

TOPIC	ACCOUNTING PRINCIPLES	SUB-SECTION 02.10.50
SECTION	GAAP ACCOUNTING PRINCIPLES	ISSUANCE DATE JUNE 30, 1999
SUB-SECTION	LIABILITY ACCOUNTING	REVISED - 2018

LIABILITY ACCOUNTING

All legal liabilities of the State of Mississippi and of state agencies should be recorded. General obligation long-term debt is recorded in a separate account group established for this purpose.

A separate account group reflects the amount of outstanding debt, the amount available and the amount provided to retire the debt. Revenue bonds outstanding should be reflected in appropriate funds. Premium and discounts as well as bond issue costs on the sale of general obligation bonds should be recognized immediately upon receipt and should not be amortized. Premiums and discounts and bond issue costs on the sale of revenue bonds should be capitalized and amortized over the life of the issue on an approved and fully disclosed basis.

If resources (i.e., federal grants) received are applicable to some future period, the revenue should be deferred until the resources can be used to pay liabilities of the current period.

Accounts payable should be recorded in governmental funds when the goods and services have been delivered and rendered. Other liabilities include amounts due to other funds and accrued liabilities.