**Solution:**

(1)

The earnings after taxes is given by $6,068 - $2,185 = $3,883 million.

(2)

Amounts are in millions of $

|  |  |  |
| --- | --- | --- |
| Tax Expense  To Cash  To Deferred Tax Liability | 2,185 | 1,950  235 |

(3)

This is because tax authorities and accounting authorities differs in the way they account for income. For example, the revenue in tax authority is decided when cash flows in and the revenue in accounting is not assumed until the delivery has been completed. These leads to discrepancy and finally lead to different income shown to them and shareholders.