# Deferred Tax Assets & Liabilities

Rule ID: DQC\_0085

### Rule function

This rule identifies where the incorrect deferred tax elements have been used between the balance sheet and the notes to the financial statements. The US GAAP taxonomy defines specific elements that should be used in the notes to the financial statements because the tax liabilities and tax assets cannot be netted across tax jurisdictions. The following table shows the correct placement of elements between the face financial statements and the notes to the financial statements.

|  |  |  |
| --- | --- | --- |
| Element | Location | Netting |
| DeferredTaxAssetsLiabilitiesNet | Notes to the Financial Statements | Without jurisdictional netting |
| DeferredTaxAssetsNet | Notes to the Financial Statements | Without jurisdictional netting |
| DeferredTaxLiabilities | Notes to the Financial Statements | Without jurisdictional netting |
| DeferredIncomeTaxAssetsNet | Face of the Financial Statements | Allows jurisdictional netting |
| DeferredIncomeTaxLiabilitiesNet | Face of the Financial Statements | Allows jurisdictional netting |

In those cases where the values are the same in the footnotes and the face financial statements, different elements should still be used in the face financial statements and notes to the financial statements.

In some cases, filers report the value reported on the face financial statements with jurisdictional netting as well as the value of the deferred taxes without jurisdictional netting. In these cases the deferred tax with netting can be used in the notes as long as the deferred taxes without jurisdictional netting also appear.

The rule is broken into three sub rules. The logic of these sub rules is as follows:

DQC.US.0085.9361

The elements DeferredTaxAssetsLiabilitiesNet, DeferredTaxAssetsNet and DeferredTaxLiabilities cannot appear in a group using the text “Statement”. The rule identifies all the presentation groups with the description containing the string “- Statement -” and determines the elements in the presentation groups. If the elements in these groups include either DeferredTaxAssetsLiabilitiesNet, DeferredTaxAssetsNet and DeferredTaxLiabilities an error is returned for each occurence. If no values are reported for the element, but the element appears in the presentation linkbase then an error is reported. The rule does not report an error for every occurence of a fact in the Financial Statements.

DQC.US.0085.9362 & DQC.US.0085.9363

The second sub-rule checks for the existence of a value for the elements DeferredIncomeTaxAssetsNet or DeferredIncomeTaxLiabilitiesNet. The rule then determines if these elements appear in the calculation linkbase as a calculation child. If they do not, the rule reports an error for every fact value. Rule 9362 checks DeferredIncomeTaxAssetsNet and 9363 checks DeferredIncomeTaxLiabilitiesNet.

DQC.US.0085.9364 DQC.US.0085.9365 & DQC.US.0085.9367

The third component of the rule checks for the existence of a value for the elements DeferredTaxAssetsNet, DeferredTaxAssetsLiabilitiesNet or DeferredTaxLiabilities. The rule then determines if these elements appear in the calculation linkbase comprising the total value of Assets or Liabilities and Stockholders Equity. If they do, the rule reports an error for every fact value.

### Problem solved by the rule

The rule is designed to ensure that filers are selecting the correct elements to represent the values of their deferred tax assets and liabilities. Users of the data have struggled with using this data as often inappropriate elements are used to represent this data. Using incorrect elements for disclosing tax assets and liabilities leads to confusion amongst users of the data.

Example rule message

**Rule 9361**

The element DeferredTaxAssetsLiabilitiesNet appears in the face financial statements of the filing. This element is a footnote concept that should only be used in a footnote disclosure. To report the value of deferred taxes on the balance sheet either the element DeferredIncomeTaxAssetsNet or DeferredIncomeTaxLiabilitiesNet should be used depending if it is a liability or an asset. If the value of DeferredTaxAssetsLiabilitiesNet is the same as the value for DeferredIncomeTaxAssetsNet or DeferredIncomeTaxLiabilitiesNet, then one of these balance sheet elements should be used on the balance sheet and not the footnote element DeferredTaxAssetsLiabilitiesNet.

Rule Element Id:9361

Rule version: 11.0

**Rule 9362**

The element DeferredIncomeTaxAssetsNet with a value $2,000 does not appear in a calculation defined in the filing. This concept is a balance sheet item and should appear on the balance sheet or as a component of a balance sheet item in the footnotes. If this value is the amount with jurisdictional netting and it is reported in the footnotes then the value of DeferredTaxAssetsNet (the amount without jurisdictional netting) should also be reported. To resolve the error the element DeferredIncomeTaxAssetsNet needs to be included in a calculation with Assets as an ancestor.

Period : 2018-12-31

Dimensions : none

Unit : USD

Decimals: 0

Rule Element Id:9362

Rule version: 11.0

**Rule 9363**

The element DeferredIncomeTaxLiabilitiesNet with a value $2,000 does not appear in a calculation defined in the filing. This concept is a balance sheet item and should appear on the balance sheet or as a component of a balance sheet item in the footnotes. If this value is the amount with jurisdictional netting and it is reported in the footnotes then the value of DeferredTaxAssetsLiabilitiesNet (the amount without jurisdictional netting) should also be reported. To resolve the error the element DeferredIncomeTaxLiabilitiesNet needs to be included in a calculation with Liabilities as an ancestor.

Period : 2018-12-31

Dimensions : none

Unit : USD

Decimals: 0

Rule Element Id:9363

Rule version: 11.0

**Rule 9364**

The element DeferredTaxAssetsNet has been reported with a value of $2,000, this element is also included as a calculation descendant of Assets in the financial statements. This element is a footnote element and should not appear in the financial statements.

Period : 2018-12-31

Dimensions : none

Unit : USD

Decimals: 0

Rule Element Id:9364

Rule version: 11.0

**Rule 9365**

The element DeferredTaxAssetsLiabilitiesNet has been reported with a value of $2,000, this element is also included as a calculation descendant of Assets in the financial statements. This element is a footnote element and should not appear in the financial statements.

Period : 2018-12-31

Dimensions : none

Unit : USD

Decimals: 0

Rule Element Id:9365

Rule version: 11.0

For Developers

The Global Rule Logic document contains general guidelines for implementation of rules.

The rule message template contains text and parametric reference to arguments of the rule operation, using the syntax ${parameter} to indicate that insertion of a parameter’s value is to occur.

Message template

**Rule 9361**

The element {$incorrect\_concept} appears in the face financial statements of the filing. This element is a footnote concept that should only be used in a footnote disclosure. To report the value of deferred taxes on the balance sheet either the element DeferredIncomeTaxAssetsNet or DeferredIncomeTaxLiabilitiesNet should be used depending if it is a liability or an asset. If the value of {$incorrect\_concept} is the same as the value for DeferredIncomeTaxAssetsNet or DeferredIncomeTaxLiabilitiesNet, then one of these balance sheet elements should be used on the balance sheet and not the footnote element {$incorrect\_concept}.

Rule Element Id:9361

Rule version: {$ruleVersion}

**Rule 9362**

The element {$BS\_Tax\_Asset.concept.name} with a value {$BS\_Tax\_Asset} does not appear in a calculation defined in the filing. This concept is a balance sheet item and should appear on the balance sheet or as a component of a balance sheet item in the footnotes. If this value is the amount with jurisdictional netting and it is reported in the footnotes then the value of DeferredTaxAssetsNet (the amount without jurisdictional netting) should also be reported. To resolve the error the element DeferredIncomeTaxAssetsNet needs to be included in a calculation with Assets as an ancestor.

Period :{$BS\_Tax\_Asset.period}

Dimensions : {$BS\_Tax\_Asset.dimensions.join(', ','=')}

Unit : {$BS\_Tax\_Asset.unit}

Decimals: {$BS\_Tax\_Asset.decimals}

Rule Element Id:9362

Rule version: {$ruleVersion}

**Rule 9363**

The element {$BS\_Tax\_Liability.concept.name} with a value {$BS\_Tax\_Liability} does not appear in a calculation defined in the filing. This concept is a balance sheet item and should appear on the balance sheet or as a component of a balance sheet item in the footnotes. If this value is the amount with jurisdictional netting and it is reported in the footnotes then the value of DeferredTaxAssetsNet (the amount without jurisdictional netting) should also be reported. To resolve the error the element DeferredIncomeTaxLiabilitiesNet needs to be included in a calculation with Liabilities as an ancestor.

Period :{$BS\_Tax\_Liability.period}

Dimensions : {$BS\_Tax\_Liability.dimensions.join(', ','=')}

Unit : {$BS\_Tax\_Liability.unit}

Decimals: {$BS\_Tax\_Liability.decimals}

Rule Element Id:9363

Rule version: {$ruleVersion}

**Rule 9364**

The element DeferredTaxAssetsNet has been reported with a value of {$fact1}, this element is also included as a calculation descendant of Assets in the financial statements. This element is a footnote element and should not appear in the financial statements.

Period :{$fact1.period}

Dimensions : {$fact1.dimensions.join(', ','=')}

Unit : {$fact1.unit}

Decimals: {$fact1.decimals}

Rule Element Id:{$rule\_id}

Rule version: {$ruleVersion}

**Rule 9365**

The element DeferredTaxAssetsLiabilitiesNet has been reported with a value of {$fact1}, this element is also included as a calculation descendant of Liabilities or LiabilitiesAndStockholdersEquity in the financial statements. This element is a footnote element and should not appear in the financial statements.

Period :{$fact1.period}

Dimensions : {$fact1.dimensions.join(', ','=')}

Unit : {$fact1.unit}

Decimals: {$fact1.decimals}

Rule Element Id:{$rule\_id}

Rule version: {$ruleVersion}

**Rule 9367**

The element DeferredTaxLiabilities has been reported with a value of {$fact1}, this element is also included as a calculation descendant of Liabilities or LiabilitiesAndStockholdersEquity in the financial statements. This element is a footnote element and should not appear in the financial statements.

Period :{$fact1.period}

Dimensions : {$fact1.dimensions.join(', ','=')}

Unit : {$fact1.unit}

Decimals: {$fact1.decimals}

Rule Element Id:{$rule\_id}

Rule version: {$ruleVersion}

### Rule element ID index

The rule element id is used to identify unique elements or combinations of elements tested in the rule.

|  |  |
| --- | --- |
| Rule Element ID | Elements |
| DQC.US.0085.9361 | DeferredTaxAssetsLiabilitiesNet, DeferredTaxAssetsNet |
| DQC.US.0085.9362  DQC.US.0085.9363 | DeferredIncomeTaxAssetsNet, DeferredIncomeTaxLiabilitiesNet |
| DQC.US.0085.9364  DQC.US.0085.9365  DQC.US.0085.9367 | DeferredTaxAssetsNet, DeferredTaxAssetsLiabilitiesNet  DeferredTaxLiabilities |