Schedule K-2

20:10:13:90. Schedule K-2 -- Differences in book and tax depreciation. If tax depreciation differs from book depreciation, the utility shall file schedule K-2 showing the computation of the tax depreciation which will indicate the differences between book and tax depreciation on a straightline basis, and differences arising from class life (ADR) depreciation, and the excess of liberalized depreciation and amortization of emergency facilities over straightline depreciation for tax purposes for the taxable year or years.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL 49-34A-4.

Law Implemented: SDCL 49-34A-10, 49-34A-12, 49-34A-41.

NorthWestern Corporation, dba NorthWestern Energy
Computation of Federal and State Income Taxes
Difference Between Book and Tax Depreciation
Twelve Months Ending September 30, 2014

Line No.	Description	Not Normalized	Base Period Normalizing Adjustments	Normalized	Adjustments to Reflect Requested Return	Test Period Total
	(a)	(b)	(c)	(d)		
1	Tax Depreciation on a Straight-Line Basis (Flow-Thru)	15,512,685	2,677,534	18,190,218	-	18,190,218
2						
3	Book Depreciation	18,057,445	3,395,540	21,452,985	-	21,452,985
4						
5	Difference Between Straight-Line Basis Tax Depreciation and Book Depreciation	(2,544,760)	(718,006)	(3,262,767)	-	(3,262,767)
6						
7						
8	Tax Depreciation	45,145,922	5,900,900	51,046,822	-	51,046,822
9						
10	Tax Depreciation on a Straight-Line Basis (Flow-Thru)	15,512,685	2,677,534	18,190,218	-	18,190,218
11						
12	Excess of Tax Depreciation over Straight-Line Basis Tax Depreciation	29,633,237	3,223,366	32,856,603	-	32,856,603