

**ORA DATA REQUEST**  
**ORA-SDG&E-DR-060-KMC**  
**SDG&E 2016 GRC – A.14-11-003**  
**SDG&E RESPONSE**  
**DATE RECEIVED: FEBRUARY 6, 2015**  
**DATE RESPONDED: FEBRUARY 13, 2015**

**Exhibit Reference:** SDG&E-30

**Subject:** Working Cash – Tax Lag Days

**Please provide the following:**

1. In SDG&E-30 on page JSL-17, SDG&E indicates that its statutory Federal Income Tax due dates are April 15, June 15, September 15, and December 15.
  - a. Please briefly describe how SDG&E calculates its quarterly estimated tax payments due on each of these dates.
  - b. Is there a minimum percentage of SDG&E's total annual Federal Income Taxes that must be paid on each of these dates? If so, please list each statutory due date and provide the percentage due on those specific dates for 2014, 2015, and 2016.

**SDG&E Response 01:**

**1 a.** The federal income tax liability for SDG&E is calculated based on an annual forecast of taxable income with the best information available at that time. It is required for large corporations to make four federal quarterly estimated tax payments on April 15, June 15, September 15, and December 15.

**1 b.** The IRS requires that 25% of the annual forecast of tax liability be paid by April 15th, another 25% (50% cumulative) by June 15th, another 25% (75% cumulative) by September 15th, and another 25% (100% cumulative) by December 15th. This applies to years 2014, 2015, and 2016.

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2. In SDG&E-30 on page JSL-17, SDG&E indicates that its statutory California Corporate Franchise Tax due dates are April 15, June 15, September 15, and December 15.
  - a. Please briefly describe how SDG&E calculates its quarterly estimated tax payments due on each of these dates.
  - b. Is there a minimum percentage of SDG&E's total annual California Corporate Franchise Taxes that must be paid on each of these dates? If so, please list each statutory due date and provide the percentage due on those specific dates for 2014, 2015, and 2016.

**SDG&E Response 02:**

**2 a.** The state income tax liability for SDG&E is calculated based on an annual forecast of taxable income with the best information available at that time. The state requires that large corporations make three state estimated tax payments on April 15, June 15, and December 15.

**2 b.** The state requires that 30% of the annual tax liability be paid by April 15th, another 40% (70% cumulative) by June 15th, and another 30% (100% cumulative) by December 15<sup>th</sup>. This applies to years 2014, 2015, and 2016.