

EXCESS DEFERRED TAX EXOGENOUS

<u>Line</u>	<u>Item</u>	<u>Source for 2005/2006</u>	<u>2004/2005 [1]</u>	<u>2005/2006</u>
1	2004/2005 Excess Deferred Tax	From 2004 Annual Access Filing	6,524,000	
2	2005/2006 Excess Deferred Tax	Tax Records		5,669,000
3	Total Plant in Service (TPIS)	2004 ARMIS 43-01, Row 1690, Col b		43,101,217
4	Total Plant in Service (I/S)	2004 ARMIS 43-01, Row 1690, Col h		12,346,346
5	I/S TPIS Factor	Line 4 / Line 3	28.17%	28.65%
6	I/S Excess Deferred Tax	1st Col = Line 1 * L 5    2nd Col = Line 2 * L 5	1,837,811	1,623,885
7	State Tax Rate	2004 Form 492	5.05%	6.02%
8	FIT Impact	Line 6 * (.35/(1-.35))	989,590	874,400
9	State Tax Impact	(Line 8 + Line 6) * (Line 7/(1-Line 7))	150,353	160,031
10	Calculated EDT	Line 6 + Line 8 + Line 9	2,977,754	2,658,316
11	Exogenous Impact		(2,977,754)	(2,658,316)

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<u>LINE</u>	<u>DESCRIPTION</u>	Qwest Common <u>Line</u> (A)	Qwest Special <u>Access</u> (B)	Qwest Traffic Sensitive <u>Non-ATS Related</u> (C)	Qwest <u>IXC</u> (D)	Qwest Trunking & TS <u>ATS-Related</u> (E)	Qwest <u>Excluded Services</u> (F)	Qwest <u>Total</u> (G)
1	"R" Value for 2005 Filing	1,020,725,908	587,516,948	85,900,570	8,699	259,888,263	1,526,501,994	3,480,542,383
2	"R" Value Percent to Total for 2005 Filing (Line 1A / Line 1G)	29.33%	16.88%	2.47%	0.00%	7.47%	43.86%	100.00%
3	Total 2004/2005 Excess Deferred Tax (Workpaper 2, P1)	(873,275)	(502,646)	(73,492)	(7)	(222,346)	(1,305,988)	(2,977,754)
4	Total 2005/2006 Excess Deferred Tax (Workpaper 2, P1)	(779,595)	(448,725)	(65,608)	(7)	(198,494)	(1,165,889)	(2,658,316)
5	Exogenous Impact (Line 4A minus Line 3A)	93,680	53,921	7,884	1	23,852	140,100	319,438
6	Exogenous Impact Respread for ATS (Line 1A/Line 1A through Line 1D)	60.25%	34.68%	5.07%	0.00%	NA	NA	NA
7	Reallocation of Exogenous for ATS Revs (Line 5E*Line 6A etc.)	14,371	8,272	1,209	0	0	0	0
8	Total Exogenous adjustment (Line 5A + Line 7A etc.)	108,051	62,193	9,093	1	0	140,100	319,438

Columns A through E represent Price Cap Services

Column E represents the amount to be respread to non-ATS Price Cap services

Column F represents Excluded Services and includes services that received Pricing Flexibility approval