



PacifiCorp  
 IRC Section 481(a) Adjustment Example

	Method of Accounting for Income Tax Purposes		Total
	Year 1: Accrual Basis	Year 2: Cash Basis	
Pre-Tax Book Income	(1,000)	0	(1,000)
Book-Tax Difference	0	(1,000)	(1,000)
<b>Taxable Income Before IRC Section 481(a) Adjustment</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>(2,000)</b>
IRC Section 481(a) Adjustment	0	1,000	1,000
<b>Taxable Income After IRC Section 481(a) Adjustment</b>	<b>(1,000)</b>	<b>0</b>	<b>(1,000)</b>