](#).

[Taxicab Auth., Uniform System of Accounts Reg. § 209, eff. 12-24-70; A 11-16-79]

**NAC 706.735 Fixed assets: Account for furniture and office equipment.** ([NRS 706.8818](#), [706.8829](#)) The account for furniture and office equipment includes the cost of all office furniture, business machines and equipment not permanently attached to the building, which are used in the operation of a taxicab company.

[Taxicab Auth., Uniform System of Accounts Reg. § 207, eff. 12-24-70; A 11-16-79]

**NAC 706.738 Fixed assets: Taxicab account.** ([NRS 706.8818](#), [706.8829](#)) The taxicab account includes the cost of all taxicabs devoted to the company's operations, including the cost of painting and the first set of accessory equipment necessary to fit the taxicab for service, except that air conditioners, taximeters, fuel conversion kits, if applicable, and radio and telephonic equipment are included in the accounts described in [NAC 706.744](#), [706.747](#), [706.750](#) and [706.756](#), respectively, and are not to be included in this account as part of the cost of taxicabs.

[Taxicab Auth., Uniform System of Accounts Reg. § 211, eff. 12-24-70; A 11-16-79]

**NAC 706.741 Fixed assets: Account for other automotive equipment.** ([NRS 706.8818](#), [706.8829](#)) The account for other automotive equipment includes the cost of all motor vehicles, other than taxicabs, which are used in connection with the operations of a taxicab company.

[Taxicab Auth., Uniform System of Accounts Reg. § 213, eff. 12-24-70; A 11-16-79]

**NAC 706.744 Fixed assets: Account for air conditioners.** ([NRS 706.8818](#), [706.8829](#)) The account for air conditioners includes the cost of any air conditioner that is added to a taxicab, and is not part of the original cost of the taxicab as included in the taxicab account described in [NAC](#)

[706.738](#). The cost of such an air conditioner also includes the cost of its original installation in the taxicab, and the cost of its necessary accessories.

[Taxicab Auth., Uniform System of Accounts Reg. § 214, eff. 11-16-79]

**NAC 706.747 Fixed assets: Taximeter account.** ([NRS 706.8818](#), [706.8829](#)) The taximeter account includes the cost of each taximeter owned by the company and devoted to the company's taxicab operations, including the cost of its original installation on a taxicab and its accessories. This account does not include replacement parts, repairs or extra gears. Those items must be charged directly to the account for repairs and maintenance described in paragraph (d) of subsection 6 of [NAC 706.816](#).

[Taxicab Auth., Uniform System of Accounts Reg. § 215, eff. 12-24-70; A 11-16-79]

**NAC 706.750 Fixed assets: Account for fuel conversion kits.** ([NRS 706.8818](#), [706.8829](#)) The account for fuel conversion kits includes the cost of each fuel conversion kit including the cost of its original installation on a taxicab and any necessary accessories. This account must be used by any taxicab company having a fuel conversion plant for the purpose of converting natural gas to liquid gas for use in the operation of any of its taxicabs.

[Taxicab Auth., Uniform System of Accounts Reg. § 216, eff. 11-16-79]

**NAC 706.753 Fixed assets: Account for fuel conversion plants.** ([NRS 706.8818](#), [706.8829](#)) The account for fuel conversion plants includes the cost of setting up a fuel conversion plant in order to convert natural gas to a liquid state for use as fuel in the operation of taxicabs. Included as part of this cost are the costs of:

1. Installing any required cement slabs;
2. All required plumbing and electrical work;
3. All piping gas lines compressors, including freight, and pumping stations; and
4. The labor cost of all such installations.

[Taxicab Auth., Uniform System of Accounts Reg. § 225, eff. 11-16-79]

**NAC 706.756 Fixed assets: Account for radio and telephonic equipment.** ([NRS 706.8818](#), [706.8829](#)) The account for radio and telephonic equipment includes the cost of all radio and telephonic equipment owned by the company and devoted to the company's taxicab operations, including the cost of original installation and any necessary accessories. The cost of any repairs and replacement of any parts must not be included in this account but must be recorded as an expense in the account for repairs and maintenance of dispatch equipment described in subsection 9 of [NAC 706.819](#).

[Taxicab Auth., Uniform System of Accounts Reg. § 217, eff. 12-24-70; A 11-16-79]

**NAC 706.759 Account for other fixed assets.** ([NRS 706.8818](#), [706.8829](#)) The account for other fixed assets includes the cost of all tangible property and equipment devoted to the company's taxicab operations for which a separate account has not been provided. All entries in this account must be made with sufficient detail and description recorded so as to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. § 219, eff. 12-24-70; A 11-16-79]

**NAC 706.762 Account for total depreciation and amortization allowance.** ([NRS 706.8818](#), [706.8829](#))

1. For the purpose of general ledgers, the account for total depreciation and amortization allowance must be treated as a single composite provision for depreciation and amortization. For the purpose of analysis, each company must maintain subaccounts in which this account is segregated according to the same account classification used in the fixed asset accounts.

2. This account must be credited with the amounts charged to the functional accounts for depreciation and amortization expense.

3. At the time of retirement or disposal of a depreciable or amortizable fixed asset, this account must be charged in the amount of the total accumulated provision related to the asset up to the date of retirement or disposal, and the accounts described in subsection 14 of [NAC 706.816](#), subsection 4 of [NAC 706.849](#) and subsection 2 of [NAC 706.852](#) must be credited or charged as appropriate. These entries must be recorded with sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. § 240, eff. 12-24-70; A 11-16-79]

**NAC 706.765 Accounts for organizational expense and deferred charges. ([NRS 706.8818](#), [706.8829](#))**

1. The account for organizational expense includes the original cost of organizing the company.

2. The account for deferred charges includes all debits not provided for elsewhere, such as unamortized debt discount and expense, unusual or extraordinary expenses, not included in other accounts, which are in process of amortization and items, the proper final disposition of which, is uncertain. The records supporting the entries to this account must contain sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. § 260, eff. 12-24-70; A 11-6-79; § 270, eff. 11-16-79]

**NAC 706.768 Accounts for other assets. ([NRS 706.8818](#), [706.8829](#))**

1. The investment account includes the book cost of investments made for a period or periods to exceed 1 year in duration in securities, notes, mortgages and other items, of both associated and nonassociated companies. This account must also include the offsetting entry to the recording of amortization of discount or premium on interest-bearing investments when such interest-bearing investments were purchased for less or more than face value. Information to be included for each note or security must include the type of note or security, maker, payee, payor, date of issuance, certificate number, date of maturity, interest or dividend rate, face value and other identifying information. Securities owned and pledged must be included in this account and a complete record of securities pledged must be maintained. The company's records must bear sufficient detail and description, including the use of subaccounts where necessary, to permit ready identification, analysis and verification of all relevant facts for each class of investment, for example, associated or nonassociated company, note mortgage, bonds, stocks or security pledged.

2. If a company is acquired at a cost in excess of its book value, the excess must be charged to the goodwill account.

3. An account for payroll clearing may be used by companies desiring such an account. If used, the account must be cleared monthly.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 281-290, eff. 12-24-70]

**NAC 706.771 Current liabilities. ([NRS 706.8818](#), [706.8829](#))** Current and accrued liabilities are obligations which have matured or become due within 1 year after the date thereof. Items such as

bonds or receivers' certificates must not be entered in a current and accrued liabilities account and must be classified as long-term liabilities until the date of maturity.

[Taxicab Auth., Uniform System of Accounts Reg. § 300, eff. 12-24-70; A 11-16-79]

**NAC 706.774 Accounts for notes payable. ([NRS 706.8818](#), [706.8829](#))**

1. The account for short-term notes payable includes amounts owing on notes, drafts, acceptances or other similar evidences of indebtedness which are payable on demand or within 1 year from the date of issuance or acceptance, including interest. This account must also include, under appropriate subaccounts, notes, drafts, acceptances or other similar evidences of indebtedness which are payable to associated companies on demand or within 1 year from the date of issuance or acceptance, including interest. The information to be contained in this account must include the face value of the note, date made, date due, interest rate, payee and other identifying information.

2. For reporting purposes, the current portion of the account for long-term notes payable represents the portion of a long-term note and the interest on it which is due within 1 year after the reporting date.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 301 & 302, eff. 12-24-70; A 11-16-79]

**NAC 706.777 Accounts for accounts payable, open accident or crash liabilities and contracts payable. ([NRS 706.8818](#), [706.8829](#))**

1. The account for accounts payable includes all amounts for goods and services received by the company, payable within 1 year from the date thereof and which have not been paid.

2. The account for open accident liabilities includes a provision for the amounts set aside by self-insured companies for the actual or estimated liabilities from accidents or motor vehicle crashes not totally covered by insurance policies.

3. For reporting purposes, that portion of any contract payable that becomes due within 1 year from the date thereof and which has not been paid must be included in the account for contracts payable.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 305-310, eff. 12-24-70; A 11-16-79]

**NAC 706.780 Accounts for accrued salary, wages and vacation pay. ([NRS 706.8818](#), [706.8829](#))**

1. The account for accrued salaries and wages includes the gross amount of salaries or wages earned but not paid at the end of the month.

2. The account for accrued vacation pay includes the amount of accrued vacation pay owed at the end of the month.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 315 & 316, eff. 12-24-70; A 11-16-79]

**NAC 706.783 Accounts for payroll taxes withheld and accrued and accrued payroll benefits. ([NRS 706.8818](#), [706.8829](#))**

1. The account for payroll taxes withheld and accrued includes all amounts withheld from employees' wages or salaries that are payable to a governmental agency and any accrued liabilities of the company owing to a governmental agency, the liability for which was determined on the basis of a percentage of payroll. This account must be maintained so as to permit ready identification of the company's liability to each governmental agency.

2. The account for accrued payroll benefits:

(a) Includes all amounts withheld from employee wages or salaries that are payable to other than a governmental agency at the end of each month.

(b) Includes all liabilities incurred by the company that are payable to other than a governmental agency, the liability for which arises as a result of having employees.

(c) Must be maintained to permit ready identification for such liability as between the employees and the company and the class of liability accrued, for example, welfare, pension contributions and other contributions.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 320 & 321, eff. 12-24-70; A 11-16-79]

**NAC 706.786 Account for accrued taxes and licenses. ([NRS 706.8818](#), [706.8829](#))**

1. The account for accrued taxes and licenses must be credited with the amount of taxes accrued during the accounting period, except for payroll taxes and federal income taxes. See subsection 1 of [NAC 706.783](#) and [NAC 706.801](#), respectively. Corresponding debits must be made to the appropriate accounts for the charges. See subsection 11 of [NAC 706.816](#) and [NAC 706.828](#). Such credits may be based on estimates, but from time to time during the year as the facts become known, the amount of the periodic credits must be adjusted to include as nearly as can be determined in each year the applicable taxes.

2. If accruals for taxes are found to be insufficient or excessive, corrections must be made through current tax accruals. Accruals for taxes must be based upon the net amounts payable after credit for any discounts and must not include any amounts for interest on the deficiencies or refunds. Interest received on refunds must be credited to the account for interest earned described in subsection 1 of [NAC 706.849](#) and interest paid on deficiencies must be charged to the account for interest expense described in subsection 1 of [NAC 706.852](#). Penalties must be charged to the account for miscellaneous other expenses described in subsection 4 of [NAC 706.852](#).

3. The records supporting the entries to this account must be kept to show for each class of taxes included, the amount accrued, the basis for the accrual, the accounts charged and the amount of tax paid.

[Taxicab Auth., Uniform System of Accounts Reg. § 322, eff. 12-24-70; A 11-16-79]

**NAC 706.789 Account for accrued interest. ([NRS 706.8818](#), [706.8829](#))** The account for accrued interest includes the amount of interest accrued but not due on all liabilities of the company except interest added to the principal of the debt on which incurred, for example, contracts payable. Supporting records must be maintained to show the amount of interest accrued on each obligation.

[Taxicab Auth., Uniform System of Accounts Reg. § 323, eff. 12-24-70; A 11-16-79]

**NAC 706.792 Account for other current liabilities. ([NRS 706.8818](#), [706.8829](#))** The account for other current liabilities includes the balances in all open accounts representing current liabilities not specifically provided for in the accounts described in [NAC 706.774](#) to [706.789](#), inclusive, and covers items such as unpaid matured interest and interest on unpaid, matured long-term debts. The records supporting the entries to this account must be recorded with sufficient description and detail to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. § 324, eff. 12-24-70; A 11-16-79]

**NAC 706.795 Account for fees payable. ([NRS 706.8818](#), [706.8829](#))** Fees collected for the Taxicab Authority through passenger fares must be credited to the account for fees payable rather than the account for taxicab fares described in subsection 1 of [NAC 706.813](#). Trip fee payments to the Taxicab Authority must be charged to this account.

[Taxicab Auth., Uniform System of Accounts Reg. § 325, eff. 12-24-70; A 11-16-79]

**NAC 706.798 Accounts for deferred credits, dividends payable and mortgage payable. ([NRS 706.8818](#), [706.8829](#))**

1. The account for deferred credits includes advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received. The records supporting the entries to this account must be recorded with sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.

2. The account for dividends payable includes the amount of dividends which have been declared but not paid. Dividends must be credited to this account when they become a liability.

3. The current portion of the account for mortgage payable includes the portion of any mortgage payments including interest that becomes due and is unpaid within 1 year after the reporting date.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 330, 333 & 335, eff. 12-24-70; A 11-16-79]

**NAC 706.801 Account for accrued federal income taxes. ([NRS 706.8818](#), [706.8829](#))**

1. The account for accrued federal income taxes includes the amount of federal income taxes accrued during the accounting period. Concurrent charges for tax accruals must be made to the account for federal income taxes on earnings described in subsection 2 of [NAC 706.855](#). As the exact amount of taxes becomes known, the current tax accruals must be adjusted accordingly. Payments of income taxes must be charged to this account so that it may reflect as accurately as possible the actual taxes payable.

2. “Actual taxes payable” is the amount of tax calculated for income tax purposes including those expenses or deductions not allowable as operating revenue deductions for regulatory purposes, but allowed or allowable as deductions for federal income tax purposes taken by the company, as elected by the company or as required by law, in computing its income tax, that is, by accelerated depreciation, additional first-year depreciation, interest expense, donations, nonrecurring or extraordinary charges, investment credit and other such items.

3. Accruals for federal income taxes must not include any amounts for interest or penalties on tax deficiencies, payments or refunds. Interest received on refunds must be credited to the account for interest earned described in subsection 1 of [NAC 706.849](#) and interest paid on deficiencies must be charged to the account for interest expense described in subsection 1 of [NAC 706.852](#). Penalties must be charged to the account for miscellaneous other expenses described in subsection 4 of [NAC 706.852](#).

4. Each entry credited to this account must be supported by work papers or records showing in detail how the income tax liability was determined and the necessary accrual.

[Taxicab Auth., Uniform System of Accounts Reg. § 332, eff. 12-24-70; A 11-16-79]

**NAC 706.804 Accounts for long-term liabilities. ([NRS 706.8818](#), [706.8829](#))**

1. The account for total long-term notes payable includes the face value of all notes which, by the terms of its creation, matures more than 1 year after the date of issue or assumption. This account also includes the face value of notes payable to associated companies which are not subject to current settlement.

2. The account for total long-term contracts payable includes the face value of all installment contracts which, by the terms of its creation, matures more than 1 year from the date of issue or assumption.

3. The account for total mortgages payable includes the face value of all bonds and mortgages which, by the terms of their creation, mature more than 1 year from date of issue.

4. The account for partner loans includes loans or advances made to the company by its partners.

5. The stockholder's loan account includes loans or advances made to the company from its officers, stockholders or directors.

6. The account for other long-term liabilities includes the balance of all long-term liabilities of over 1 year, not specifically provided for in the accounts described in subsections 1 to 5, inclusive. The records supporting the entries to this account must be recorded with sufficient description and detail as to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 341-348, eff. 12-24-70; A 11-16-79]

**NAC 706.807 Incorporated companies: Net worth. ([NRS 706.8818](#), [706.8829](#))**  
Incorporated companies must keep the following accounts as a record of their net worth:

1. An account for common stock.

2. Accounts for preferred stock must include the par value or the stated value of stock without par value, if such stock has a stated value and if not, the cash value of the consideration received for such nonpar stock, of each class of capital stock actually issued, including the par or stated value of such capital stock in the account for reacquired, treasury, capital stock described in subsection 6. When the actual cash value of the consideration received is more or less than the par or stated value of any stock having a par or stated value, the difference must be credited or debited, as the case may be, to the premium or discount account for the particular class and series of stock. When capital stock is retired, these accounts must be charged with the amount at which such stock is carried. A separate ledger account, with a descriptive title must be maintained for each class and series of stock. The supporting records must show the shares nominally issued, actually issued, and nominally outstanding.

3. The account for other paid-in capital includes the balance of all other credits for paid-in capital not included in the capital stock accounts and must be kept so as to show the source of the credits included for each class and series of stock issued. The items in the account must indicate:

(a) Premium received on original issues of capital stock.

(b) Donations received from stockholders consisting of capital stocks or reduction of debt of the company and the cash value of other assets received as a donation.

(c) Reduction in par or stated value of capital stock.

(d) Gain on resale or cancellation of reacquired capital stock.

(e) Miscellaneous paid-in capital.

➤ Premium on capital stock must not be set off against expenses. A premium received on an issue of a certain class or series of stock must not be set off against expense of another issue of the same class or series.

4. The account for installments received on capital stock must include in a separate subdivision for each class and series of capital stock the amount of installments received on capital stock on a partial or installment payment plan for subscribers who are not bound by legally enforceable subscription contracts. As subscriptions are paid in full and certificates issued, this account must be charged and the appropriate capital stock account credited with the par or stated value of such stock. Any discount or premium on an original issue must be included in the appropriate discount or premium account.

5. The account for discount on capital stock must include in a separate subdivision for each class and series of capital stock all discount on the original issuance and sale of capital stock, including

additional capital stock of a particular class or series as well as first issues. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired must be written off to the account, for other paid-in capital described in subsection 3, but the amount must be charged to the account for sundry adjustments to surplus described in subsection 8 to the extent that it exceeds the balance in the account for other paid-in capital.

6. The account for reacquired, treasury, capital stock must include in a separate subdivision for each class and series of capital stock the cost of capital stock actually issued by the company and reacquired by it, and not retired or cancelled, except for stock which is held by trustees in sinking or other funds. When reacquired capital stock is retired or cancelled, the difference between its cost, including commission and expenses paid in connection with the reacquisition, and its par or stated value plus any premium and less any discount applicable to the shares retired, must be debited or credited, as appropriate to the account for other paid-in capital described in subsection 3, but debits must be charged to the account for sundry adjustments to surplus described in subsection 8 to the extent that it exceeds the balance of gains on resale or cancellation of reacquired stock included in the account for other paid-in capital.

7. The account for retained earnings includes the balance of retained earnings at the beginning of the calendar year. It also includes the current year's net income after federal taxes on earnings (see subsection 3 of [NAC 706.855](#)) as well as any dividends paid (see subsection 4 of [NAC 706.855](#)) as shown on the income statement.

8. The account for sundry adjustments to surplus includes any adjustments due to discount on capital stock or clearing through the account for other paid-in capital described in subsection 3. This account must also be charged whenever expenses and premium, less discounts, exceed any gains due to resale or cancellation of reacquired stock included in the account for other paid-in capital.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 361-385, eff. 12-24-70; A 11-16-79]

**NAC 706.810 Unincorporated companies: Net worth. ([NRS 706.8818](#), [706.8829](#))**

1. To provide flexibility to the required entries recorded in the capital and drawing accounts, which flexibility is required because these accounts encompass the varied terms and provisions of partnership agreements of different companies operating under an unincorporated form of business organization, permissive wording is used for the required entries and the description of the items to be included in both the capital and drawing accounts. Despite the permissive language employed, it is intended that where permissive wording has been used to describe items included in both of these accounts, if an item by the terms or provisions of the particular company's partnership agreement excludes such item from one of the accounts, then such item must be included in the other account both for regulatory purposes and for purposes of this uniform system of accounts. The required information related to a particular item must be recorded in the same account in which the item has been recorded.

2. Once an election has been made as to which of the two accounts must contain the item in question, the company must be consistent in the inclusion of the item in the same account in future years unless a new partnership agreement has been made or the old partnership agreement has been amended making such consistency incompatible with the new or amended partnership agreement provisions.

3. Neither a provision nor a requirement has been expressed for an annual closing of a particular person's drawing account to his or her capital account. This has been omitted to allow flexibility to these accounts in accordance with the possible terms or provisions of partnership agreements of the various companies. It is to be clearly understood that a person's capital balance must be the net

amount of the combination of his or her drawing and capital account balances both for financial statement purposes and for purposes of [NAC 706.558](#) to [706.855](#), inclusive.

4. Amounts payable to the proprietor, partners, or other persons maintaining an ownership interest in the company, as fair and reasonable compensation for services performed must be charged to the appropriate administrative, operation or other functional expense accounts.

5. A capital account must be used when the organizational form of business is that of a partnership, sole proprietorship, joint venture, association, or any other form, other than an incorporated company. It must include the capital contributions made or earnings retained in the business by the persons who own the company. Subaccounts must be maintained for each person having an ownership interest in the company and any entries recorded must be so detailed and described to permit ready identification including source, analysis and verification of all relevant facts. This account may be credited or debited as appropriate for additional capital contributions and for the results of annual operations, gain or loss. The basis upon which the distribution of gain or loss affects the various ownership interests may be noted and supporting records must be maintained detailing all facts and factors which such distributions affected.

6. The withdrawal account includes all withdrawals of capital and personal expenses paid by the company on behalf of persons having an ownership interest in the company. Subaccounts must be maintained for each person having an ownership interest in the company and any entries recorded must be so detailed and described as to permit ready identification, including source, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 361.01-363, eff. 12-24-70; A 11-16-79]

**NAC 706.813 Accounts for operating revenue. ([NRS 706.8818](#), [706.8829](#))**

1. The account for taxicab fares includes all revenues derived from the transportation of passengers, their luggage and packages except for fees prescribed by the Authority. When the Authority's fees are collected they are considered a liability, as provided in [NAC 706.795](#).

2. The account for advertising revenues includes all revenues derived from others for advertising in or on taxicabs, taxicab stands, offices or any other form of advertising from which revenue may be derived.

3. The account for sundry operating revenues includes revenues derived from taxicab operations not included in any of the revenue accounts in subsection 1 or 2. This account also includes all other revenue not provided for elsewhere in [NAC 706.558](#) to [706.855](#), inclusive, if the costs or expenses associated with the earning of such revenues are not or cannot be separately classified or accounted for. This account must be maintained in such detail and description to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 401-420, eff. 12-24-70; A 11-16-79]

**NAC 706.816 Accounts for operating expense. ([NRS 706.8818](#), [706.8829](#))**

1. The account for drivers' supervision salaries includes the salaries paid to persons employed in supervising taxicab drivers. If only a portion of an employee's time is spent supervising, the appropriate percentage of his or her salary must be charged to this account.

2. The account for drivers' wages and commissions includes all wages and commissions paid to drivers, including "make-up," but excluding vacation pay.

3. The account for vacation pay includes all vacation pay paid to supervisors and drivers.

4. The account for payroll taxes includes all payroll taxes of supervisors and drivers, including, but not limited to, FICA, NUC and SIIS.

5. The account for payroll benefits includes the costs incurred by the company for welfare and pension benefits of its supervisors and drivers.

6. The account for taxicab expenses must contain the following subaccounts:

(a) An account for fuel that includes the cost of fuel used by taxicabs only. Accurate supporting records of cost and gallons used must be maintained and summarized on a monthly basis.

(b) An account for oil that includes the cost of oil used by taxicabs only. Accurate supporting records of cost and quarts used must be maintained on a monthly basis.

(c) An account for tires that includes the cost of replacement tires.

(d) An account for repairs and maintenance that includes the cost of outside labor, materials and any other expenses incurred in the repair and maintenance of taxicabs and integral equipment attached to them, including batteries and accessories, excepting radios or telephonic equipment. This account must be charged for all taxicab repairs and replacement parts purchased by a company for use in making repairs to taxicabs and their integral equipment except for items included in the account for tires, described in paragraph (c), and the account for repairs and maintenance of dispatch equipment, described in subsection 9 of [NAC 706.819](#).

(e) An account for credits for insurance recoveries that must be credited with all insurance recoveries from losses or damages sustained by taxicabs, whether from insurance companies or other persons. This account must be maintained with sufficient detail and description to permit ready identification, analysis and verification of all facts relevant to each entry.

7. A company that obtains any services contemplated in the account for credits for insurance recoveries described in paragraph (e) of subsection 6 through a contract that provides for the payment of a fixed amount must use an account for contract services in lieu of the account described in paragraph (e) of subsection 6. This account must be maintained in such a manner as to permit ready identification, analysis and verification of all facts relevant to each class of expense as stated in the various accounts described in subsection 6. Appropriately entitled subaccounts may be employed for this purpose.

8. Depreciation expenses must be accounted for in the following accounts:

(a) The taxicab account includes the amount of depreciation applicable to taxicabs.

(b) The taximeter account includes the amount of depreciation applicable to taxicab meters.

(c) The account for air conditioners includes the amount of depreciation applicable to taxicab air conditioners, when separate from cabs.

(d) The account for fuel conversion kits includes the cost of depreciation applicable to fuel conversion kits.

9. The account for injuries and damages includes all costs, exclusive of insurance premiums incurred by the company, or by the insurance company agents, if payable by the company under the terms of its insurance coverage, for the investigation of crashes or claims or the adjustment of claims arising from the operation of taxicabs. This account also includes all costs incurred by the company in its defense of any legal action arising from the operation of taxicabs and costs of settlement if payable by the company under the terms of its insurance coverage.

10. The account for insurance for taxicabs includes insurance premium expenses and writeoffs of premiums for the reporting period applicable specifically to the operation of taxicabs, such as coverage for driver's liability, property damage and bodily injury of passengers. Prepaid insurance premiums must be charged to the account for prepaid expenses described in [NAC 706.711](#).

11. The account for licenses and taxes includes licenses and taxes such as registration fees, medallions, motor carrier plates, franchise taxes, toll taxes, county airport fees and any other tax

expenses, which are applicable specifically to the operation of taxicabs. Appropriate subaccounts must be maintained for each class of license or tax expense.

12. The account for miscellaneous expenses pertaining to taxicabs includes any costs incurred by the company applicable to the actual operation of taxicabs which are not provided for in any of the foregoing accounts relative to that operation. This account must be maintained in such manner as to permit ready identification, analysis and verification of all facts relative to each class of items. Appropriately entitled subaccounts may be employed for this purpose.

13. The account for transferred internal costs includes the internal costs transferred from the various other functional divisions to operating expense. Costs transferred to this account must be either actual or on a percentage basis if the percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.

14. The account for gain or loss on disposal of automotive equipment includes the gain or loss on the disposition of taxicabs of the company. This account must be charged with the book cost of the taxicab plus any expense of sale. It must be credited with the related accumulated provision for depreciation recorded to the date of disposition of sale, and with the proceeds received on disposition. The account must be maintained with such detail and descriptions as to permit ready identification of each taxicab disposed of and verification of all facts relative to each transaction.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 501-596, eff. 12-24-70; A 11-16-79] — (NAC A 10-13-88)

**NAC 706.819 Accounts for dispatch expense. ([NRS 706.8818](#), [706.8829](#))**

1. The account for dispatchers' wages includes all wages incurred resulting from providing dispatching service.

2. The account for dispatchers' vacation pay includes all vacation pay paid to dispatchers.

3. The account for dispatchers' payroll taxes includes all payroll taxes of dispatchers, including, but not limited to, FICA, FUTA, NUC and SIIS.

4. The account for dispatchers' payroll benefits includes the costs incurred by the company for welfare and pension benefits of its dispatchers.

5. The account for advertising and promotion includes the cost of labor and materials used and expenses incurred in advertising designed to promote or retain requests for cabs by telephone.

6. A company which elects not to do its own dispatching but contracts with other parties to provide this service must charge the account for dispatching contract services with all costs incurred as a result.

7. The account for depreciation of dispatch equipment includes the amount of depreciation applicable to all dispatching and radio equipment used by the company in the operation of its dispatching service.

8. The account for equipment rental includes costs incurred by the company in the rental or leasing of dispatching and radio equipment useful to the company in the operation of its dispatching services. This account must be maintained in such manner as will permit ready identification, analysis and verification of all relevant facts to each item rented or leased, the costs of which have been included.

9. The account for repairs and maintenance of dispatch equipment includes the costs of outside labor, materials, replacement parts and any other expenses incurred and necessary for the repair and maintenance of dispatching equipment including radios or telephonic equipment installed in taxicabs. This account must in addition include all costs of maintenance and repairs to telephone facilities in

connection with the use of taxi stands. All costs included in this account must be segregated by class through the use of appropriately entitled subaccounts.

10. The account for miscellaneous dispatch expenses includes all costs incurred directly related to the operation of a dispatching service including those incurred in connection with the use of taxi stands, not provided elsewhere. This account must be maintained in such manner as to permit ready identification, analysis and verification of all facts relevant to each class of item included. Appropriately entitled subaccounts may be employed for this purpose.

11. The telephone account must include telephone expense applicable or attributable to the rendering of dispatching services by the company to its customers in its taxicab operations.

12. The account for transferred internal costs includes the internal costs transferred from the various other functional divisions to dispatch expenses. Costs transferred to this account must be either actual or on a percentage basis provided such percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 601-695, eff. 12-24-70; A 11-16-79] — (NAC A 10-13-88)

**NAC 706.822 Accounts for shop and garage expense. ([NRS 706.8818](#), [706.8829](#))** The following accounts must be used by each company maintaining a shop or facilities for the repair and maintenance of company taxicabs:

1. The account for supervisors' salaries (shop and garage) includes the salaries incurred in the supervision and direction of shop and garage activities.

2. The account for wages (shop and garage) includes the salaries and wages of shop and garage employees for the repair of company taxicabs and facilities, except for the salaries and wages of shop and garage supervisors which are included in the account described in subsection 1.

3. The account for vacation pay (shop and garage) includes all vacation pay paid to shop and garage personnel, both supervisors and nonsupervisors.

4. The account for payroll taxes (shop and garage) includes all payroll taxes of shop employees, both supervisors and nonsupervisors, including, but not limited to, FICA, FUTA, NUC and SIIS.

5. The account for payroll benefits (shop and garage) includes the costs incurred by the company for welfare and pension benefits of all its shop and garage employees.

6. The account for contract services (shop and garage) includes all costs incurred as a result of utilizing outside labor.

7. The account for depreciation (shop and garage equipment) includes the amount of depreciation applicable to all shop and garage equipment included in the account for shop and garage equipment described in [NAC 706.732](#). This account also includes depreciation applicable to the account for other automotive equipment described in [NAC 706.741](#), when such cars are used exclusively in connection with shop work.

8. The account for depreciation (fuel conversion plant) includes depreciation applicable to the use of any fuel conversion plant as included in the account for fuel conversion plants described in [NAC 706.753](#).

9. The account for equipment rental (shop and garage) includes costs incurred by the company in the rental or leasing of shop and garage equipment used and useful to the company. This account must be maintained in such manner as will permit ready identification, analysis and verification of all facts relevant to each item rented or leased, the costs of which have been included.

10. The insurance account for shop and garage includes the cost of insurance specifically for the coverage of shop and garage facilities.

11. The account for repairs and maintenance of shop and garage equipment includes all costs incurred in the maintenance and repair of shop and garage equipment and tools, other than internal labor costs included in the accounts described in subsections 1 and 2. This account also includes the costs incurred in the maintenance and repair of automotive equipment, other than taxicabs when that equipment is used exclusively in connection with shop work. This account also includes the cost of hand or portable tools which are easily lost or stolen, which have a value of \$100 or less, or have a short life.

12. The account for miscellaneous shop and garage expenses includes shop and garage costs not provided for in any of the foregoing accounts such as uniform charges, laundry, cleaning rags and solvent for washing parts. This account must be maintained in such manner as will permit ready identification, analysis and verification of all facts relevant to each class of items included. Appropriate subaccounts may be employed for this purpose.

13. The telephone account includes telephone expense applicable or attributable to maintaining shop and garage facilities.

14. The account for transferred internal costs (shop and garage) includes the internal costs transferred from the various other functional divisions to shop and garage expense. Costs transferred to this account must be either actual or on a percentage basis provided such percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 701-795, eff. 12-24-70; A 11-16-79] — (NAC A 10-13-88)

**NAC 706.825 Accounts for general and administrative expense: Salaries; vacation pay; payroll taxes; benefits. ([NRS 706.8818](#), [706.8829](#))**

1. The account for management salaries includes all compensation, salaries, bonuses and other considerations, paid or payable to officers, managers, partners or proprietors except that compensation properly included in an account of any other functional division.

2. The account for office salaries includes all salaries and payroll costs of office personnel incurred not properly chargeable to any other operating functional division.

3. The account for vacation pay (general and administrative) includes all vacation pay paid to persons whose salaries are charged to the accounts described in subsections 1 and 2.

4. The account for payroll taxes (general and administrative) includes all payroll taxes of persons whose salaries are charged to the accounts described in subsections 1, 2 and 3, including, but not limited to, FICA, FUTA, NUC and SIIS.

5. The account for payroll benefits (general and administrative) includes the costs incurred by the company for welfare and pension benefits of employees whose salaries are charged to this functional division.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 801-805, eff. 12-24-70; A 11-16-79] — (NAC A 10-13-88)

**NAC 706.828 Accounts for general and administrative expense: General taxes. ([NRS 706.8818](#), [706.8829](#))**

1. The account for general taxes includes the costs of all taxes, permits or licenses, incurred on or for property owned by the company, devoted to the company's taxicab operations, except payroll taxes, federal income taxes and those taxes included in the account for licenses and taxes described in subsection 11 of [NAC 706.816](#).

2. Taxes incurred on leased property under the terms of the lease, must not be included in this account, but must be included in the appropriate subaccount under the account for rent described in subsection 1 of [NAC 706.834](#).

3. This account must be maintained in such detail and description as to permit ready identification, analysis and verification of all relative facts. Subaccounts with appropriately descriptive titles may be used for these purposes.

[Taxicab Auth., Uniform System of Accounts Reg. § 862, eff. 12-24-70; A 11-16-79]

**NAC 706.831 Accounts for general and administrative expense: Amortization; depreciation; insurance; bad debts. ([NRS 706.8818](#), [706.8829](#))**

1. The account for amortization of leasehold improvements includes the amount of amortization applicable to all assets included in the account for leasehold improvements described in [NAC 706.729](#).

2. The account for furniture and office equipment depreciation includes all depreciation expense applicable to the account for furniture and office equipment described in [NAC 706.735](#).

3. The account for buildings and office depreciation includes all depreciation applicable to the buildings account described in [NAC 706.726](#), not previously charged to any other functional division.

4. The general account for insurance includes the cost incurred on all insurance, other than that included in the account for insurance for taxicabs described in subsection 10 of [NAC 706.816](#) and the insurance account for shop and garage described in subsection 10 of [NAC 706.822](#).

5. The account for bad debts must be charged with amounts sufficient to provide for losses from uncollected operating revenues recorded in the account for accounts receivable-trade described in [NAC 706.693](#).

[Taxicab Auth., Uniform System of Accounts Reg. §§ 812, 820, 840, 841 & 855, eff. 12-24-70; A 11-16-79]

**NAC 706.834 Accounts for general and administrative expense: Rentals; repairs and maintenance. ([NRS 706.8818](#), [706.8829](#))**

1. The account for rent includes:

(a) All costs incurred by the company in the rental or leasing of buildings, offices and other property devoted to the company's taxicab operations.

(b) Taxes on leased property where the lessee is liable for the taxes according to the terms of the lease. Such taxes must not be included in the account for general taxes described in [NAC 706.828](#).

2. The account for equipment rental includes costs incurred by the company in the rental or leasing of equipment not specifically provided for in other functional divisions.

3. The account for repairs and maintenance includes all costs incurred for outside labor, materials or replacement parts, in the maintenance of and repairs made to the building, office and office furniture and equipment. This would include costs of maintenance contracts on office equipment. Subaccounts must be maintained for each class, such as building, office, office furniture and equipment, of maintenance and repair costs incurred and entries in these subaccounts must be made in sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 845, 863 & 875, eff. 12-24-70; A 11-16-79]

**NAC 706.837 Accounts for general and administrative expense: Advertising; contract services.** ([NRS 706.8818](#), [706.8829](#))

1. The advertising account includes the cost of labor, materials used and expenses incurred in any advertising not included in the account for advertising and promotion described in subsection 5 of [NAC 706.819](#).

2. The account for outside services includes the fees and other costs of professional consultants and others incurred by the company for general services in its taxicab operations that are not applicable to a particular operating function or to any other account provided in this section. This account also includes the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not an employee of the company. This account must not include costs of such services as may be employed by the company in connection with formal cases before the regulatory authority. These costs have been provided for in the account for regulatory expenses described in [NAC 706.840](#). Subaccounts must be maintained for each class of costs included, for example, accounting and legal, containing sufficient detail and description as to permit ready identification, analysis and verification of entries made in each subaccount.

3. The account for contract services includes all costs of contract services not provided for elsewhere.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 810, 814 & 835, eff. 12-24-70; A 11-16-79]

**NAC 706.840 Accounts for general and administrative expense: Regulatory expenses.** ([NRS 706.8818](#), [706.8829](#))

1. The account for regulatory expenses includes all expenses, except pay of regular employees engaged in such work, properly included in company operating expenses, incurred by the company in connection with formal cases before the Authority, or other regulatory bodies or cases in which any regulatory body is a party.

2. This account also includes the amortized portion of such expenses as have been approved or directed by the Authority as being applicable for more than 1 year, originally charged to the account for deferred charges described in subsection 2 of [NAC 706.765](#).

3. Fees paid to the Authority must not be included in this expense. Such fees paid must offset the liability set up monthly in the account for fees payable described in [NAC 706.795](#).

[Taxicab Auth., Uniform System of Accounts Reg. § 861, eff. 12-24-70; A 11-16-79]

**NAC 706.843 Accounts for general and administrative expense: Transferred internal costs.** ([NRS 706.8818](#), [706.8829](#)) The account for transferred internal costs includes the internal costs transferred from the various other functional divisions to general and administrative expenses. Costs transferred to this account must be either actual, or on a percentage basis if the percentage is arrived at through periodic special studies. The use of arbitrary percentages or amounts transferred to this account is not permitted.

[Taxicab Auth., Uniform System of Accounts Reg. § 895, eff. 12-24-70; A 11-16-79]

**NAC 706.846 Accounts for general and administrative expense: Office, telephone, travel, utility and miscellaneous expenses.** ([NRS 706.8818](#), [706.8829](#))

1. The account for office expenses must include all costs for office supplies and miscellaneous office expenses incurred in connection with the company's taxicab operations such as:

(a) Bank service charges.

- (b) Cash shortages.
- (c) Books, periodicals, bulletins and subscriptions to newspapers, newsletters and tax services.
- (d) Membership fees and dues in trade, technical and professional associations.
- (e) Office supplies and expenses, postage, printing and stationery.
- (f) Cost of individual items of office equipment used by general departments which have a short useful life or a value of \$100 or less.

➤ Appropriately entitled subaccounts must be maintained for each class of expense included in this account with sufficient detail and description contained so as to permit ready identification.

2. The telephone account includes all telephone expenses not charged to any other functional division.

3. The account for travel expenses includes all fuel and oil, operating maintenance, replacement parts and repair costs incurred, applicable to vehicles other than taxicabs, or cars connected with shop work, or supervisors' cars. This account also includes other travel expenses necessary to the operation of a taxicab company.

4. The utilities account includes items such as power, electricity, gas, water, garbage disposal and sewage rental. It does not include telephone rental or tolls.

5. The account for miscellaneous general and administrative expenses includes any cost of outside labor, materials or other cost incurred by the company in connection with its general management if the cost is not provided for elsewhere in these regulations. This account must be maintained with sufficient detail and description to permit ready identification, analysis and verification of all relevant facts.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 864, 865, 884 & 885, eff. 12-24-70; A 11-16-79]

**NAC 706.849 Accounts for other nonoperating income. ([NRS 706.8818](#), [706.8829](#))**

1. The account for interest earned includes any money earned from savings accounts, interest-bearing loans or notes receivable.

2. The account for discounts earned includes any discounts earned as a result of timely, early or advance payments of bills. This account does not include discounts, obtained by quantity purchases or from a reduction of the manufacturer's list price. Such discounts are considered "trade discounts," and used as a reduction of original costs.

3. The account for rental income includes remuneration received for leasing or renting out space primarily owned or leased by the operating taxicab company.

4. The account for gain on sale of assets, except automotive equipment, includes any earnings from the sale of equipment or improvements other than automobiles, at a price above book value. (See subsection 14 of [NAC 706.816](#).)

5. The account for gain on investments reflects earnings from the sale of an investment carried on the books of the taxicab company as an asset.

6. The account for miscellaneous other income includes any income not provided for elsewhere in these accounts.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 901-910, eff. 11-16-79]

**NAC 706.852 Accounts for other nonoperating expenses. ([NRS 706.8818](#), [706.8829](#))**

1. The account for interest expense includes all expenses for interest paid or accrued on loans or notes payable, whether short or long term.

2. The account for loss on sale of assets, except automotive equipment, reflects any losses incurred from the sale of any equipment or improvements other than automobiles at a price below book value. (See subsection 14 of [NAC 706.816](#).)

3. The account for loss on investments reflects any income from the sale or other disposition of an investment carried on the books of the taxicab company as an asset.

4. The account for miscellaneous other expenses includes any expenses not provided for elsewhere in these accounts.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 951-960, eff. 11-16-79]

**NAC 706.855 Income statement accounts. ([NRS 706.8818](#), [706.8829](#))**

1. The account for net income before federal taxes is an income statement account reflecting the difference between the total of all income accounts and the total of all expenses, before arriving at a figure for the federal income tax.

2. The account for federal income taxes on earnings includes the amount of federal income tax expense incurred by the taxicab company during the accounting period. Concurrent credits for tax accruals must be made to the account for accrued federal income taxes described in [NAC 706.801](#). As the exact amount of taxes becomes known, the current tax expense must be adjusted accordingly, so that this account includes, in each year, the applicable taxes.

3. The account for net income after federal taxes is an income account reflecting net earnings after giving effect to federal taxes.

4. The dividends account includes the amount of dividends paid or declared by the company during the calendar year. The account for dividends payable described in subsection 2 of [NAC 706.798](#) must be set up as a liability whenever such dividends are declared.

[Taxicab Auth., Uniform System of Accounts Reg. §§ 991-1000, eff. 11-16-79]