

Southern California Edison
Effective State Tax Rates & Composite Tax Rate

REGULAR TAX

	A	B		C	D = A x B x C	E = D
State	Statutory Tax Rate	Apportionment Factor		Ratio of State Income to CA	Effective State Tax Rate	2012 Ratemaking Tax Rates
California	8.8400%	0.967445	Sch 26, Line 16	100.0000%	8.5522%	8.5522%
DC	9.9750%	0.000053	Sch 26, Line 19	148.7298%	0.0008%	0.0008%
Arizona	6.9680%	0.023752	Sch 26, Line 18	309.8227%	0.5128%	0.5128%
New Mexico	7.6000%	0.008536	Sch 26, Line 17	-15.2251%	-0.0099%	-0.0099%
Total States					9.0559%	9.0559%
Federal Statutory Rate	35.0000%					35.0000%
Federal Benefit of State Taxes (9.0559% x 35%)						-3.1696%
Total Composite Tax Rate - 2011						40.8863%
						or
						40.886%

California net income	<u>686,808,968</u>	=	100.0000%	Sch 26, Line 33
California net income	686,808,968			
Arizona net income	<u>2,127,890,313</u>	=	309.8227%	Sch 26, Line 35
California net income	686,808,968			
New Mexico net income	<u>(104,567,153)</u>	=	-15.2251%	Sch 26, Line 34
California net income	686,808,968			
DC net income	<u>1,021,489,909</u>	=	148.7298%	Sch 26, Line 36
California net income	686,808,968			

SOUTHERN CALIFORNIA EDISON COMPANY
Tax Apportionment Detail Worksheet By State

Arizona Form 120, Line 8 - Adjusted Business Income

2,127,890,313

II. Calculation of Arizona Apportionment Factor

1. Property Factor

Value of real and tangible personal property (by averaging the value of owned property at the beginning and end of the tax period; rented property at capitalized value)

a. Owned property (at original cost):

Inventories

Depreciable assets - (do not include Construction in Progress)

Land

Other Assets - (describe)

Less: Nonbusiness property (if included in above totals)

Total of section a

b. Rented property (capitalize at 8 times net rental paid)

c. Total owned and rented property (section a total plus section b)

Column A
Total Within
Arizona

Column B
Total
Everywhere

Column C
Ratio within
Arizona
A / B

1,993,988,938

31,602,413,585

1,993,988,938

31,602,413,585

4,990,272

821,360,712

1,998,979,210

32,423,774,297

0.061652

2. Payroll Factor

Total Wages, salaries, commissions and other compensation to employees
(per Federal Form 1120 or payroll reports)

61,896,184

1,855,510,680

0.033358

3. Sales Factor

a. Sales delivered or shipped to Arizona purchasers

b. Other gross receipts

c. Total sales and other gross receipts

d. Weight Arizona sales - (*STANDARD* uses X 2; *ENHANCED* uses X 8)

e. Sales factor (for Column A - multiply item c by item d; for column B - enter the amount from item c)

159,179,932

10,555,313,290

159,179,932

10,555,313,290

X 2 OR X 8

318,359,864

10,555,313,290

0.030161

4. Total Ratio - add C1(c), C2, and C3(e), in Column C

0.125171

5. Average apportionment ratio - divide line C4, Column C, by the denominator (*STANDARD* divides by four (4); *ENHANCED* divides by ten (10)). Enter the result in column C

0.031293

SOUTHERN CALIFORNIA EDISON COMPANY
Tax Apportionment Detail Worksheet By State

California Form 100W, Line 18 - Net Income

686,808,968

II. Calculation of California Apportionment Factor

1. Property

Use the average yearly value of owned real and tangible personal property used in the business at original cost. Exclude property not connected with the business and the value of construction in progress.

Inventory
 Buildings
 Machinery and equipment (including delivery equipment)
 Furniture and fixtures
 Land
 Other tangible assets. Attach schedule.
 Rented property used in business.

Total property

Column A
Total Within
California

Column B
Total
Everywhere

Column C
Ratio within
California
A / B

28,767,072,712

31,602,413,585

813,992,696

821,360,712

29,581,065,408

32,423,774,297

0.912326

2. Payroll

Use employee wages, salaries, commissions, and other compensation related to business income.

Total payroll

1,776,564,469

1,855,510,680

0.957453

3. Sales

Gross receipts, less returns, and allowances

- a. Sales delivered or shipped to California purchasers.
 - (i) Shipped from outside California
 - (ii) Shipped from within California
- b. Sales shipped from California to:
 - (i) The United States Government
 - (ii) Purchasers in a state where the taxpayer is not taxable.
- c. Other gross receipts (rents, royalties, interest, etc.)

Total Sales

10,110,519,587

10,422,686,133

10,110,519,587

10,422,686,133

1.940098

4. Total Ratio - add C1(c), C2, and C3(e), in Column C

3.809877

- 5. Apportionment percentage.** Divide line 4 by 4 (qualified business activities divide by 3, and enter the result here.

0.952469

SOUTHERN CALIFORNIA EDISON COMPANY
Tax Apportionment Detail Worksheet By State

New Mexico Form CIT-1, Line 9 - New Mexico Net Taxable Income

(104,567,153)

III. Calculation of New Mexico Apportionment Factor

	<u>Column A</u> Total Within New Mexico	<u>Column B</u> Total Everywhere	<u>Column C</u> Ratio within New Mexico A / B
1. Property Factor			
Average annual value of inventory			
Average annual value of real property	577,913,030	31,602,413,585	
Rented property (Annual rental value times 8)	2,106,248	821,360,712	
Total property	580,019,278	32,423,774,297	0.017889
2. Payroll			
Total compensation of employees	14,324,004	1,855,510,680	0.007720
3. Sales Factor			
Gross receipts	152,986,614	10,555,313,290	0.014494
4. TOTAL FACTORS (Add lines 1, 2, and 3)			0.040103
5. AVERAGE FACTOR (Divide line 4 by the number of factors computed above)			0.013368

SOUTHERN CALIFORNIA EDISON COMPANY
Tax Apportionment Detail Worksheet By State

D.C. Tax Form D-20 SUB Corporation, Line 30 - Net Income

1,021,489,909

IV. Calculation of Washington, D.C. Apportionment Factor

	<u>Column A</u> Total Within Washington, D.C.	<u>Column B</u> Total Everywhere	<u>Column C</u> Ratio within Washington, D.C. A / B
1. Property Factor			
Average value of real estate and tangible personal property owned or rented to and used by the corporation.	488,641	32,423,774,297	0.000015
2. Payroll			
Total compensation paid or accrued by the corporation.	268,042	1,855,510,680	0.000144
3. Sales Factor			
All gross receipts of the corporation other than gross receipts from non-business income.	-	10,555,313,290	0.000000
4. TOTAL FACTORS (Add lines 1, 2, and 3)			0.000159
5. DC APPORTIONMENT FACTOR (Divide line 4 by 3)			0.000053

**Southern California Edison
State Tax Apportionment**

	Gross Receipts 2010 TR	Adjustments*	Adjusted Sales	Gross Receipts Factor
California	10,110,519,587	312,166,546	10,422,686,133	100.0000%
New Mexico	152,986,614	(152,986,614)	-	0.0000%
Arizona	159,179,932	(159,179,932)	-	0.0000%
D.C.	-		-	0.0000%
Nevada	-		-	0.0000%
Other			-	0.0000%
Everywhere	10,422,686,133	-	10,422,686,133	100.0000%

	Wages 2010 TR	Adjustments	Adjusted Wages	Wages Factor
California	1,776,564,469		1,776,564,469	95.7453%
New Mexico	14,324,004		14,324,004	0.7720%
Arizona	61,896,184		61,896,184	3.3358%
D.C.	268,042		268,042	0.0144%
Nevada	2,457,981		2,457,981	0.1325%
Other	-	-	-	0.0000%
Everywhere	1,855,510,680	-	1,855,510,680	100.0000%

	Property 2010 TR	Adjustments	Adjusted Property	Property Factor
California	29,581,065,408		29,581,065,408	91.2326%
New Mexico	580,019,278		580,019,278	1.7889%
Arizona	1,998,979,210		1,998,979,210	6.1652%
D.C.	488,641		488,641	0.0015%
Nevada	97,865,243		97,865,243	0.3018%
Other	165,356,517		165,356,517	0.5100%
Everywhere	32,423,774,297	-	32,423,774,297	100.0000%

Apportionment Factors

California (double-weighted sales)	96.7445%
New Mexico	0.8536%
Arizona (double-weighted sales)	2.3752%
DC	0.0053%

* Adjustments have been made to reflect a change in law applicable to the CA sales factor beginning on January 1, 2011 (Rev & Tax Code Section 25136).