

EXHIBIT 2  
DEFERRED TAX

1 INLAND TELEPHONE COMPANY  
2 DEFERRED TAX  
3 12/31/2017

12/31/2017 Book Basis		TOTALS	Reg WA	Reg ID	Non-Oper	Non-Regulated
Plant Accumulated Depreciation/Investment GL Balance		(18,880,772)	(14,715,856)	(2,501,186)	6,799	(1,670,529)
Plant Held for Future Use Accum Depreciation		(4,584)	(4,584)			
Less: Intangible Trademark Accum Depreciation						2,275
<b>12/31/2017 Book Basis</b>		<b>(18,885,356)</b>	<b>(14,720,440)</b>	<b>(2,501,186)</b>	<b>6,799</b>	<b>(1,668,254)</b>
<b>12/31/2017 Tax Basis</b>						
Plant Accumulated/Investment Tax Basis		(27,690,535)	(23,465,432)	(2,664,364)		(1,560,739)
Less: Contribution in Aid		285,521	223,998	61,523		
<b>12/31/2017 Adjusted Tax Basis</b>		<b>(27,405,014)</b>	<b>(23,241,434)</b>	<b>(2,602,841)</b>	<b>-</b>	<b>(1,560,739)</b>
2017 Net Difference Book minus Tax		(8,519,658)	(8,520,994)	(101,655)	(6,799)	107,515
<b>Total Federal Deferred Taxes Liability</b>						
	21.0000%	(1,789,606)	(1,789,409)	(21,348)	(1,428)	22,578
	34.0000%	(2,897,457)	(2,897,138)	(34,563)	(2,312)	36,555
	Increase (Decrease) Liability	(1,107,851)	(1,107,729)	(13,215)	(884)	13,977
<b>Per Audited Financials and Books</b>						
	Federal Deferred Income Taxes	(1,789,606)	(1,789,409)	(21,348)	(1,428)	22,578
	Idaho State Deferred income Taxes	(10,000)		(10,000)		
	Net Operating Loss - WA	(257,665)	(257,665)			
	Total Deferred Income Taxes ties to financials	(2,057,271)	(2,047,074)	(31,348)	(1,428)	22,578
			<b>Total Washington</b>	<b>Intrastate %</b>	<b>Washington Intrastate</b>	
2017 Net Difference Book minus Tax			(8,520,994)	60.15%	(5,125,308)	
<b>Accumulated Deferred Federal Income Taxes:</b>			<b>Total Washington</b>	<b>Intrastate %</b>	<b>Washington Intrastate</b>	
Federal Def. Taxes at 34% without federal tax reform rate change			(2,897,138)	60.15%	(1,742,605)	
Federal Def. Taxes at 21% with federal tax reform rate change at 12/31/17			(1,789,409)	60.15%	(1,076,315)	
<b>Estimated Excess Def Taxes at 12/31/17</b>			<b>1,107,729</b>		<b>666,290</b>	
<b>Note: Washington Intrastate is calculated using the Intrastate allocation from the 2017 Cost Study.</b>						
<b>Proposed 15 year amortization:</b>			<b>73,849</b>		<b>44,419</b>	
<b>Note: Exhibit 3 is provided to support the 15 year amortization.</b>						