

Postal Regulatory Commission

Postal Regulatory Commission
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Press Release

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Washington, DC – The Postal Regulatory Commission (PRC) today published proposed regulations prescribing the accounting practices and procedures to be followed by the Postal Service, along with substantive rules for determining the assumed Federal income tax on competitive products income. This is another part of a series of rulemakings initiated by the Commission to fulfill its responsibilities under the Postal Accountability and Enhancement Act (PAEA) (PL 109-435). The proposed regulations are available on the Commission's website, www.prc.gov, Docket No. RM2008-5, and will be available in the Federal Register.

Aided by recommendations contained in a report submitted by the Secretary of the U.S. Department of Treasury, pursuant to the PAEA, as well as public comments on that report, the Commission proposed today rules for implementing section 2011(h)(2)(B) of the Act.

The proposed rules, which for the most part are in accord with Treasury's recommendations and draw from the Postal Service's suggestions, are based on a theoretical, on paper only enterprise, do not require new accounting or data collection systems, maintain the Commission's existing definition of attributable cost, and provide the Postal Service optional means for calculating an assumed Federal income tax on competitive products income. In addition, the proposed rules require the Postal Service to file various periodic reports, e.g. the Annual Income Report and Pro Forma Balance Sheet. The Postal Service would also be required to submit a Competitive Products Fund Report to the Department of Treasury and the Commission.

In sum, the proposed rules are intended to promote the goals of transparency and accountability without imposing undue burdens on the Postal Service.

The Commission looks forward to the public's comments on the proposed rules. All comments and suggestions received will be available for review on the Commission's website at www.prc.gov.

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The Postal Regulatory Commission is an independent federal agency comprised of five Presidentially-appointed and Senate-confirmed Commissioners, each serving terms of six years. The Chairman is designated by the President. In addition to Chairman Blair, the other Commissioners are Ruth Goldway, Tony Hammond, Mark Acton, and Nanci Langley.