

## CHANGES IN 1961 IN CLASSIFICATION OF BANK EXPENSES

Type of item	Previous reporting procedure	Present reporting procedure
Salaries and wages (including bonuses and other extra compensation) of officers and employees working on bank building or related housekeeping functions	Combined with salaries and wages of other bank officers and employees	Reported as separate item under occupancy expense
Taxes related to salaries and wages paid by the bank on its own account, e.g., social security and unemployment taxes, etc.	Included in taxes other than income	Officer and employee benefits shown as a separate item; expenses related to building officers and employees shown separately under occupancy expense
Other expenses of employee benefits except taxes and direct compensation paid by the bank, e.g., hospitalization and life insurance premiums, pension contributions, cost of medical services, net cost of restaurant, etc.	Included in other current operating expenses	
Recurring depreciation on bank premises and leasehold improvements	All recurring depreciation combined in a separate item	
Recurring depreciation on furniture and equipment		Included as a separate item, furniture and equipment expense
Other furniture and equipment expense, e.g., servicing, maintenance, rentals paid, uncapitalized costs, etc.		
Rent paid on bank premises	Included in other current operating expense	Reported as separate items under occupancy expense
Maintenance, repairs, and uncapitalized alteration costs of bank premises and leasehold improvements		
Insurance, utilities (heat, light, water), etc.		
Taxes on bank premises and leasehold improvements	Included in taxes other than income	Included in other current operating expenses
Taxes other than those related to officers and employees and to furniture and equipment or bank premises and leasehold improvements, e.g., franchise taxes and taxes on other real estate		
<b>Current operating revenue item reclassified as offset to expenses:</b>		
Rental income from bank premises and other credits such as income from bank premises affiliate	Included in other current operating revenue	Deducted from gross occupancy expense to derive net occupancy expense