

Schedule K-3

20:10:13:91. Schedule K-3 -- Working papers for consolidated federal income tax. If the utility joins in the filing of a consolidated federal income tax return, schedule K-3 shall be submitted showing the net taxable income or loss for each company in the consolidation, including an adjustment to effect the exclusion of excess of liberalized depreciation and amortization of emergency facilities over straightline depreciation for each company involved. There shall also be submitted with the statement of taxable net income or tax loss of each individual company participating in the consolidated returns, the details of consolidating adjustments and a computation of the system tax liability based on the consolidated net income for the last tax year ending within or immediately prior to the test period for which a tax return was filed. In addition, there shall be included a computation showing the percentage of tax savings arising from consolidation for the taxable year or years covered by the test period. Only one copy of schedule K-3 need be supplied by the utility.

Source:2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 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
 Consolidated Federal Income Tax
 Twelve Months Ending September 30, 2014

(Based Upon 2013 Tax Return)

Line No.	Company (a)	Taxable Income/(Loss) (b)	Allocation of Consolidated Taxes (c)
1	Northwestern Corporation - Parent	(289,583,881)	1,311,159
2			
3	Northwestern Public Service	14,187,870	-
4			
5	Risk Partners Assurance, Ltd.	(1,013,384)	-
6			
7	TOTAL	(276,409,395)	1,311,159
8			
9	Income Tax @ 35%	-	
10	Alternative Minimum Tax	1,311,159	
11			
12	Total Consolidated Tax Liability	1,311,159	