

From The North Carolina Utilities Commission  
Raleigh, North Carolina

For Release December 29, 1964

The reduction in Federal income taxes from 50 percent to 48 percent effective January 1, 1965, results in a savings of approximately \$2,613,000 in revenue requirements to the electric utilities operating under the jurisdiction of the Utilities Commission in North Carolina for the year 1965. These savings affect only those electric utilities wherein the 48 percent tax bracket is applicable.

Tariffs are now filed with the Utilities Commission which have the effect of reducing electric rates in North Carolina \$3,117,900, or some one-half million dollars more than actual savings in revenue requirements. "This greater amount of reduction is being voluntarily placed in effect by the utilities in order that they may make needed changes in some rate schedules to more nearly reflect the value of service rendered," the Commission said.

The lower rates will become effective for power consumption on and after January 1, 1965, and will therefore be reflected on bills rendered on and after February 1, 1965.

Shortly after Congress passed legislation reducing the tax liabilities from 52 percent to 50 percent in early 1964, the Commission requested the electric utilities under

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its jurisdiction to flow through to its consumers any savings in revenue requirements resulting therefrom.

"The electric utilities at that time reduced rates in North Carolina in the amount of \$2,783,713, which amount, when considered with the present reduction, results in a total reduction of \$5,901,613 since the spring of 1964," the Commission added.

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