



ASSOCIATION OF  
AMERICAN RAILROADS

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Office of Proceedings  
May 27, 2016  
Part of  
Public Record

**John T. Gray**  
Senior Vice President - Policy & Economics

May 27, 2016

The Honorable Cynthia T. Brown  
Chief, Section of Administration  
Office of Proceedings  
Surface Transportation Board  
395 E Street, SW.  
Washington, DC 20423-0001

Re: Ex Parte No. 682 (Sub-No. 7), Annual Submission of State Tax Information for Use in the Revenue Shortfall Allocation Method (2015)

Dear Ms. Brown:

This submission by the Association of American Railroads (AAR) is the AAR's calculation of the 2015 weighted average state tax rate for each Class I railroad, filed pursuant to 49 C.F.R. § 1135.2, as adopted by the Board in Ex Parte No. 682, *Annual Submission of State Tax Information for Use in the Revenue Shortfall Allocation Method*, served February 26, 2010. The methodology used to calculate each weighted average state tax rate is the same as what was used in the AAR's prior year calculation.

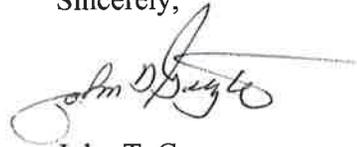
Weighted Average State Tax Rates

<u>Railroad</u>	<u>2015</u>	<u>2014</u>	<u>Percentage Point Change</u>
BNSF Railway Company	5.271%	5.478%	-0.207%
CSX Transportation, Inc.	5.247%	5.398%	-0.151%
Grand Trunk Corporation	7.767%	8.058%	-0.291%
The Kansas City Southern Rwy	5.430%	5.746%	-0.316%
Norfolk Southern Combined	5.501%	5.713%	-0.212%
Soo Line Corporation	8.083%	8.092%	-0.009%
Union Pacific Railroad Company	5.655%	5.885%	-0.230%

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All calculations are included in the AAR's submission. Workpapers consist of copies of Schedules 702 and 210 from the railroads' Annual Report Form R-1. Railroads have reviewed the calculations. A copy of the workpapers underlying this submission are included in the AAR's filing. Questions should be directed to me or Clyde Crimmel (202 639-2309) of this office.

Sincerely,



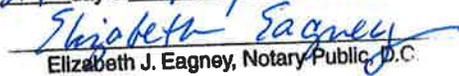
John T. Gray

Attachments

District of Columbia: SS

Subscribed and sworn to before me, in my presence

this 27 day of May 2016



Elizabeth J. Eagney, Notary Public, D.C.

My commission expires August 14, 2017.



**Before the  
Surface Transportation Board**

**Ex Parte No. 682**

**Annual Submission of Tax Information for Use  
in the Revenue Shortfall Allocation Method**

**2015  
Weighted Average State Tax Rates**

**Policy and Economics Department  
Association of American Railroads**

**May 27, 2016**

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# Introduction

On February 26, 2010, the Surface Transportation Board served a decision in STB Ex Parte No. 682, *Annual Submission of Tax Information for Use in the Revenue Shortfall Allocation Method*, that amends 49 CFR Part 1135 to add a rule that requires the Association of American Railroads (AAR) to annually update each Class I railroad's weighted average state tax rate for use in the Revenue Shortfall Allocation Method (RSAM). The calculation must be submitted by May 30 of each year.

The methodology used by the AAR to calculate weighted average state tax rates is the same as was used in all calculations since the calculation for 2008. The AAR's 2008 weighted average state tax rate calculations were adopted by the Surface Transportation Board in its Ex Parte No. 646 (Sub-No. 2), Simplified Standards for Rail Rate Cases – Taxes in Revenue Shortfall Allocation Method (served January 22, 2010). The AAR's calculation submitted herein is for 2015.

## Sources

There are two major sources for these calculations. The first major source is Annual Report Form R-1, which is submitted by each Class I railroad to the Board. The STB instructed the AAR to weigh state tax rates using miles operated in each state for each railroad. As the STB noted, mileage operated in each state can be found in column (g) of Schedule 702 (Miles of Road at Close of Year - By States and Territories) of each R-1. Additional information from the R-1's Schedule 210 (Results of Operations) has been used to calculate tax rates for Texas.

The second major source is a web site table with state corporate tax information published by the Tax Foundation, a nonpartisan research and education group based in Washington, DC. The Class I railroads provided additional information regarding tax rates, either to confirm the Tax Foundation rates or to document exceptions that apply to railroads operating in specific states. The AAR also retrieves state tax forms to check against the Tax Foundation.

## Notes

The following states have lower income tax rates in 2015: Arizona, Illinois, Indiana, New Mexico, North Carolina, and North Dakota. The tax rate on revenue used by Texas has also been lowered. No states had higher tax rates. The rate for the District of Columbia is also lower for 2015.

The railroad with the biggest decrease in its weighted average tax rate was Kansas City Southern. Lower tax rates for Illinois and Texas, where KCS has about one third of its mileage, were the major causes for the decrease. There were no railroads with an increased average rate. Grand Trunk Corporation and Soo Line Corporation have higher average tax rates than the other railroads because 37 to 57 percent of their US mileage is in Minnesota, Iowa, and Illinois – states with income tax rates among the highest in the nation.

## State Miles Operated for 2015

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	231	26	1,011	44	1,304	0	0	2,616	AL
Arizona	659	0	0	0	0	0	691	1,350	AZ
Arkansas	1,030	0	0	163	0	0	1,325	2,518	AR
California	1,949	0	0	0	0	0	3,292	5,241	CA
Colorado	1,341	0	0	0	0	0	1,503	2,844	CO
Connecticut	0	0	68	0	0	0	0	68	CT
Delaware	0	0	44	0	203	0	0	247	DE
Dist. of Columbia	0	0	20	0	13	0	0	33	DC
Florida	0	0	1,651	0	149	0	0	1,800	FL
Georgia	0	0	1,614	0	1,719	0	0	3,333	GA
Idaho	106	0	0	0	0	0	847	953	ID
Illinois	1,546	1,258	898	199	1,256	402	2,318	7,877	IL
Indiana	0	103	1,548	0	1,441	154	19	3,265	IN
Iowa	653	574	0	0	43	663	1,385	3,318	IA
Kansas	1,587	0	0	18	2	0	2,203	3,810	KS
Kentucky	98	98	1,676	0	429	0	12	2,313	KY
Louisiana	362	239	43	744	76	0	1,152	2,616	LA
Maine	0	0	0	0	0	0	0	0	ME
Maryland	0	0	547	0	269	0	0	816	MD
Massachusetts	0	0	399	0	0	0	0	399	MA
Michigan	0	923	558	0	487	80	0	2,048	MI
Minnesota	1,638	378	0	0	0	1,703	647	4,366	MN
Mississippi	174	575	94	723	211	0	0	1,777	MS
Missouri	1,613	0	11	417	409	144	1,537	4,131	MO
Montana	2,625	0	0	0	0	0	125	2,750	MT
Nebraska	1,485	0	0	0	0	0	1,067	2,552	NE
Nevada	798	0	0	0	0	0	1,193	1,991	NV
New Hampshire	0	0	0	0	0	0	0	0	NH
New Jersey	0	0	642	0	931	0	0	1,573	NJ
New Mexico	1,430	0	0	0	0	0	618	2,048	NM
New York	0	0	1,295	0	890	414	0	2,599	NY
North Carolina	0	0	1,121	0	1,193	0	0	2,314	NC
North Dakota	1,697	0	0	0	0	530	0	2,227	ND
Ohio	0	4	1,875	0	2,142	30	0	4,051	OH
Oklahoma	1,287	0	0	151	0	0	1,173	2,611	OK
Oregon	408	0	0	0	0	0	1,073	1,481	OR
Pennsylvania	0	156	1,061	0	2,406	0	0	3,623	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,307	0	762	0	0	2,069	SC
South Dakota	907	0	0	0	0	112	0	1,019	SD
Tennessee	137	161	989	5	827	0	14	2,133	TN
Texas	4,860	0	0	927	0	0	6,305	12,092	TX
Utah	448	0	0	0	0	0	1,247	1,695	UT
Vermont	0	0	0	0	0	0	0	0	VT
Virginia	0	0	1,054	0	1,992	0	0	3,046	VA
Washington	1,463	0	0	0	0	0	533	1,996	WA
West Virginia	0	0	1,313	0	806	0	0	2,119	WV
Wisconsin	248	1,432	0	0	0	621	930	3,231	WI
Wyoming	965	0	0	0	0	0	875	1,840	WY
<b>Total U.S.</b>	<b>31,745</b>	<b>5,927</b>	<b>20,839</b>	<b>3,391</b>	<b>19,960</b>	<b>4,853</b>	<b>32,084</b>	<b>118,799</b>	

Canada	114	0	84	0	2	0	0	200
<b>Grand Total</b>	<b>31,859</b>	<b>5,927</b>	<b>20,923</b>	<b>3,391</b>	<b>19,962</b>	<b>4,853</b>	<b>32,084</b>	<b>118,999</b>

Note: There is no Class I railroad mileage in Alaska, Hawaii, Maine, New Hampshire, Rhode Island, or Vermont. Mileages are from Annual Report Form R-1, Schedule 702, Column (g).

## State Tax Rates Used for 2015

State	Inc. Tax Rate	Comments
Alabama	6.500%	
Arizona	6.000%	*** Lower for 2015.
Arkansas	6.500%	
California	8.840%	
Colorado	4.630%	
Connecticut	0.000%	Sole railroad reports in operating expense, so tax rate changed to 0.
Delaware	8.700%	
Dist. of Columbia	9.400%	*** Lower for 2015.
Florida	5.500%	
Georgia	6.000%	
Idaho	7.400%	
Illinois	7.750%	*** Lower for 2015 5.25.0% income tax +2.5% "replacement tax"
Indiana	6.750%	*** Lower for 2015. 7.0% for first half of year, changed to 6.5% for second half of year
Iowa	12.000%	
Kansas	7.000%	4% plus 3.0% surtax
Kentucky	6.000%	
Louisiana	8.000%	
Maine	*	No Class I mileage
Maryland	8.250%	
Massachusetts	8.000%	
Michigan	6.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	6.250%	
Montana	6.750%	7.0% if Water's Edge election (no Class I railroads have elected this)
Nebraska	7.810%	
Nevada	0.000%	None.
New Hampshire	*	No Class I mileage
New Jersey	0.000%	Reported in operating expense, rate changed to zero.
New Mexico	6.900%	***Lower for 2015
New York	0.000%	Reported in operating expense, rate changed to zero.
North Carolina	5.000%	***Lower for 2015
North Dakota	4.310%	***Lower for 2015 Water's Edge Election add 3.5% pt.
Ohio	0.000%	Income tax fully phased out and replaced with a franchise fee.
Oklahoma	6.000%	
Oregon	7.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	*	***Calculated using 70% of Operating Revenue taxed at 0.75% (a lower rate than 2014)
Utah	5.000%	
Vermont	*	No Class I mileage
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	6.500%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

### Notes:

There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "\*" (except TX), rates are not collected here. Tax rates are from the web site of the Tax Foundation, Washington, DC, and have been verified with state tax forms. Adjustments to the Tax Foundation's list of rates have been made by the AAR when necessary. See Appendix B. "\*\*\*\*" in comments notes that tax rate is changed from prior year.

# Results of Calculations for 2015

## Average State Corporate Income Tax Rate

<b>Railroad</b>	<b>2015</b>	<b>2014</b>	<b>Difference</b>
BNSF	5.271 %	5.478 %	-0.207 % Pts.
CSX	5.247	5.398	-0.151
CNGT	7.767	8.058	-0.291
KCS	5.430	5.746	-0.316
NS	5.501	5.713	-0.212
SOO	8.083	8.092	-0.009
UP	5.655	5.885	-0.230

**State Corporate Income Tax Rates  
from the Tax Foundation  
as of January 1, 2015**

State	Rates	Brackets
Ala.	6.50%	> \$0
Alaska	0.00%	> \$0
	2.00%	> \$25,000
	3.00%	> \$49,000
	4.00%	> \$74,000
	5.00%	> \$99,000
	6.00%	> \$124,000
	7.00%	> \$148,000
	8.00%	> \$173,000
	9.00%	> \$198,000
	9.40%	> \$222,000
Ariz.	6.00%	> \$0
Ark. (a)	1.00%	> \$0
	2.00%	> \$3,000
	3.00%	> \$6,000
	5.00%	> \$11,000
	6.00%	> \$25,000
	6.50%	> \$100,000
Calif.	8.84%	> \$0
Colo.	4.63%	> \$0
Conn. (b)	9.00%	> \$0
Del. (c)	8.70%	> \$0
Fla.	5.50%	> \$0
Ga.	6.00%	> \$0
Hawaii	4.40%	> \$0
	5.40%	> \$25,000
	6.40%	> \$100,000
Idaho	7.40%	> \$0
Ill. (d)	7.75%	> \$0
Ind. (e)	7.00%	> \$0
Iowa	6.00%	> \$0
	8.00%	> \$25,000
	10.00%	> \$100,000
	12.00%	> \$250,000
Kans.	4.00%	> \$0
	7.00%	> \$50,000
Ky.	4.00%	> \$0
	5.00%	> \$50,000
	6.00%	> \$100,000
La.	4.00%	> \$0
	5.00%	> \$25,000
	6.00%	> \$50,000
	7.00%	> \$100,000
	8.00%	> \$200,000
Maine	3.50%	> \$0
	7.93%	> \$25,000
	8.33%	> \$75,000
	8.93%	> \$250,000
Md.	8.25%	> \$0

**State Corporate Income Tax Rates  
from the Tax Foundation  
as of January 1, 2015**

State	Rates	Brackets
Mass.	8.00%	> \$0
Mich.	6.00%	> \$0
Minn.	9.80%	> \$0
Miss.	3.00%	> \$0
	4.00%	> \$5,000
	5.00%	> \$10,000
Mo.	6.25%	> \$0
Mont.	6.75%	> \$0
Nebr.	5.58%	> \$0
	7.81%	> \$100,000
Nev.		None
N.H.	8.50%	> \$0
N.J. (f)	6.50%	> \$0
	7.50%	> \$50,000
	9.00%	> \$100,000
N.M. (g)	4.80%	> \$0
	6.40%	> \$500,000
	6.90%	> \$1,000,000
N.Y.	7.10%	> \$0
N.C.	5.00%	> \$0
N.D.	1.48%	> \$0
	3.73%	> \$25,000
	4.53%	> \$50,000
Ohio		(c)
Okla.	6.00%	> \$0
Ore.	6.60%	> \$0
	7.60%	> \$1,000,000
Pa.	9.99%	> \$0
R.I.	7.00%	> \$0
S.C.	5.00%	> \$0
S.D.		None
Tenn.	6.50%	> \$0
Tex.		(c)
Utah	5.00%	> \$0
Vt.	6.00%	> \$0
	7.00%	> \$10,000
	8.50%	> \$25,000
Va. (c)	6.00%	> \$0
Wash.		(c)
W.Va.	6.50%	> \$0
Wis.	7.90%	> \$0
Wyo.		None
D.C.	9.40%	> \$0

## State Corporate Income Tax Rates from the Tax Foundation as of January 1, 2015

**Notes:**

(a) Arkansas assesses a surcharge of 3% of the taxpayer's total liability.

(b) Rate includes a 20% surtax, which effectively increases the rate from 7.5% to 9%. Surtax is required by businesses with at least \$100 million annual gross income.

(c) Ohio, Texas, and Washington do not have corporate income taxes but do have gross receipts taxes with rates not strictly comparable to corporate income tax rates. Delaware and Virginia have gross receipts taxes in addition to their corporate income taxes.

(d) Illinois' rate includes two separate corporate income taxes, one at a 5.25% rate and one at a 2.5% rate.

(e) The tax rate in Indiana will decrease to 6.5% on July 1, 2015.

(f) Corporations with entire net income greater than \$100,000 pay 9% on all taxable income, corporations with entire net income greater than \$50,000 and less than or equal to \$100,000 pay 7.5% on all taxable income, and corporations with entire net income less than or equal to \$50,000 pay 6.5% on all taxable income.

(g) The tax rate in New Mexico will decrease to 6.6% in 2016.

Note: In addition to regular income taxes, many states impose other taxes on corporations such as gross receipts taxes and franchise taxes. Some states also impose an alternative minimum tax and special rates on financial institutions

Source: Tax Foundation; state tax statutes, forms, and instructions; Commerce Clearinghouse.

## List of Adjustments to Tax Foundation Rates

State corporate income tax rates used for the Class I Railroads differ from the Tax Foundation for the following states. Appendix D contains information provided by the states.

	State Tax Rate		Comment
	Foundation	Railroad	
Arkansas	6.500% (a)	6.500%	Note 1 - Outdated Footnote
Connecticut	9.000%	none	Note 2 - Franchise Fee
Indiana	7.000%	6.750%	Note 3 - Mid-year Change
New Jersey	9.000%	none	Note 2 - Franchise Fee
New York	7.100%	none	Note 2 - Franchise Fee
North Dakota	4.530%	4.310%	Note 4 - Differ from Foundation
North Dakota	4.530%	7.810%	Note 5 - Water's Edge Surcharge
Texas	blank	Varies	Note 6 - Texas

### Note 1 - Outdated Footnote

The Tax Foundation's footnote (a) that mentions a surcharge is out of date. The surcharge is not listed on the instructions for 2015 or elsewhere on the Tax Foundation web site.

### Note 2 - Franchise Fees

Some state taxes, for example franchise taxes, are not reported as income taxes by the railroads per requirements of Generally Accepted Accounting Practices (GAAP). Instead, those taxes are treated as franchise fees or similar items, and are reported as operating expenses in Schedule 410, Line 615, of Annual Report Form R-1. In those cases, state income tax rates reported by the Tax Foundation have been changed to zero. The states where this occurs are Connecticut, New Jersey, and New York. The same three states were changed to zero for 2008 through 2014.

### Note 3 - Mid-year Change

The Tax Foundation shows a 7.0 percent Indiana tax rate which is correct for the first half of the year. However, the rate was changed to 6.5 effective July 1 (Foundation has correctly footnoted this.) Railroad rate is 7.0 for first half of year, and 6.5 for the second half -- or 6.75 percent for year.

### Note 4 - Differ from Tax Foundation

State's web page or tax form differs from the rate listed by the Tax Foundation.

### Note 5 - Water's Edge Surcharge

For North Dakota, some companies may be required to file their tax return using a worldwide unitary combined report method. Those companies may elect to use the "Water's Edge" method. If this is the case, a 3.5 percent surtax is applied. Soo Line Corporation uses this method, and its North Dakota tax rate has been adjusted to 7.810 percent (4.31 state tax rate + 3.5 surtax).

### Note 6 - Texas (see also Appendix F)

For Texas, railroads were taxed using a 0.750 percent tax rate (a decrease from 2014's 0.950%) on 70 percent of gross receipts, and the taxes are reported as income taxes. A carrier-specific tax rate for each Class I railroad has been calculated in Appendix F using the same procedure used since 2008. A key assumption in the calculation is that the ratio of Operating Revenue to Net Income Before Taxes is the same in all states where a carrier operates, which eliminates the need to make any revenue or cost allocations because the resulting tax rate (using the constant ratio) is the same using all revenue or a portion.

## List of Tax Rates that Differ from 2014

Listed herein are tax rates, as found on page 3 of this year's report, that differ from the prior year (2014). Refer to Appendix D for tax information from the appropriate state.

	<b>State Tax Rate</b>		<b>Comment</b>
	<b>2015</b>	<b>2014</b>	
Arizona	6.000%	6.500%	Lower rate for 2015
District of Columbia	9.400%	9.975%	Lower rate for 2015
Illinois	7.750%	9.500%	Lower rate for 2015
Indiana	6.750%	7.250%	Rate lowered effective July 2015
New Mexico	6.900%	7.300%	Lower rate for 2015
North Carolina	5.000%	6.000%	Lower rate for 2015
North Dakota	4.310%	4.530%	Lower rate for 2015
Texas	See note in Appendix B		Varies each year by railroad, rate lowered

## Additional Tax Rate Information from States

<b>State</b>	<b>Item</b>	<b>Number of Pages</b>
Arizona	Corporation Income Tax Return (first page)	1
Arkansas	Web page and part of Income Tax Instructions	1
District of Columbia	Web page (2015 portion)	1
Illinois	Corporation Income Tax Return (third page)	1
Indiana	Corporate Income Tax Booklet (one page)	1
New Mexico	Instructions for Form CIT-1 (page 9)	1
North Carolina	Corporation Tax Return (page 2)	1
North Dakota	Web page	1
Texas	Tax Report Information and Instructions (page 3)	1

For the  calendar year 2015 or  fiscal year beginning | | | | 2 0 1 5 and ending | | | | 2 0 | | |

Business Telephone Number (with area code)	Name	Employer Identification Number (EIN)
Address – number and street or PO Box		
Business Activity Code (from federal Form 1120)	City, Town or Post Office	State ZIP Code

- 68** Check box if:  This is a first return  Name change  Address change
- A Is FEDERAL return filed on a consolidated basis? .....  Yes  No  
If "Yes", list EIN of common parent from consolidated return .....
- B **ARIZONA filing method:** See instructions (check only one):  
 1  Separate company    2  Combined (unitary group)    3  Consolidated
- C If ARIZONA filing method is consolidated, enter the last day of the tax year Forms 122 were filed to make the election .....
- D If ARIZONA filing method is combined or consolidated, see Form 51 instructions. Is Form 51 included? .....  Yes  No
- E ARIZONA apportionment for multistate corporations only (check one box):  
 AIR Carrier     STANDARD     ENHANCED
- F  Check if Multistate Provider Election and Computation (Arizona Schedule MSP) is included.  
 Indicate the year of the election cycle.....  Yr 1     Yr 2     Yr 3     Yr 4     Yr 5
- G Is this the corporation's final ARIZONA return under this EIN? .....  Yes  No  
 If "Yes", check one:  Dissolved     Withdrawn     Merged/Reorganized  
 List EIN of the successor corporation, if any .....

**CHECK BOX IF return filed under extension:**  
 82     82F   

**REVENUE USE ONLY. DO NOT MARK IN THIS AREA.**

88

81 PM                       66 RCVD

1	Taxable income per included federal return.....	1		00
2	Additions to taxable income from page 2, Schedule A, line A8.....	2		00
3	Total taxable income: Add lines 1 and 2.....	3		00
4	Subtractions from taxable income from page 2, Schedule B, line B11.....	4		00
5	Adjusted income: Subtract line 4 from line 3. WHOLLY ARIZONA CORPORATIONS GO TO LINE 13.....	5		00
6	Arizona adjusted income from line 5. MULTISTATE CORPORATIONS ONLY.....	6		00
7	Nonapportionable or allocable amounts from page 2, Schedule C, line C8. Multistate corporations only.....	7		00
8	Adjusted business income: Subtract line 7 from line 6. Multistate corporations only.....	8		00
9	Arizona apportionment ratio from Schedule E or Schedule ACA.....	9		
10	Adjusted business income apportioned to Arizona: Line 8 multiplied by line 9. Multistate corporations only.....	10		00
11	Other income allocated to Arizona from page 2, Schedule D, line D6. Multistate corporations only.....	11		00
12	Adjusted income attributable to Arizona: Add lines 10 and 11. Multistate corporations only.....	12		00
13	Arizona income before Net Operating Loss (NOL) from line 5 if wholly Arizona, or line 12 if multistate.....	13		00
14	Arizona basis NOL carryover: <del>Include computation schedule</del> .....	14		00
15	Arizona taxable income: Subtract line 14 from line 13.....	15		00
16	Enter tax: Tax is 6.0 percent of line 15 or fifty dollars (\$50), whichever is greater.....	16		00
17	Tax from recapture of tax credits from Arizona Form 300, Part 2, line 31.....	17		00
18	Subtotal: Add lines 16 and 17.....	18		00
19	Nonrefundable tax credits from Arizona Form 300, Part 2, line 56.....	19		00
20	Credit type: Enter form number for each nonrefundable credit used: <input type="checkbox"/> 20 <input type="checkbox"/> 3 <input type="checkbox"/> 3 <input type="checkbox"/> 3 <input type="checkbox"/> 3			
21	Tax liability: Subtract line 19 from line 18.....	21		00
22	Refundable tax credits: Check box(es) and enter amount: <input type="checkbox"/> 22 <input type="checkbox"/> 308 <input type="checkbox"/> 342 <input type="checkbox"/> 349	22		00
23	Extension payment made with Form 120EXT or online: See instructions.....	23		00
24	Estimated tax payments: See instructions.....	24		00
25	Total payments: See instructions.....	25		00
26	Balance of tax due: If line 21 is larger than line 25, enter balance of tax due. Skip line 27.....	26		00
27	Overpayment of tax: If line 25 is larger than line 21, enter overpayment of tax.....	27		00
28	Penalty and interest.....	28		00
29	Estimated tax underpayment penalty. If Form 220 is included, check this box ..... 29A <input type="checkbox"/>	29		00
30	TOTAL DUE: See instructions.....Non-EFT payment must accompany return	30		00
31	OVERPAYMENT: See instructions.....	31		00
32	Amount of line 31 to be applied to 2016 estimated tax.....	32		00
33	Amount to be refunded: Subtract line 32 from line 31.....	33		00



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## Arkansas

The facts on Arkansas' Tax Climate

<b>6.9%</b> individual income tax <small>Top rate</small>	<b>6.5%</b> corporate income tax <small>Top rate</small>	<b>6.5%</b> sales tax	<b>\$659</b> property tax collections per capita
--	---	--------------------------	--

**Arkansas's Individual Income Tax System**  
 Arkansas's individual income tax system consists of six brackets with a top rate of 6.9%. The top rate ranks 14th highest among states levying an individual income tax. Arkansas's state and local tax collections per person were \$896 in 2013, which ranked 30th highest nationally.  
[50-State Table of Individual Income Tax Rates](#)

### TAX TABLE CONTINUED

IF YOUR INCOME IS			IF YOUR INCOME IS			IF YOUR INCOME IS		
AS MUCH AS	BUT LESS THAN	YOUR TAX IS	AS MUCH AS	BUT LESS THAN	YOUR TAX IS	AS MUCH AS	BUT LESS THAN	YOUR TAX IS
15,000	15,100	443	18,500	18,600	618	22,000	22,100	793
15,100	15,200	448	18,600	18,700	623	22,100	22,200	798
15,200	15,300	453	18,700	18,800	628	22,200	22,300	803
15,300	15,400	458	18,800	18,900	633	22,300	22,400	808
15,400	15,500	463	18,900	19,000	638	22,400	22,500	813
15,500	15,600	468	19,000	19,100	643	22,500	22,600	818
15,600	15,700	473	19,100	19,200	648	22,600	22,700	823
15,700	15,800	478	19,200	19,300	653	22,700	22,800	828
15,800	15,900	483	19,300	19,400	658	22,800	22,900	833
15,900	16,000	488	19,400	19,500	663	22,900	23,000	838
16,000	16,100	493	19,500	19,600	668	23,000	23,100	843
16,100	16,200	498	19,600	19,700	673	23,100	23,200	848
16,200	16,300	503	19,700	19,800	678	23,200	23,300	853
16,300	16,400	508	19,800	19,900	683	23,300	23,400	858
16,400	16,500	513	19,900	20,000	688	23,400	23,500	863
16,500	16,600	518	20,000	20,100	693	23,500	23,600	868
16,600	16,700	523	20,100	20,200	698	23,600	23,700	873
16,700	16,800	528	20,200	20,300	703	23,700	23,800	878
16,800	16,900	533	20,300	20,400	708	23,800	23,900	883
16,900	17,000	538	20,400	20,500	713	23,900	24,000	888
17,000	17,100	543	20,500	20,600	718	24,000	24,100	893
17,100	17,200	548	20,600	20,700	723	24,100	24,200	898
17,200	17,300	553	20,700	20,800	728	24,200	24,300	903
17,300	17,400	558	20,800	20,900	733	24,300	24,400	908
17,400	17,500	563	20,900	21,000	738	24,400	24,500	913
17,500	17,600	568	21,000	21,100	743	24,500	24,600	918
17,600	17,700	573	21,100	21,200	748	24,600	24,700	923
17,700	17,800	578	21,200	21,300	753	24,700	24,800	928
17,800	17,900	583	21,300	21,400	758	24,800	24,900	933
17,900	18,000	588	21,400	21,500	763	24,900	25,000	938
18,000	18,100	593	21,500	21,600	768	(1) For Net Income \$25,000 through \$100,000, the tax is \$940 plus 6% of the excess over \$25,000. (2) For Net Income over \$100,000, the tax is \$5,440 plus 6.5% of the excess over \$100,000.		
18,100	18,200	598	21,600	21,700	773			
18,200	18,300	603	21,700	21,800	778			
18,300	18,400	608	21,800	21,900	783			
18,400	18,500	613	21,900	22,000	788			

If the taxable income is:	The tax is:
Not over \$10,000	4% of the taxable income
Over \$10,000 but not over \$40,000	\$400, plus 6% of the excess over \$10,000.
Over \$40,000 but not over \$60,000	\$2,200, plus 7% of the excess over \$40,000.
Over \$60,000 but not over \$350,000	\$3,600, plus 8.5% of the excess over \$60,000.
Over \$350,000	\$28,250, plus 8.95% of the excess above \$350,000.

## Corporate Franchise Tax

Net income of corporations in the District on a combined reporting basis.

DC Code Citation: Title 47, Chapter 18.

### Tax Year 2015 Rate

The franchise tax rate is 9.4% of taxable income.

- \$250 minimum tax, if DC gross receipts are \$1 million or less
- \$1000 minimum tax, if DC gross receipts are more than \$1 million

## Unincorporated Business Franchise Tax

Net income of unincorporated businesses on a combined reporting basis with gross receipts more than \$12,000. A 30% salary allowance for owners and a \$5,000 exemption are deductible from net income to arrive at taxable income.

A business is exempt if more than 80% of gross income is derived from personal services rendered by the members of the entity and capital is not a material income-producing factor. A trade, business or professional organization that by law, customs or ethics cannot be incorporated is exempt.

DC Code Citation: Title 47, Chapter 18.

### Tax Year 2015 Rate

The franchise tax rate is 9.4% of taxable income.

- \$250 minimum tax, if DC gross receipts are \$1 million or less
- \$1000 minimum tax, if DC gross receipts are greater than \$1 million

Resources

District News



**Step 5: Figure your net income**

<b>35</b>	Base income or net loss from Step 3, Line 23, or Step 4, Line 34.	<b>35</b>	_____	<b>.00</b>
<b>36</b>	Discharge of Indebtedness adjustment. <b>Attach</b> federal Form 982. See instructions.	<b>36</b>	_____	<b>.00</b>
<b>37</b>	Adjusted base income or net loss. Add Lines 35 and 36. See instructions.	<b>37</b>	_____	<b>.00</b>
<b>38</b>	<u>Illinois</u> net loss deduction. <b>Attach</b> Schedule NLD or UB/NLD. If Line 37 is zero or a negative amount, enter "0."	<b>38</b>	_____	<b>.00</b>
<b>39</b>	<b>Net income.</b> Subtract Line 38 from Line 37.	<b>39</b>	_____	<b>.00</b>

**Step 6: Figure your replacement tax after credits**

<b>40</b>	Replacement tax. <u>Multiply Line 39 by 2.5% (.025).</u>	<b>40</b>	_____	<b>.00</b>
<b>41</b>	Recapture of investment credits. <b>Attach</b> Schedule 4255.	<b>41</b>	_____	<b>.00</b>
<b>42</b>	Replacement tax before credits. Add Lines 40 and 41.	<b>42</b>	_____	<b>.00</b>
<b>43</b>	Investment credits. <b>Attach</b> Form IL-477.	<b>43</b>	_____	<b>.00</b>
<b>44</b>	<b>Replacement tax after credits.</b> Subtract Line 43 from Line 42. If the amount is negative, enter "0."	<b>44</b>	_____	<b>.00</b>

**Step 7: Figure your income tax after credits**

<b>45</b>	Income tax. <u>Multiply Line 39 by 5.25% (.0525).</u>	<b>45</b>	_____	<b>.00</b>
<b>46</b>	Recapture of investment credits. <b>Attach</b> Schedule 4255.	<b>46</b>	_____	<b>.00</b>
<b>47</b>	Income tax before credits. Add Lines 45 and 46.	<b>47</b>	_____	<b>.00</b>
<b>48</b>	Income tax credits. <b>Attach</b> Schedule 1299-D.	<b>48</b>	_____	<b>.00</b>
<b>49</b>	<b>Income tax after credits.</b> Subtract Line 48 from Line 47. If the amount is negative, enter "0."	<b>49</b>	_____	<b>.00</b>

**Step 8: Figure your refund or balance due**

<b>50</b>	Replacement tax before reductions. Enter the amount from Line 44.	<b>50</b>	_____	<b>.00</b>
<b>50a</b>	Foreign Insurer replacement tax reduction. <b>Attach</b> Schedule INS or UB/INS. See instructions.	<b>50a</b>	_____	<b>.00</b>
<b>50b</b>	Subtract Line 50a from Line 50. <b>This is your net replacement tax.</b>	<b>50b</b>	_____	<b>.00</b>
<b>51</b>	Income tax before reductions. Enter the amount from Line 49.	<b>51</b>	_____	<b>.00</b>
<b>51a</b>	Foreign Insurer income tax reduction. <b>Attach</b> Schedule INS or UB/INS. See instructions.	<b>51a</b>	_____	<b>.00</b>
<b>51b</b>	Subtract Line 51a from Line 51. <b>This is your net income tax.</b>	<b>51b</b>	_____	<b>.00</b>
<b>52</b>	Compassionate Use of Medical Cannabis Pilot Program Act surcharge. See instructions.	<b>52</b>	_____	<b>.00</b>
<b>53</b>	<b>Total net income and replacement taxes and surcharge.</b> Add Lines 50b, 51b, and 52.	<b>53</b>	_____	<b>.00</b>
<b>54</b>	Underpayment of estimated tax penalty from Form IL-2220. See instructions.	<b>54</b>	_____	<b>.00</b>
<b>55</b>	<b>Total tax, surcharge, and penalty.</b> Add Lines 53 and 54.	<b>55</b>	_____	<b>.00</b>
<b>56</b>	Payments. See instructions.			
	<b>a</b> Credit from prior year overpayments.	<b>56a</b>	_____	<b>.00</b>
	<b>b</b> Total estimated payments.	<b>56b</b>	_____	<b>.00</b>
	<b>c</b> Form IL-505-B (extension) payment.	<b>56c</b>	_____	<b>.00</b>
	<b>d</b> Pass-through withholding payments reported to you on Schedule(s) K-1-P or K-1-T. <b>Attach</b> Schedule(s) K-1-P or K-1-T.	<b>56d</b>	_____	<b>.00</b>
	<b>e</b> Gambling withholding. <b>Attach</b> Form(s) W-2G.	<b>56e</b>	_____	<b>.00</b>
<b>57</b>	Total payments. Add Lines 56a through 56e.	<b>57</b>	_____	<b>.00</b>
<b>58</b>	<b>Overpayment.</b> If Line 57 is greater than Line 55, subtract Line 55 from Line 57.	<b>58</b>	_____	<b>.00</b>
<b>59</b>	Amount to be <b>credited forward.</b> See instructions.	<b>59</b>	_____	<b>.00</b>
<b>60</b>	<b>Refund.</b> Subtract Line 59 from Line 58. This is the amount to be refunded.	<b>60</b>	_____	<b>.00</b>

**61 Complete to direct deposit your refund.**

Routing Number	<input type="text"/>	<input type="checkbox"/> Checking or <input type="checkbox"/> Savings
Account Number	<input type="text"/>	

<b>62</b>	<b>Tax due.</b> If Line 55 is greater than Line 57, subtract Line 57 from Line 55. This is the amount you owe.	<b>62</b>	_____	<b>.00</b>
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**Step 9: Sign here**

Under penalties of perjury, I state that I have examined this return and, to the best of my knowledge, it is true, correct, and complete.

Signature of authorized officer _____	Date _____	Title _____	Phone _____
Signature of paid preparer _____	Date _____	Paid preparer's Social Security number or firm's FEIN _____	
Paid preparer's firm name _____	Address _____	Phone _____	

Check this box if the Department may discuss this return with the paid preparer shown in this step. <input type="checkbox"/>
--

## How Do I Register?

A single application (Form BT-1) is used to register with the department for the following:

- Alcohol and tobacco tax;
- Sales tax;
- Withholding tax;
- Food and beverage tax;
- County innkeeper's tax;
- Motor vehicle rental excise tax; and
- Prepaid sales tax on gasoline.

A separate application is required for each business location.

**Internet:** If you need to register your business with the department, you can do so online using the department's Online BT-1 application at <https://secure.in.gov/apps/dor/bt1/>.

**INtax:** Legislation now requires the filing and remitting of withholding and sales tax electronically.

One way businesses can file and remit their sales and withholding taxes is through INtax, Indiana's free online tool that enables businesses to manage business tax obligations for Indiana retail sales, withholding, out-of-state sales, prepaid sales, metered pump sales, tire fees, fuel taxes, wireless prepaid fees, and type II gaming taxes. The tax forms currently supported in INtax include the following:

- ST-103;
- ST-103P;
- ST-103MP;
- WH-1;
- WH-3;
- TF-103;
- SF-401;
- SF-900;
- MF-360;
- WPC-103; and
- TTG-103.

In INtax, businesses can make payments with either ACH Debit or credit card. ACH Debit is an EFT method of payment. Alternatively, businesses can have a software vendor or tax professional manage their tax obligations. This still meets the electronic mandate requirement because the software vendor or tax professional will file and pay electronically. Another option for sales taxes is using Streamlined Sales Tax. For more information, visit [www.in.gov/dor/3341.htm](http://www.in.gov/dor/3341.htm).

**Registering Multiple Locations:** You must complete a separate BT-1 for each location you need to register. If you want to consolidate tax filings for all or some of your locations, complete Form BT-1C (Authorization for Consolidated Sales Tax Filing Number). This form is included in the BT-1 Packet.

## Business Entities (in General)

### Which Indiana Income Tax Form(s) to File?

The type of form you file varies depending on how your corporation is organized and the type of income it earns. An organization filing a federal return and doing business in Indiana must also file the comparable Indiana return. The name of the corporation (which must include the word *Corporation*, *Company*, *Incorporated*, *Limited*, or an abbreviation thereof) must be included on all returns. When filing your Indiana corporate forms, use your federal employer identification number (EIN) to identify your return. The IRS assigns this number to business entities at <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/>.

For Indiana tax purposes, a corporation's tax filing includes other less formal organizations and unincorporated entities, such as general partnerships and nonprofit associations. To determine which return to file, use the following list. File the specified state form(s) to report the income, gains, losses, deductions, and credits. Also use it to figure your entity's corporate income tax liability.

The state returns are due 30 days after the due date for the filing of the federal return. Unless otherwise specified, the state tax returns are due on the 15th day of the 4th month following the close of the corporation's taxable year.

A corporation or an entity doing business in Indiana is subject to the corporate adjusted gross income tax (AGIT). The corporate AGIT tax rate is as follows:

After June 30, 2013, and before July 1, 2014	7.5%
After June 30, 2014, and before July 1, 2015	7.0%
After June 30, 2015, and before July 1, 2016	6.5%
After June 30, 2016, and before July 1, 2017	6.25%
After June 30, 2017, and before July 1, 2018	6.0%
After June 30, 2018, and before July 1, 2019	5.75%
After June 30, 2019, and before July 1, 2020	5.5%
After June 30, 2020, and before July 1, 2021	5.25%
After June 30, 2021	4.9%

### How to Determine the Tax Rate for Calendar-Year Filers and Fiscal-Year Filers Whose Tax Year Endings Are Not June 30

Pursuant to IC 6-3-2-1(c), the following steps must be used to determine the tax rate if a taxpayer is subject to different tax rates for a taxable period:

1. Multiply the rate in effect before the rate change by the number of months in the taxpayer's taxable year that precede the month the rate changed.
2. Multiply the rate in effect after the rate change by the number of months in the taxpayer's taxable year that follow the month before the rate changed.
3. Add the amounts in Step 1 and Step 2, and then divide the sum by 12.
4. Round the rate determined in Step 3 to the nearest 0.01%.

## Line 10.

## CORPORATE INCOME TAX RATES

<u>Net Taxable Income</u>	<u>Tax</u>
Not over \$500,000.....	4.8% of net taxable income
Over \$500,000 but not over \$1,000,000 .....	\$24,000 plus 6.4% of the excess over \$500,000
Over \$1,000,000 .....	\$56,000 plus 6.9% of the excess over \$1,000,000

You must also complete and attach Schedule CIT-A.

**Line 1a. Federal net operating loss incurred.** If the taxable income on your federal Form 1120 is zero or less, enter any federal net operating loss incurred for the tax year. See the instructions for the federal return to determine the amount of the federal net operating loss incurred. The amount to be entered must not be negative.

**Line 2. Interest income from municipal bonds.** Enter interest income from non-New Mexico municipal bonds and other obligations not subject to federal income tax under IRC Section 103.

**Line 5. New Mexico NOL carryover.** Enter the New Mexico net operating loss (NOL) carryover that may be applied to the liability on your CIT return. Attach Form RPD-41379, *New Mexico Net Operating Loss Carryforward Schedule for Corporate Income Tax*, to your return showing the tax year when each New Mexico net operating loss occurred. The schedule also should list each loss for each tax year for which it was carried forward, including 2015.

**All New Mexico net operating losses must flow from a federal net operating loss. You cannot have a New Mexico NOL without first having a federal NOL. The New Mexico NOL can be increased by the income, if any, from U.S. government obligations less related expenses. See Form RPD-41379 to compute the New Mexico NOL incurred and applied.**

Unlike a federal net operating loss carryforward, a New Mexico net operating loss incurred cannot be carried back and if incurred on or after January 1, 2013, may be carried forward for 19 years or until the total amount of the loss carryover has been used, whichever occurs first. For a net operating loss that was incurred in tax years beginning before January 1, 2013, a New Mexico net operating loss may be carried forward for only five years. Refer to regulation 3.4.1.9(E) NMAC, if the net operating loss was incurred in a tax year beginning prior to January 1, 1991.

You cannot apply a New Mexico net operating loss carryforward until the following tax year -- provided you have filed a timely return -- or until the first tax year that begins after the date you file a return establishing the loss.

The New Mexico NOL carryover deduction is limited to the sum of:

(a) The amount of any federal NOL carryover claimed and allowed for losses incurred in tax years beginning prior to January 1, 1991, and

(b) The amount of any NOL (as defined by Section 172(c) of the Internal Revenue Code) incurred in tax years beginning on or after January 1, 1991.

**Line 6. Interest from U.S. government obligations or federally taxed New Mexico bonds.** Interest or dividend income from U.S. government obligations is deductible from the corporation's taxable income only if, and to the extent that, it was included in taxable income on line 1 of the CIT-1 return. Expenses related to income from U.S. obligations must be subtracted and the net amount entered.

**NOTE:** Income from Fannie Mae, Ginnie Mae, Freddie Mac and other U.S. guarantee entities is not deductible. Income from repurchase agreements of U.S. obligations (REPOs) is not deductible. Interest on notes issued by the Federal Home Loan Bank obligations is deductible, but not dividends issued by the Federal Home Loan Bank. That portion of income paid by mutual funds, unit investment trusts and a simple trust that is derived from investments in U.S. obligations may be deducted.

Interest income from bonds issued by the state of New Mexico or its political subdivisions may also be deducted on this line to the extent that the income was included in federal taxable income (CIT-1, line 1).

**Line 8. Deduction for foreign dividends.** Enter the total New Mexico foreign dividend deduction from line 5 of Schedule CIT-D. You must also attached Schedule CIT-D

**Line 12. New Mexico Income Tax.** Multiply line 10 by the percentage on line 11. However, if you qualify to file Schedule CC, because you have no business activity in New Mexico other than sales, you do not own or rent real estate in New Mexico, and you have annual gross income from sales in or into New Mexico of \$100,000 or less, then enter only the amount from line 3 of Schedule CC.

**Line 13. Total tax credits applied against the income tax liability on line 12.** If you may claim any of the tax credits listed below, complete Schedule CIT-CR and attach the applicable form(s), statements or other required back-up. Enter the sum of the credits claimed and applied against tax due from Schedule CIT-CR, line A. The supporting documentation required to claim any of the tax credits is described in the section "Schedule CIT-CR Line Instructions" beginning on page 17 of these instructions. The required documentation must accompany the return, or the claim for the credit will not be allowed.

To calculate the amount that may be

**Computation of Corporate Income Tax**

**22. State Net Loss** (Attach schedule) ▶ 22. \_\_\_\_\_ .00

**23. Income Before Contributions to N.C. Donees**  
Line 20 minus Lines 21 and 22 ▶ 23.  \_\_\_\_\_ .00

**24. Contributions to N.C. Donees**  
(From Schedule I, Line 2e) ▶ 24. \_\_\_\_\_ .00

**25. Net Taxable Income**  
Line 23 minus Line 24 ▶ 25.  \_\_\_\_\_ .00

**26. N.C. Net Income Tax**  
Multiply Line 25 by 5.0% ▶ 26. \_\_\_\_\_ .00

**27. Annual Report Fee** ▶ 27. \_\_\_\_\_ .00

**28. Add Lines 26 and 27** ▶ 28. \_\_\_\_\_ .00

**29. Payments and Credits**  
When filing an amended return, see instructions.

a. **Income Tax Extension**  
(From Form CD-419, Line 10) ▶ 29a. \_\_\_\_\_ .00

b. **2015 Estimated Tax** ▶ 29b. \_\_\_\_\_ .00

c. **Partnership** (If a partnership payment is claimed on Line 29c, a copy of Form D-403 NC K-1 **MUST** be attached.) ▶ 29c. \_\_\_\_\_ .00

d. **Nonresident Withholding**  
(Include copy of 1099 or W-2) ▶ 29d. \_\_\_\_\_ .00

e. **Tax Credits** (From Form CD-425, Part 4, Line 25)  
If a tax credit is claimed on Line 29c, Form CD-425 **MUST** be attached. ▶ 29e. \_\_\_\_\_ .00

**30. Add Lines 29a through 29e** ▶ 30. \_\_\_\_\_ .00

**31. Income Tax Due** - If Line 30 is less than Line 28, enter difference here and on Line 34, below ▶ 31. \$ \_\_\_\_\_ .00

**32. Income Tax Overpaid** - If Line 30 is more than Line 28, enter difference here and on Line 34, below ▶ 32. \_\_\_\_\_ .00

If amount on Line 23 or 25 is negative fill in circle.  
Example:

Include \$25.00 **ONLY** if filing report with the Department of Revenue.



**Tax Due or Refund**

**33. Franchise Tax Due or Overpayment**  
(From Schedule A, Line 8 or 9) ▶ 33.  \_\_\_\_\_ .00

**34. Income Tax Due or Overpayment**  
(From Schedule B, Line 31 or 32) ▶ 34.  \_\_\_\_\_ .00

**35. Balance of Tax Due or Overpayment**  
Add (or subtract) Lines 33 and 34 ▶ 35.  \_\_\_\_\_ .00

**36. Underpayment of Estimated Income Tax**  
(Enter letter in exceptions box, if applicable. See instructions.) ▶ 36. \_\_\_\_\_ .00

**37. a. Interest** ▶ \_\_\_\_\_ .00 **b. Penalties** ▶ \_\_\_\_\_ .00

**37c.** (Add Lines 37a and 37b and enter the total on Line 37c) ▶ 37c. \_\_\_\_\_ .00

**38. Total Due** - Add Lines 35, 36, and 37c and enter result here, but not less than zero. If less than zero, enter amount on Line 39. Pay online. Go to [www.dornnc.com](http://www.dornnc.com) and click on eServices. ▶ 38. \_\_\_\_\_ .00

**39. Overpayment** ▶ 39. \_\_\_\_\_ .00

**40. Amount of Line 39 applied to 2016 Estimated Income Tax** ▶ 40. \_\_\_\_\_ .00

**41. Amount of Line 39 contributed to N.C. Nongame and Endangered Wildlife Fund** ▶ 41. \_\_\_\_\_ .00

**42. Amount of Line 39 contributed to N.C. Education Endowment Fund** ▶ 42. \_\_\_\_\_ .00

**43. Amount to be Refunded**  
Line 39 minus Lines 40, 41, and 42 ▶ 43. \_\_\_\_\_ .00

If amount on Line 33-35 is an overpayment fill in circle.  
Example:

Exception to Underpayment of Estimated Tax

**Signature and Title of Officer:** \_\_\_\_\_ **Date:** \_\_\_\_\_ **Corporate Telephone Number:** \_\_\_\_\_

I certify that, to the best of my knowledge, this return is accurate and complete. (Important: Include Area Code)

**Signature of Paid Preparer:** \_\_\_\_\_ **Preparer's**  FEIN  SSN  PTIN: \_\_\_\_\_

I certify that, to the best of my knowledge, this return is accurate and complete. (Fill in applicable circle)



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## Corporate Income Tax

Every corporation engaged in business in [North Dakota](#) or having sources of income in North Dakota must file a North Dakota corporation income tax return. The return is due on the 15th day of the fourth month following the close of the tax year. Returns of tax-exempt organizations reporting unrelated business taxable income are due on the 15th day of the fifth month after the close of the tax year. Returns filed by cooperatives are due on the 15th day of the ninth month following the close of the tax year.

**2015 Tax Rates** - Following are the corporation income tax rates for the 2015 tax year, as enacted by the 2015 North Dakota Legislature:

### If North Dakota taxable income is:

Over	But not over	The tax is
\$0	\$25,000	1.41% of North Dakota taxable income
\$25,000	\$50,000	\$352.50 Plus 3.55% of over \$25,000
\$50,000	--	\$1,240.00 Plus 4.31% of amount over \$50,000

If a corporation elects to use the water's edge method to apportion its income, the corporation will be subject to an additional 3.5% surtax on its North Dakota taxable income.

**Prior Year Tax Rates.** For the tax rates that apply to corporations for tax years prior to 2015, see [Corporation Income Tax Rates](#).

- [+ALCOHOL TAX](#)
- [+COAL SEVERANCE TAX](#)
- [-CORPORATE INCOME TAX](#)
- [FORMS/INSTRUCTIONS & APPLICATIONS](#)
- [GUIDELINES & PUBLICATIONS](#)
- [+FIDUCIARY TAX](#)
- [+INCOME TAX WITHHOLDING](#)
- [+MOTOR FUEL TAX](#)
- [+OIL & GAS SEVERANCE TAX](#)
- [PREPAID WIRELESS 911 FEE](#)
- [+PROPERTY TAX](#)
- [+ROYALTY WITHHOLDING](#)
- [+SALES & USE TAX](#)
- [+S CORP & PARTNERSHIP TAX](#)
- [+TELECOMMUNICATIONS TAX](#)
- [+TOBACCO TAX](#)
- [FILING AN EXTENSION](#)

SOS or Comptroller's office, will not be required to register or file a franchise tax report with the Comptroller's office.

A passive entity that is not registered with the Comptroller's office and that no longer qualifies as a passive entity must file a Nexus Questionnaire (Form AP-114), a Business Questionnaire (Form AP-224) or a Trust Questionnaire (Form AP-231) to register with the Comptroller's office and begin filing franchise tax reports.

### Disregarded Entities

An entity's treatment for federal income tax purposes does not determine its responsibility for Texas franchise tax. Therefore, partnerships, LLCs and other entities that are disregarded for federal income tax purposes are considered separate legal entities for franchise tax reporting purposes. The separate entity is responsible for filing its own franchise tax report unless it is a member of a combined group. If the entity is a member of a combined group, the reporting entity for the group may elect to treat the entity as disregarded and will not unwind its operations from its "parent" entity. In this instance, it will be presumed that both the "parent" entity and the disregarded entity have nexus in Texas for apportionment purposes only. Whether or not the entity is disregarded for franchise tax, it must be listed separately on the affiliate schedule. Additionally, if the disregarded entity is organized in Texas or has physical presence in Texas, it will be required to file the appropriate information report (Form 05-102 or 05-167).

### Margin

Unless a taxable entity qualifies and chooses to file using the EZ computation, the tax base is the taxable entity's margin and is computed in one of the following ways:

- Total Revenue times 70%
- Total Revenue minus Cost of Goods Sold (COGS)
- Total Revenue minus Compensation
- Total Revenue minus \$1 million

*Note: Not all entities will qualify to use COGS to compute margin. See instructions for Item 11. Cost of goods sold (COGS) on page 16 for more information.*

### Tax Rates

The franchise tax rates for reports originally due on or after Jan. 1, 2016:

- 0.75% (0.0075) for most entities
- 0.375% (0.00375) for qualifying wholesalers and retailers
- 0.331% (0.00331) for those entities with \$20 million or less in annualized total revenue using the EZ computation

Qualifying retailers and wholesalers are entities that are primarily engaged in retail and/or wholesale trade. Retail trade means the activities described in Division G of the 1987 Standard Industrial Classification (SIC) manual; apparel rental activities classified in Industry 5999 or 7299 of the SIC manual; activities classified as SIC Industry Group 753 (Automotive Repair Shops); activities involving the rental or leasing of tools, party and event supplies, and furniture under SIC Code 7359; heavy construction equipment rental or

leasing activities under SIC Code 7353; and rental-purchase agreement activities regulated by Chapter 92, Business & Commerce Code. Wholesale trade means the activities described in Division F of the 1987 SIC manual. (The 1987 SIC manual is available online at [www.osha.gov/pls/imis/sicsearch.html](http://www.osha.gov/pls/imis/sicsearch.html).)

An entity is primarily engaged in retail and/or wholesale trade if:

- 1) the total revenue from its activities in retail and wholesale trade is greater than the total revenue from its activities in trades other than the retail and wholesale trades;
- 2) except for eating and drinking places as described in Major Group 58 of Division G, less than 50% of the total revenue from activities in retail and wholesale trade comes from the sale of products it produces or products produced by an entity that is part of an affiliated group to which the taxable entity also belongs; and
- 3) the taxable entity does not provide retail or wholesale utilities, including telecommunications services, electricity or gas.

*Note: A product is not considered to be produced if modifications made to the acquired product do not increase its sales price by more than 10%.*

### Annualized Total Revenue

To determine an entity's eligibility for the \$1,110,000 no tax due threshold and qualification for the EZ computation, an entity must annualize its total revenue if the period upon which the report is based is not equal to 12 months.

*Note: The amount of total revenue used in the tax calculations will NOT change as a result of annualizing revenue. Total revenue will equal the prescribed amounts for the period upon which the tax is based.*

To annualize total revenue, divide total revenue by the number of days in the period upon which the report is based, and multiply the result by 365.

Example: A taxable entity's 2016 franchise tax report is based on the period 09-15-2015 through 12-31-2015 (108 days), and its total revenue for the period is \$400,000. The taxable entity's annualized total revenue is \$1,351,852 (\$400,000 divided by 108 days multiplied by 365 days). Based on its annualized total revenue, the taxable entity would NOT qualify for the \$1,110,000 no tax due threshold, but is eligible to file using the EZ computation. The entity will report \$400,000 as total revenue for the period.

### Minimum Franchise Tax

There is no minimum tax requirement under the franchise tax provisions. An entity that calculates an amount of tax due that is less than \$1,000 or that has annualized total revenue less than or equal to \$1,110,000 is not required to pay any tax. (See note for tiered partnership exception.) The entity, however, must submit all required reports to satisfy its filing requirements.

## BNSF Tax Rate Calculation for Texas for 2015

### Corporate Activities Tax

Miles in Texas = 4860 (info only)

Operating Revenue	\$21,765,579	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$7,780,007	from R-1 Schedule 210 Line 46
Taxable Receipts	15,235,905	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	114,269	Tax Rate x Taxable Receipts
Effective Tax Rate	1.469%	State Taxes divided by Net Income Before Tax

### Notes

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.  
All dollar amounts are in thousands.

## CNGT Tax Rate Calculation for Texas for 2015

### Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$3,302,304	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$744,309	from R-1 Schedule 210 Line 46
Taxable Receipts	2,311,613	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	17,337	Tax Rate x Taxable Receipts
Effective Tax Rate	2.329%	State Taxes divided by Net Income Before Tax

### Notes

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.  
All dollar amounts are in thousands.

## CSX Tax Rate Calculation for Texas for 2015

### Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$11,486,251	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$2,827,184	from R-1 Schedule 210 Line 46
Taxable Receipts	8,040,376	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	60,303	Tax Rate x Taxable Receipts
Effective Tax Rate	2.133%	State Taxes divided by Net Income Before Tax

### Notes

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.  
All dollar amounts are in thousands.

## KCS Tax Rate Calculation for Texas for 2015

<b>Corporate Activities Tax</b>			Miles in Texas = 927 (info only)
Operating Revenue	\$1,235,369	from R-1 Schedule 210 Line 13	
Net Inc. Bef. Tax	\$262,659	from R-1 Schedule 210 Line 46	
Taxable Receipts	864,758	70.0% of Operating Revenue	
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts	
State Taxes	6,486	Tax Rate x Taxable Receipts	
Effective Tax Rate	2.469%	State Taxes divided by Net Income Before Tax	

**Notes**

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.  
All dollar amounts are in thousands.

## NS Tax Rate Calculation for Texas for 2015

<b>Corporate Activities Tax</b>			Miles in Texas = 0 (info only)
Operating Revenue	\$10,511,180	from R-1 Schedule 210 Line 13	
Net Inc. Bef. Tax	\$2,556,431	from R-1 Schedule 210 Line 46	
Taxable Receipts	7,357,826	70.0% of Operating Revenue	
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts	
State Taxes	55,184	Tax Rate x Taxable Receipts	
Effective Tax Rate	2.159%	State Taxes divided by Net Income Before Tax	

**Notes**

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.  
All dollar amounts are in thousands.

## SOO Tax Rate Calculation for Texas for 2015

<b>Corporate Activities Tax</b>			Miles in Texas = 0 (info only)
Operating Revenue	\$1,603,326	from R-1 Schedule 210 Line 13	
Net Inc. Bef. Tax	\$576,899	from R-1 Schedule 210 Line 46	
Taxable Receipts	1,122,328	70.0% of Operating Revenue	
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts	
State Taxes	8,417	Tax Rate x Taxable Receipts	
Effective Tax Rate	1.459%	State Taxes divided by Net Income Before Tax	

**Notes**

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.  
All dollar amounts are in thousands.

## UP Tax Rate Calculation for Texas for 2015

### **Corporate Activities Tax**

Miles in Texas = 6305 (info only)

Operating Revenue	\$21,805,210	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$8,324,255	from R-1 Schedule 210 Line 46
Taxable Receipts	15,263,647	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	114,477	Tax Rate x Taxable Receipts
Effective Tax Rate	1.375%	State Taxes divided by Net Income Before Tax

### Notes

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.  
All dollar amounts are in thousands.

## BNSF Average State Tax Rate for 2015

State	Income			
	Miles BNSF	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	231	6.500%	0.72767%	0.04730%
Arizona	659	6.000%	2.07592%	0.12456%
Arkansas	1,030	6.500%	3.24461%	0.21090%
California	1,949	8.840%	6.13955%	0.54274%
Colorado	1,341	4.630%	4.22429%	0.19558%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.400%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	106	7.400%	0.33391%	0.02471%
Illinois	1,546	7.750%	4.87006%	0.37743%
Indiana	0	6.750%	0.00000%	0.00000%
Iowa	653	12.000%	2.05702%	0.24684%
Kansas	1,587	7.000%	4.99921%	0.34994%
Kentucky	98	6.000%	0.30871%	0.01852%
Louisiana	362	8.000%	1.14034%	0.09123%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	0	6.000%	0.00000%	0.00000%
Minnesota	1,638	9.800%	5.15987%	0.50567%
Mississippi	174	5.000%	0.54812%	0.02741%
Missouri	1,613	6.250%	5.08112%	0.31757%
Montana	2,625	6.750%	8.26902%	0.55816%
Nebraska	1,485	7.810%	4.67790%	0.36534%
Nevada	798	0.000%	2.51378%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	1,430	6.900%	4.50465%	0.31082%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	5.000%	0.00000%	0.00000%
North Dakota	1,697	4.310%	5.34572%	0.23040%
Ohio	0	0.000%	0.00000%	0.00000%
Oklahoma	1,287	6.000%	4.05418%	0.24325%
Oregon	408	7.600%	1.28524%	0.09768%
Pennsylvania	0	9.990%	0.00000%	0.00000%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	0	5.000%	0.00000%	0.00000%
South Dakota	907	0.000%	2.85714%	0.00000%
Tennessee	137	6.500%	0.43156%	0.02805%
Texas	4,860	1.469%	15.30950%	0.22486%
Utah	448	5.000%	1.41125%	0.07056%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,463	0.000%	4.60860%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	248	7.900%	0.78123%	0.06172%
Wyoming	965	0.000%	3.03985%	0.00000%
Total U.S.	31,745		100.00000%	5.27124%

There is no Class I railroad mileage in AK, HI, ME, NH, RI, VT, and any state marked with an "\*\*".

Mileages are from Annual Report Form R-1, Schedule 702, Column (g).

Tax rates are from the web site of the Tax Foundation, Washington, DC unless updated by AAR (Appendix B).

Rate for Texas is calculated, and may vary by railroad.

No rounding until final number.

## CNGT Average State Tax Rate for 2015

State	Income			
	Miles CNGT	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	26	6.500%	0.43867%	0.02851%
Arizona	0	6.000%	0.00000%	0.00000%
Arkansas	0	6.500%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.630%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.400%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.400%	0.00000%	0.00000%
Illinois	1,258	7.750%	21.22490%	1.64493%
Indiana	103	6.750%	1.73781%	0.11730%
Iowa	574	12.000%	9.68449%	1.16214%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	98	6.000%	1.65345%	0.09921%
Louisiana	239	8.000%	4.03239%	0.32259%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	923	6.000%	15.57280%	0.93437%
Minnesota	378	9.800%	6.37759%	0.62500%
Mississippi	575	5.000%	9.70137%	0.48507%
Missouri	0	6.250%	0.00000%	0.00000%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.810%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	0	6.900%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	5.000%	0.00000%	0.00000%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	4	0.000%	0.06749%	0.00000%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	156	9.990%	2.63202%	0.26294%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	0	5.000%	0.00000%	0.00000%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	161	6.500%	2.71638%	0.17656%
Texas	0	2.329%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	1,432	7.900%	24.16062%	1.90869%
Wyoming	0	0.000%	0.00000%	0.00000%
<b>Total U.S.</b>	<b>5,927</b>		<b>100.00000%</b>	<b>7.76732%</b>

There is no Class I railroad mileage in AK, HI, ME, NH, RI, VT, and any state marked with an "\*\*".

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Tax rates are from the web site of the Tax Foundation, Washington, DC unless updated by AAR (Appendix B).

Rate for Texas is calculated, and may vary by railroad.

No rounding until final number.

## CSX Average State Tax Rate for 2015

State	Income			
	Miles CSX	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,011	6.500%	4.85148%	0.31535%
Arizona	0	6.000%	0.00000%	0.00000%
Arkansas	0	6.500%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.630%	0.00000%	0.00000%
Connecticut	68	0.000%	0.32631%	0.00000%
Delaware	44	8.700%	0.21114%	0.01837%
Dist. of Columbia	20	9.400%	0.09597%	0.00902%
Florida	1,651	5.500%	7.92265%	0.43575%
Georgia	1,614	6.000%	7.74509%	0.46471%
Idaho	0	7.400%	0.00000%	0.00000%
Illinois	898	7.750%	4.30923%	0.33397%
Indiana	1,548	6.750%	7.42838%	0.50142%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	1,676	6.000%	8.04261%	0.48256%
Louisiana	43	8.000%	0.20634%	0.01651%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	547	8.250%	2.62489%	0.21655%
Massachusetts	399	8.000%	1.91468%	0.15317%
Michigan	558	6.000%	2.67767%	0.16066%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	94	5.000%	0.45108%	0.02255%
Missouri	11	6.250%	0.05279%	0.00330%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.810%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	642	0.000%	3.08076%	0.00000%
New Mexico	0	6.900%	0.00000%	0.00000%
New York	1,295	0.000%	6.21431%	0.00000%
North Carolina	1,121	5.000%	5.37934%	0.26897%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	1,875	0.000%	8.99755%	0.00000%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	1,061	9.990%	5.09142%	0.50863%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	1,307	5.000%	6.27189%	0.31359%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	989	6.500%	4.74591%	0.30848%
Texas	0	2.133%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	1,054	6.000%	5.05782%	0.30347%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	1,313	6.500%	6.30069%	0.40954%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	20,839		100.00000%	5.24657%

There is no Class I railroad mileage in AK, HI, ME, NH, RI, VT, and any state marked with an "\*\*\*".

Mileages are from Annual Report Form R-1, Schedule 702, Column (g).

Tax rates are from the web site of the Tax Foundation, Washington, DC unless updated by AAR (Appendix B).

Rate for Texas is calculated, and may vary by railroad.

No rounding until final number.

## KCS Average State Tax Rate for 2015

State	Income			
	Miles KCS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	44	6.500%	1.29755%	0.08434%
Arizona	0	6.000%	0.00000%	0.00000%
Arkansas	163	6.500%	4.80684%	0.31244%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.630%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.400%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.400%	0.00000%	0.00000%
Illinois	199	7.750%	5.86848%	0.45481%
Indiana	0	6.750%	0.00000%	0.00000%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	18	7.000%	0.53082%	0.03716%
Kentucky	0	6.000%	0.00000%	0.00000%
Louisiana	744	8.000%	21.94043%	1.75523%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	0	6.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	723	5.000%	21.32114%	1.06606%
Missouri	417	6.250%	12.29726%	0.76858%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.810%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	0	6.900%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	5.000%	0.00000%	0.00000%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	0	0.000%	0.00000%	0.00000%
Oklahoma	151	6.000%	4.45296%	0.26718%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	0	9.990%	0.00000%	0.00000%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	0	5.000%	0.00000%	0.00000%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	5	6.500%	0.14745%	0.00958%
Texas	927	2.469%	27.33707%	0.67502%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,391		100.00000%	5.43040%

There is no Class I railroad mileage in AK, HI, ME, NH, RI, VT, and any state marked with an "\*\*\*".

Mileages are from Annual Report Form R-1, Schedule 702, Column (g).

Tax rates are from the web site of the Tax Foundation, Washington, DC unless updated by AAR (Appendix B).

Rate for Texas is calculated, and may vary by railroad.

No rounding until final number.

## NS Average State Tax Rate for 2015

State	Income			
	Miles NS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,304	6.500%	6.53307%	0.42465%
Arizona	0	6.000%	0.00000%	0.00000%
Arkansas	0	6.500%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.630%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	203	8.700%	1.01703%	0.08848%
Dist. of Columbia	13	9.400%	0.06513%	0.00612%
Florida	149	5.500%	0.74649%	0.04106%
Georgia	1,719	6.000%	8.61222%	0.51673%
Idaho	0	7.400%	0.00000%	0.00000%
Illinois	1,256	7.750%	6.29259%	0.48768%
Indiana	1,441	6.750%	7.21944%	0.48731%
Iowa	43	12.000%	0.21543%	0.02585%
Kansas	2	7.000%	0.01002%	0.00070%
Kentucky	429	6.000%	2.14930%	0.12896%
Louisiana	76	8.000%	0.38076%	0.03046%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	269	8.250%	1.34770%	0.11118%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	487	6.000%	2.43988%	0.14639%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	1.05711%	0.05286%
Missouri	409	6.250%	2.04910%	0.12807%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.810%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	931	0.000%	4.66433%	0.00000%
New Mexico	0	6.900%	0.00000%	0.00000%
New York	890	0.000%	4.45892%	0.00000%
North Carolina	1,193	5.000%	5.97695%	0.29885%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	2,142	0.000%	10.73146%	0.00000%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	2,406	9.990%	12.05411%	1.20421%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	762	5.000%	3.81764%	0.19088%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	827	6.500%	4.14329%	0.26931%
Texas	0	2.159%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	1,992	6.000%	9.97996%	0.59880%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	806	6.500%	4.03808%	0.26247%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	19,960		100.00000%	5.50103%

There is no Class I railroad mileage in AK, HI, ME, NH, RI, VT, and any state marked with an "\*\*\*".

Mileages are from Annual Report Form R-1, Schedule 702, Column (g).

Tax rates are from the web site of the Tax Foundation, Washington, DC unless updated by AAR (Appendix B).

Rate for Texas is calculated, and may vary by railroad.

No rounding until final number.

## SOO Average State Tax Rate for 2015

State	Miles SOO	Income		
		Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.000%	0.00000%	0.00000%
Arkansas	0	6.500%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.630%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.400%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.400%	0.00000%	0.00000%
Illinois	402	7.750%	8.28354%	0.64197%
Indiana	154	6.750%	3.17329%	0.21420%
Iowa	663	12.000%	13.66165%	1.63940%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	0	6.000%	0.00000%	0.00000%
Louisiana	0	8.000%	0.00000%	0.00000%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	80	6.000%	1.64846%	0.09891%
Minnesota	1,703	9.800%	35.09170%	3.43899%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	144	6.250%	2.96724%	0.18545%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.810%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	0	6.900%	0.00000%	0.00000%
New York	414	0.000%	8.53081%	0.00000%
North Carolina	0	5.000%	0.00000%	0.00000%
North Dakota	530	7.810% +	10.92108%	0.85294%
Ohio	30	0.000%	0.61817%	0.00000%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	0	9.990%	0.00000%	0.00000%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	0	5.000%	0.00000%	0.00000%
South Dakota	112	0.000%	2.30785%	0.00000%
Tennessee	0	6.500%	0.00000%	0.00000%
Texas	0	1.459%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	621	7.900%	12.79621%	1.01090%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	4,853		100.00000%	<b>8.08275%</b>

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Rate for Texas is calculated, and may vary by railroad.

No rounding until final number.

"+" Waterman's Edge Surcharge Tax rate applied in North Dakota

## UP Average State Tax Rate for 2015

State	Miles UP	Income		Pct Miles	Pct Miles x Tax Rate
		Tax Rate			
Alabama	0	6.500%	0.00000%	0.00000%	0.00000%
Arizona	691	6.000%	2.15372%	0.12922%	0.12922%
Arkansas	1,325	6.500%	4.12978%	0.26844%	0.26844%
California	3,292	8.840%	10.26057%	0.90703%	0.90703%
Colorado	1,503	4.630%	4.68458%	0.21690%	0.21690%
Connecticut	0	0.000%	0.00000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%	0.00000%
Dist. of Columbia	0	9.400%	0.00000%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%	0.00000%
Idaho	847	7.400%	2.63995%	0.19536%	0.19536%
Illinois	2,318	7.750%	7.22478%	0.55992%	0.55992%
Indiana	19	6.750%	0.05922%	0.00400%	0.00400%
Iowa	1,385	12.000%	4.31679%	0.51802%	0.51802%
Kansas	2,203	7.000%	6.86635%	0.48064%	0.48064%
Kentucky	12	6.000%	0.03740%	0.00224%	0.00224%
Louisiana	1,152	8.000%	3.59057%	0.28725%	0.28725%
Maine	0	0.000% *	0.00000%	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%	0.00000%
Michigan	0	6.000%	0.00000%	0.00000%	0.00000%
Minnesota	647	9.800%	2.01658%	0.19762%	0.19762%
Mississippi	0	5.000%	0.00000%	0.00000%	0.00000%
Missouri	1,537	6.250%	4.79055%	0.29941%	0.29941%
Montana	125	6.750%	0.38960%	0.02630%	0.02630%
Nebraska	1,067	7.810%	3.32565%	0.25973%	0.25973%
Nevada	1,193	0.000%	3.71836%	0.00000%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%	0.00000%
New Mexico	618	6.900%	1.92619%	0.13291%	0.13291%
New York	0	0.000%	0.00000%	0.00000%	0.00000%
North Carolina	0	5.000%	0.00000%	0.00000%	0.00000%
North Dakota	0	4.310%	0.00000%	0.00000%	0.00000%
Ohio	0	0.000%	0.00000%	0.00000%	0.00000%
Oklahoma	1,173	6.000%	3.65603%	0.21936%	0.21936%
Oregon	1,073	7.600%	3.34435%	0.25417%	0.25417%
Pennsylvania	0	9.990%	0.00000%	0.00000%	0.00000%
Rhode Island	0	0.000% *	0.00000%	0.00000%	0.00000%
South Carolina	0	5.000%	0.00000%	0.00000%	0.00000%
South Dakota	0	0.000%	0.00000%	0.00000%	0.00000%
Tennessee	14	6.500%	0.04364%	0.00284%	0.00284%
Texas	6,305	1.375%	19.65154%	0.27025%	0.27025%
Utah	1,247	5.000%	3.88667%	0.19433%	0.19433%
Vermont	0	0.000% *	0.00000%	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%	0.00000%
Washington	533	0.000%	1.66126%	0.00000%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%	0.00000%
Wisconsin	930	7.900%	2.89864%	0.22899%	0.22899%
Wyoming	875	0.000%	2.72722%	0.00000%	0.00000%
Total U.S.	32,084		100.00000%	<b>5.65493%</b>	

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Tax rates are from the web site of the Tax Foundation, Washington, DC unless updated by AAR (Appendix B).

Rate for Texas is calculated, and may vary by railroad.

No rounding until final number.

# **Workpapers Sent to Surface Transportation Board for 2015 State Tax Rate Calculations**

May 27, 2016

1. Schedule 702 from 2015 Annual Report Form R-1 (7 pages)
2. Schedule 210 from 2015 Annual Report Form R-1 (14 pages)

**702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)**

Give particulars, as of the close of the year, of all road operated and of all road owned but not operated. The respondent's proportion of operated road held by it as a joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h).

Mileage should be reported to the nearest WHOLE mile adjusted in accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.	
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)		
1		Alabama	105					126	231	17		1
2		Arizona	592					67	659			2
3		Arkansas	190					840	1,030			3
4		British Columbia	23					23	46	16		4
5		California	912					1,037	1,949	1		5
6		Colorado	804					537	1,341	2		6
7		Idaho	106						106	35		7
8		Illinois	1,150				3	393	1,546	5		8
9		Iowa	588		26		4	35	653			9
10		Kansas	1,142					445	1,587			10
11		Kentucky					13	85	98			11
12		Louisiana	240					122	362			12
13		Manitoba		4				64	68			13
14		Minnesota	1,496		1			141	1,638	452		14
15		Mississippi	166					8	174	5		15
16		Missouri	1,431					182	1,613	37		16
17		Montana	2,622					3	2,625	99		17
18		Nebraska	1,485						1,485	72		18
19		Nevada						798	798			19
20		New Mexico	915					515	1,430	245		20
21		North Dakota	1,620					77	1,697	3		21
22		Oklahoma	957					330	1,287			22
23		Oregon	226					182	408	110		23
24		Saskatchewan										24
25		South Dakota	872				2	33	907			25
26		Tennessee	16					121	137			26
27		Texas	2,496				10	2,354	4,860	130		27
28		Utah						448	448			28
29		Washington	1,337					126	1,463	89		29
30		Wisconsin	244					4	248			30
31		Wyoming	960					5	965			31
32		Total Mileage (Single Track)	22,695	4	27		32	9,101	31,859	1,318		32

**702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)**

Give particulars, as of the close of the year, of all road operated and of all road owned but not operated. The respondent's proportion of operated road held by it as a joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d) or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h).

Mileage should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e. counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.	
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)		
1		Alabama	900					111	1,011	139	-	1
2		Canada - Ontario		27				4	31		-	2
3		Canada - Quebec	2	14	31			6	53	12	-	3
4		Connecticut	6					62	68		-	4
5		Delaware	23					21	44		-	5
6		District Of Columbia	17			1		2	20	6	-	6
7		Florida	1,468			136		47	1,651	122	-	7
8		Georgia	1,420		118	1		75	1,614	145	-	8
9		Illinois	621		56			221	898	74	-	9
10		Indiana	1,164		15			369	1,548	445	-	10
11		Kentucky	1,565	63				48	1,676	10	-	11
12		Louisiana	35					8	43		-	12
13		Maryland	443	13	5			86	547		-	13
14		Massachusetts	166		65	8		160	399		-	14
15		Michigan	415					143	558	181	-	15
16		Mississippi	74					20	94		-	16
17		Missouri						11	11		-	17
18		New Jersey	62					580	642		-	18
19		New York	742		196			357	1,295	8	-	19
20		North Carolina	1,062			7		52	1,121		-	20
21		Ohio	1,265		140	8		462	1,875	236	-	21
22		Pennsylvania	419	44	23	7		568	1,061	90	-	22
23		South Carolina	1,243		47			17	1,307	12	-	23
24		Tennessee	826		15	2		146	989	71	-	24
25		Virginia	761	30	7			256	1,054	2	-	25
26		West Virginia	1,059	20	16			218	1,313	190	-	26
27											-	27
28											-	28
29											-	29
30											-	30
31											-	31
32		Total Mileage (Single Track)	15,758	211	734	170		4,050	20,923	1,743	-	32

**702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)**

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h). Mileage should be reported to the nearest WHOLE mile adjusted in accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or territory  (a)	MILES OF ROAD OPERATED BY RESPONDENT							Line No.
			Line owned  (b)	Line of propri- etary companies  (c)	Line operated under lease  (d)	Line operated under contract, etc.  (e)	Line operated under trackage rights  (f)	Total mileage operated  (g)	Line owned not operated by respondent  (h)	
1										1
2		ALABAMA	26	-	-	-	-	26		2
3										3
4		ILLINOIS	1,232	-	-	-	26	1,258		4
5										5
6		INDIANA	102	-	-	-	1	103		6
7										7
8		IOWA	574	-	-	-	-	574		8
9										9
10		KENTUCKY	85	13	-	-	-	98		10
11										11
12		LOUISIANA	239	-	-	-	-	239		12
13										13
14		MICHIGAN	874	1	3	-	45	923		14
15										15
16		MINNESOTA	378	-	-	-	-	378		16
17										17
18		MISSISSIPPI	575	-	-	-	-	575		18
19										19
20		OHIO	4	-	-	-	-	4		20
21										21
22		PENNSYLVANIA	156	-	-	-	-	156		22
23										23
24		TENNESSEE	161	-	-	-	-	161		24
25										25
26		WISCONSIN	1,386	-	-	-	46	1,432		26
27										27
28										28
29										29
30										30
31										31
32		TOTAL MILEAGE (single track)	5,792	14	3	-	118	5,927		32

**702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)**

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			Line owned  (b)	Line of propri- etary companies  (c)	Line operated under lease  (d)	Line operated under contract, etc.  (e)	Line operated under trackage rights  (f)	Total mileage operated  (g)	Line owned not operated by respondent  (h)	New line constructed during year  (i)	
1		Missouri	396	-	-	-	21	417	-	-	1
2											2
3		Kansas	18	-	-	-	-	18	-	-	3
4											4
5		Arkansas	158	-	-	-	5	163	59	-	5
6											6
7		Oklahoma	150	-	-	-	1	151	6	-	7
8											8
9		Louisiana	677	-	2	-	65	744	173	-	9
10											10
11		Texas	578	-	-	-	349	927	-	-	11
12											12
13		Tennessee	5	-	-	-	-	5	-	-	13
14											14
15		Mississippi	587	-	1	-	135	723	54	-	15
16											16
17		Alabama	-	-	-	-	44	44	79	-	17
18											18
19		Illinois	182	-	-	-	17	199	-	-	19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	2,751	-	3	-	637	3,391	371	-	32

**702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)**

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Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned not operated by respondent (h)	New line constructed during year (i)	
1		Alabama	1,212				92	1,304	89		1
2		Canada					2	2			2
3		Delaware	160				43	203			3
4		District of Columbia					13	13			4
5		Florida	96				53	149			5
6		Georgia	1,710				9	1,719	367		6
7		Illinois	842				414	1,256	63		7
8		Indiana	1,174		2		265	1,441	36		8
9		Iowa	5			1	37	43	41		9
10		Kansas					2	2			10
11		Kentucky	154		212		63	429			11
12		Louisiana	72				4	76			12
13		Maryland	95				174	269			13
14		Michigan	115				372	487	157		14
15		Mississippi	209				2	211			15
16		Missouri	344				65	409			16
17		New Jersey	124				807	931	2		17
18		New York	596				294	890	178		18
19		North Carolina	829				364	1,193	418		19
20		Ohio	1,734		10		398	2,142	132		20
21		Pennsylvania	1,764			5	637	2,406	191		21
22		South Carolina	658				104	762	37		22
23		Tennessee	645		136		46	827	144		23
24		Virginia	1,885				107	1,992	154		24
25		West Virginia	771				35	806	29		25
26											26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	15,194		360	6	4,402	19,962	2,038		32

**702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)**

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d) or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h).

Mileage should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

**MILES OF ROAD OPERATED BY RESPONDENT**

Line No.	Cross Check	State or Territory  (a)	MILES OF ROAD OPERATED BY RESPONDENT							Line No.	
			Line Owned  (b)	Line of Proprietary Companies  (c)	Line Operated Under Lease  (d)	Line Operated Under Contract, etc.  (e)	Line Operated Under Trackage Rights  (f)	Total Mileage Operated  (g)	Line Owned, Not Operated By Respondent  (h)		New Line Constructed During Year  (i)
1		Illinois	155	0	0	0	247	402	0	0	1
2		Indiana	0	0	0	0	154	154	0	0	2
3		Iowa	652	0	0	0	11	663	0	0	3
4		Michigan	0	0	0	0	80	80	0	0	4
5		Minnesota	1,157	0	0	0	546	1,703	64	0	5
6		Missouri	139	0	0	0	5	144	0	0	6
7		Montana	0	0	0	0	0	0	57	0	7
8		New York	214	0	0	0	200	414	0	0	8
9		North Dakota	501	0	0	0	29	530	602	0	10
10		Ohio	0	0	0	0	30	30	0	0	11
11		South Dakota	6	0	0	0	106	112	0	0	12
12		Wisconsin	315	0	0	0	306	621	0	0	13
13											14
14											15
15											16
16											18
17											19
18											20
19											21
20											22
21											23
22											24
23											25
24											26
25											27
26											28
27											29
28											30
29											31
30		Total Mileage (single track)	3,139	0	0	0	1,714	4,853	723	0	32

702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as may be appropriate. Mileage which has been permanently abandoned should not be included in column (h).

Mileage should be reported to the nearest WHOLE mile adjusted to accord with footings, i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or Territory (a)	Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)	Line No.
1		Arizona	691	-	-	-	-	691	0	-	1
2		Arkansas	1,316	-	5	-	4	1,325	149	-	2
3		California	2,749	-	-	-	543	3,292	674	-	3
4		Colorado	1,153	-	-	-	350	1,503	171	-	4
5		Idaho	843	-	-	-	4	847	43	-	5
6		Illinois	1,549	19	4	-	746	2,318	10	-	6
7		Indiana	-	-	-	-	19	19	-	-	7
8		Iowa	1,290	-	-	-	95	1,385	6	-	8
9		Kansas	1,563	-	-	-	640	2,203	313	-	9
10		Kentucky	-	-	-	-	12	12	-	-	10
11		Louisiana	1,096	-	-	-	56	1,152	22	-	11
12		Minnesota	423	-	-	-	224	647	16	-	12
13		Missouri	973	-	-	-	564	1,537	358	-	13
14		Montana	125	-	-	-	-	125	52	-	14
15		Nebraska	976	-	-	-	91	1,067	254	-	15
16		Nevada	1,193	-	-	-	-	1,193	-	-	16
17		New Mexico	535	-	-	-	83	618	-	-	17
18		Oklahoma	514	-	308	-	351	1,173	73	-	18
19		Oregon	868	-	-	-	205	1,073	396	-	19
20		Tennessee	9	-	-	-	5	14	-	-	20
21		Texas	5,190	-	-	-	1,115	6,305	289	-	21
22		Utah	1,247	-	-	-	-	1,247	64	-	22
23		Washington	272	-	-	-	261	533	86	-	23
24		Wisconsin	596	-	-	-	334	930	107	-	24
25		Wyoming	875	-	-	-	-	875	-	-	25
26											26
27											27
28											28
29											29
30											30
31		TOTAL MILEAGE	26,046	19	317	-	5,702	32,084	3,083	-	31
32		(single track)									32

**210. RESULTS OF OPERATIONS**

(Dollars in Thousands)

1. Disclose requested information for respondent pertaining to results of operations for the year. Cross-Checks  
Schedule 210  
Line 15, col b = Line 62, col b
2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18. Schedule 210  
Lines 47,48,49 col b = Line 63, col b  
Line 50, col b = Line 64, col b
3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25. Schedule 410  
Line 14, col b = Line 620, col h  
Line 14, col d = Line 620, col f  
Line 14, col e = Line 620, col g
4. All contra entries should be shown in parenthesis.

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		<b>ORDINARY ITEMS</b>					
		<b>OPERATING INCOME</b>					
		Railway Operating Income					
1		(101) Freight	21,366,873	22,723,319	21,366,873		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	50,083	53,404	50,083		4
5		(105) Water transfers					5
6		(106) Demurrage	196,526	134,435	196,526		6
7		(110) Incidental	144,041	117,368	144,041		7
8		(121) Joint facility - credit	8,056	7,472	8,056		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	21,765,579	23,035,998	21,765,579		10
11		(502) Railway operating revenues - transfers from government authorities					11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		<b>TOTAL RAILWAY OPERATING REVENUES (lines 10-12)</b>	<b>21,765,579</b>	<b>23,035,998</b>	<b>21,765,579</b>		<b>13</b>
14	*	(531) Railway operating expenses	14,112,377	16,146,571	14,112,377		14
15	*	Net revenue from railway operations	7,653,202	6,889,427	7,653,202		15
		<b>OTHER INCOME</b>					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income					17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)	400	400			19
20		(514) Interest income	137,266	108,699			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	41,039	29,717			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)	14,000	7,215			25
26		b. Equity in undistributed earnings (losses)	2,151	8,355			26
27		<b>TOTAL OTHER INCOME (lines 16-26)</b>	<b>194,856</b>	<b>154,386</b>			<b>27</b>
28		<b>TOTAL INCOME (lines 15, 27)</b>	<b>7,848,058</b>	<b>7,043,813</b>			<b>28</b>
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534) Expenses of property used in other than carrier operations					29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	26,932	20,934			34
35		(553) Uncollectible accounts					35
36		<b>TOTAL MISCELLANEOUS DEDUCTIONS</b>	<b>26,932</b>	<b>20,934</b>			<b>36</b>
37		Income available for fixed charges	7,821,126	7,022,879			37

<b>210. RESULTS OF OPERATIONS - Continued</b> (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
<b>FIXED CHARGES</b>					
38		(546) Interest on funded debt: (a) Fixed interest not in default	37,407	46,978	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	1,520	8,258	40
41		(548) Amortization of discount on funded debt	2,192	2,070	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	41,119	57,306	42
43		Income after fixed charges (line 37 minus line 42)	7,780,007	6,965,573	43
<b>OTHER DEDUCTIONS</b>					
44		(546) Interest on funded debt: (c) Contingent interest			44
<b>UNUSUAL OR INFREQUENT ITEMS</b>					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before inc. taxes)	7,780,007	6,965,573	46
<b>PROVISIONS FOR INCOME TAXES</b>					
47	*	(556) Income taxes on ordinary income: (a) Federal income taxes	1,578,619	1,488,737	47
48	*	(b) State income taxes	210,215	218,836	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	1,115,003	907,551	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	2,903,837	2,615,124	51
52		Income from continuing operations (line 46 minus line 51)	4,876,170	4,350,449	52
<b>DISCONTINUED OPERATIONS</b>					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$ )			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ )			54
55		Income before extraordinary items (lines 52 through 54)	4,876,170	4,350,449	55
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>					
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes - Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$ )			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	4,876,170	4,350,449	61
<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>					
62	*	Net revenues from railway operations	7,653,202	6,889,427	62
63	*	(556) Income taxes on ordinary income (-)	1,788,834	1,707,573	63
64	*	(557) Provision for deferred income taxes (-)	1,115,003	907,551	64
65		Income from lease of road and equipment (-)	12,848	12,848	65
66		Rent for leased roads and equipment (+)			66
67		Net railway operating income (loss)	4,736,517	4,261,455	67

**210. RESULTS OF OPERATIONS**

(Dollars in Thousands)

1. Disclose requested information for respondent pertaining to results of operations for the year. Cross-Checks
- Schedule 210  
Line 15, col b
- Schedule 210  
= Line 62, col (b)
2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18. Schedule 210  
Lines 47,48,49 col b
- = Line 63, col (b)
3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25. Schedule 210  
Line 50, col b
- = Line 64, col (b)
4. All contra entries should be shown in parenthesis. Schedule 410  
Line 14, col b
- = Line 620, col h
- Line 14, col d  
= Line 620, col f
- Line 14, col e  
= Line 620, col g

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
		(a)	(b)	(c)	(d)	(e)	
		<b>ORDINARY ITEMS</b>					
		<b>OPERATING INCOME</b>					
		Railway Operating Income					
1		(101) Freight	\$ 11,332,836	\$ 12,247,014	\$ 11,332,836		1
2		(102) Passenger	-	-	-		2
3		(103) Passenger-related	-	-	-		3
4		(104) Switching	(128,555)	(132,192)	(128,555)		4
5		(105) Water transfers	-	-	-		5
6		(106) Demurrage	68,637	55,295	68,637		6
7		(110) Incidental	213,333	172,287	213,333		7
8		(121) Joint facility - credit	-	-	-		8
9		(122) Joint facility - debit	-	-	-		9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	11,486,251	12,342,404	11,486,251		10
11		(502) Railway operating revenues - transfers from government authorities	-	-	-		11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities	-	-	-		12
13		<b>TOTAL RAILWAY OPERATING REVENUES (lines 10-12)</b>	\$ 11,486,251	\$ 12,342,404	\$ 11,486,251		13
14		(531) Railway operating expenses	8,810,125	9,460,477	8,810,125		14
15		Net revenue from railway operations	\$ 2,676,126	\$ 2,881,927	\$ 2,676,126		15
		<b>OTHER INCOME</b>					
16		(506) Revenue from property used in other than carrier operations	\$ -	\$ -			16
17		(510) Miscellaneous rent income	36,524	34,380			17
18		(512) Separately operated properties - profit	-	-			18
19		(513) Dividend income (cost method)	16,551	14,917			19
20		(514) Interest Income	49,741	48,661			20
21		(516) Income from sinking and other funds	-	-			21
22		(517) Release of premiums on funded debt	5,576	5,391			22
23		(518) Reimbursements received under contracts and agreements	-	-			23
24		(519) Miscellaneous income	109,363	16,647			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)	35,429	24,462			25
26		b. Equity in undistributed earnings (losses)	14,374	21,546			26
27		<b>TOTAL OTHER INCOME (lines 16-26)</b>	\$ 267,558	\$ 166,004			27
28		<b>TOTAL INCOME (lines 15, 27)</b>	\$ 2,943,684	\$ 3,047,931			28
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534) Expenses of property used in other than carrier operations	27,500	29,724			29
30		(544) Miscellaneous taxes	-	-			30
31		(545) Separately operated properties-Loss	-	-			31
32		(549) Maintenance of investment organization	-	-			32
33		(550) Income transferred under contracts and agreements	-	-			33
34		(551) Miscellaneous income charges	56,015	89,397			34
35		(553) Uncollectible accounts	-	-			35
36		<b>TOTAL MISCELLANEOUS DEDUCTIONS</b>	\$ 83,515	\$ 119,121			36
37		Income available for fixed charges	\$ 2,860,169	\$ 2,928,810			37

<b>210. RESULTS OF OPERATIONS - Continued</b> (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
<b>FIXED CHARGES</b>					
38		(546) Interest on funded debt: (a) Fixed interest not in default	\$ 30,256	\$ 45,949	38
39		(b) Interest in default	-	-	39
40		(547) Interest on unfunded debt	2,729	2,204	40
41		(548) Amortization of discount on funded debt	-	-	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	\$ 32,985	\$ 48,153	42
43		Income after fixed charges (line 37 minus line 42)	\$ 2,827,184	\$ 2,880,657	43
<b>OTHER DEDUCTIONS</b>					
44		(546) Interest on funded debt: (c) Contingent interest	-	-	44
<b>UNUSUAL OR INFREQUENT ITEMS</b>					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before inc. taxes)	\$ 2,827,184	\$ 2,880,657	46
<b>PROVISIONS FOR INCOME TAXES</b>					
47		(556) Income taxes on ordinary income: (a) Federal income taxes	\$ 522,479	\$ 671,342	47
48		(b) State income taxes	81,471	85,151	48
49		(c) Other income taxes	829	(91)	49
50		(557) Provision for deferred taxes	432,227	290,975	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 50)	\$ 1,037,006	\$ 1,047,377	51
52		Income from continuing operations (line 46 minus line 51)	\$ 1,790,178	\$ 1,833,280	52
<b>DISCONTINUED OPERATIONS</b>					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$ 0 )	-	-	53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ 0 )	-	-	54
55		Income before extraordinary items (lines 52 through 54)	\$ 1,790,178	\$ 1,833,280	55
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>					
56		(570) Extraordinary items (Net)	-	-	56
57		(590) Income taxes on extraordinary items	-	-	57
58		(591) Provision for deferred taxes - Extraordinary items	-	-	58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	-	-	59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$ 0 ).	-	-	60
61		Net income (Loss) (lines 55 + 59 + 60)	\$ 1,790,178	\$ 1,833,280	61
<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>					
62		Net revenues from railway operations	\$ 2,676,126	\$ 2,881,927	62
63		(556) Income taxes on ordinary income (-)	(604,779)	(756,402)	63
64		(557) Provision for deferred income taxes (-)	(432,227)	(290,975)	64
65		Income from lease of road and equipment (-)	(43,670)	(44,565)	65
66		Rent for leased roads and equipment (+)	14,862	15,912	66
67		Net railway operating income (loss)	\$ 1,610,312	\$ 1,805,897	67

**210. RESULTS OF OPERATIONS**

(Dollars in Thousands)

1. Disclose requested information for respondent pertaining to results of operations for the year.
2. Report total operating expenses from Sched 410. Any differences between this schedule and Sched. 410 must be explained on page 18.
3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.
4. All contra entries should be shown in parenthesis.

Cross - Checks

Schedule 210  
Line 15, col b  
Lines 47, 48, 49 col b  
Line 50, col b

Schedule 210  
= Line 62, col b  
= Line 63, col b  
= Line 64, col b

Schedule 410  
= Line 620, col h  
= Line 620, col f  
= Line 620, col g

Line 14, col b  
Line 14, col d  
Line 14, col e

Line No.	Cross Check	Account	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
			(a)	(b)	(c)	(d)	(e)	
			<b>ORDINARY ITEMS OPERATING INCOME</b>					
			Railway Operating Income					
1		(101)	Freight	2,953,432	3,206,063	2,953,432	-	1
2		(102)	Passenger	-	-	-	-	2
3		(103)	Passenger - related	-	-	-	-	3
4		(104)	Switching	57,147	63,084	57,147	-	4
5		(105)	Water transfers	204,511	206,497	204,511	-	5
6		(106)	Demurrage	36,533	31,246	36,533	-	6
7		(110)	Incidental	41,781	35,874	41,781	-	7
8		(121)	Joint facility - credit	-	-	-	-	8
9		(122)	Joint facility - debit	-	-	-	-	9
10		(501)	Railway operating revenues (Exclusive of transfers from government authorities - lines 1 - 9)	3,293,404	3,542,764	3,293,404	-	10
11		(502)	Railway operating revenues - transfers from government authorities	5,368	5,087	5,368	-	11
12		(503)	Railway operating revenues - amortization of deferred transfers from government authorities	3,532	2,464	3,532	-	12
13			<b>TOTAL RAILWAY OPERATING REVENUES (Lines 10 - 12)</b>	<b>3,302,304</b>	<b>3,550,315</b>	<b>3,302,304</b>	<b>-</b>	13
14	*	(531)	Railway operating expenses	2,174,937	2,357,547	2,174,937	-	14
15	*		Net revenue from railway operations	1,127,367	1,192,768	1,127,367	-	15
			<b>OTHER INCOME</b>					
16		(506)	Revenue from property used in other than carrier operations	-	-			16
17		(510)	Miscellaneous rent income	8,481	8,688			17
18		(512)	Separately operated properties - profit	-	-			18
19		(513)	Dividend income (cost method)	-	-			19
20		(514)	Interest income	2,404	959			20
21		(516)	Income from sinking and other funds	-	-			21
22		(517)	Release of premiums on funded debt	-	-			22
23		(518)	Reimbursements received under contracts and agreements	-	-			23
24		(519)	Miscellaneous income	10,115	4,563			24
25			Income from affiliated companies: 519					
			a) Dividends (equity method)	-	-			25
26			b) Equity in undistributed earnings (losses)	(1,851)	(4,799)			26
27			<b>TOTAL OTHER INCOME (Lines 16 - 26)</b>	<b>19,149</b>	<b>9,411</b>			27
28			<b>TOTAL INCOME (Lines 15, 27)</b>	<b>1,146,516</b>	<b>1,202,179</b>			28
			<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534)	Expense of property used in other than carrier operations	1,200	1,200			29
30		(544)	Miscellaneous taxes	-	-			30
31		(545)	Separately operated properties - Loss	-	-			31
32		(549)	Maintenance of investment organizations	-	-			32
33		(550)	Income transferred under contracts and agreements	-	-			33
34		(551)	Miscellaneous income charges	427	624			34
35		(553)	Uncollectible accounts	-	-			35
36			<b>TOTAL MISCELLANEOUS DEDUCTIONS</b>	<b>1,627</b>	<b>1,824</b>			36
37			Income available for fixed charges	1,144,889	1,200,355			37

**210. RESULTS OF OPERATIONS - Continued**  
(Dollars in Thousands)

Line No.	Cross Check	Account	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
<b>FIXED CHARGES</b>						
38		(546)	Interest on funded debt: (a) Fixed interest not in default	400,575	331,863	38
39			(b) Interest in default	-	-	39
40		(547)	Interest on unfunded debt	-	41	40
41		(548)	Amortization of discount on funded debt	5	3,866	41
42			TOTAL FIXED CHARGES (lines 38 through 41)	400,580	335,770	42
43			Income after fixed charge (line 37 minus line 42)	744,309	864,585	43
<b>OTHER DEDUCTIONS</b>						
44		(546)	Interest on funded debt: (c) Contingent interest	-	-	44
<b>UNUSUAL OR INFREQUENT ITEMS</b>						
45		(555)	Unusual or infrequent items (debit) credit	-	-	45
46			Income (Loss) from continuing operations (before inc. taxes)	744,309	864,585	46
<b>PROVISIONS FOR INCOME TAXES</b>						
47	*	(556)	Income taxes on ordinary income: (a) Federal income taxes	70,378	193,585	47
48	*		(b) State income taxes	17,352	33,716	48
49	*		(c) Other income taxes	-	-	49
50	*	(557)	Provision for deferred taxes	200,954	126,249	50
51			TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	288,684	353,550	51
52			Income from continuing operations (line 46 minus line 51)	455,625	511,035	52
<b>DISCONTINUED OPERATIONS</b>						
53		(560)	Income or loss from operations of discontinued segments (less applicable income taxes of \$ )	-	-	53
54		(562)	Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ )	-	-	54
55			Income before extraordinary items (lines 52 through 54)	455,625	511,035	55
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>						
56		(570)	Extraordinary items (Net)	-	-	56
57		(590)	Income taxes on extraordinary items	-	-	57
58		(591)	Provision for deferred taxes - Extraordinary items	-	-	58
59			TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	-	-	59
60		(592)	Cumulative effect of changes in accounting principles (less applicable income taxes of \$ )	-	-	60
61	*		Net income (Loss) (lines 55 + 59 + 60)	455,625	511,035	61
<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>						
62	*		Net revenues from railway operations	1,127,367	1,192,768	62
63	*	(556)	Income taxes on ordinary income (-)	87,730	227,301	63
64	*	(557)	Provision for deferred taxes (-)	200,954	126,249	64
65			Income from leased road and equipment (-)	-	-	65
66			Rent for leased road and equipment (+)	99	73	66
67			Net railway operating income (loss)	838,782	839,291	67

**210. RESULTS OF OPERATIONS**

(Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513. "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parentheses.

5. Cross checks:

Schedule 210

Line 15, column (b)

Line 47 plus 48 plus 49, column (b)

Line 50, column (b)

Line 14, column (b)

Line 14, column (d)

Line 14, column (e)

Schedule 210

= Line 62, column (b)

= Line 63, column (b)

= Line 64, column (b)

Schedule 410

= Line 620, column (h)

= Line 620, column (f)

= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS OPERATING INCOME Railway Operating Income					
1		(101) Freight	1,176,231	1,301,336	1,176,231	NONE	1
2		(102) Passenger	-	-	-		2
3		(103) Passenger-Related	-	-	-		3
4		(104) Switching	12,443	11,247	12,443		4
5		(105) Water Transfers	-	-	-		5
6		(106) Demurrage	26,281	23,838	26,281		6
7		(110) Incidental	18,728	21,259	18,728		7
8		(121) Joint Facility - Credit	-	-	-		8
9		(122) Joint Facility - Debit	-	-	-		9
10		(501) Railway Operating Revenues (Exclusive of Transfers from Government Authorities - Lines 1-9)	1,233,683	1,357,680	1,233,683		10
11		(502) Railway Operating Revenues - Transfers from Government Authorities for Current Operations	-	-	-		11
12		(503) Railway Operating Revenues - Amortization of Deferred Transfers from Government Authorities	1,686	1,704	1,686		12
13		TOTAL RAILWAY OPERATING REVENUES (Lines 10-12)	1,235,369	1,359,384	1,235,369		13
14		(531) Railway Operating Expenses	879,695	1,000,883	879,695		14
15		Net Revenue from Railway Operations	355,674	358,501	355,674		15
		OTHER INCOME					
16		(506) Revenue from Property Used in Other Than Carrier Operations	31	31			16
17		(510) Miscellaneous Rent Income	-	-			17
18		(512) Separately Operated Properties - Profit	-	-			18
19		(513) Dividend Income (Cost Method)	3	3			19
20		(514) Interest Income	36	18			20
21		(516) Income from Sinking and Other Funds	-	-			21
22		(517) Release of Premiums on Funded Debt	-	-			22
23		(518) Reimbursements Received under Contracts and Agreements	-	-			23
24		(519) Miscellaneous Income	279	684			24
		Income from Affiliated Companies: 519					
25		a. Dividends (Equity Method)	-	5,855			25
26		b. Equity in Undistributed Earnings (Losses)	1,844	(3,733)			26
27		TOTAL OTHER INCOME (Lines 16-26)	2,193	2,858			27
28		TOTAL INCOME (Lines 15, 27)	357,867	361,359			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of Property Used in Other Than Carrier Operations	-	-			29
30		(544) Miscellaneous Taxes	1,472	1,131			30
31		(545) Separately Operated Properties - Loss	-	-			31
32		(549) Maintenance of Investment Organization	-	-			32
33		(550) Income Transferred under Contracts and Agreements	-	-			33
34		(551) Miscellaneous Income Charges	2,146	-			34
35		(553) Uncollectible Accounts	-	-			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (Lines 29-35)	3,618	1,131			36
37		Income Available for Fixed Charges (Lines 28, 36)	354,249	360,228			37

<b>210. RESULTS OF OPERATIONS - Concluded</b> (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
<b>FIXED CHARGES</b>					
38		(546) Interest on Funded Debt: (a) Fixed Interest Not in Default	84,979	83,747	38
39		(b) Interest in Default	-	-	39
40		(547) Interest on Unfunded Debt	313	23	40
41		(548) Amortization of Discount on Funded Debt	6,298	3,929	41
42		TOTAL FIXED CHARGES (Lines 38-41)	91,590	87,699	42
43		Income after Fixed Charges (Lines 37, 42)	262,659	272,529	43
<b>OTHER DEDUCTIONS</b>					
44		(546) Interest on Funded Debt: (c) Contingent Interest	-	-	44
<b>UNUSUAL OR INFREQUENT ITEMS</b>					
45		(555) Unusual or Infrequent Items (Debit) Credit	-	-	45
46		Income (Loss) from Continuing Operations (before Income Taxes)	262,659	272,529	46
<b>PROVISIONS FOR INCOME TAXES</b>					
47		(556) Income Taxes on Ordinary Income: (a) Federal Income Taxes	-	(1,799)	47
48		(b) State Income Taxes	(260)	399	48
49		(c) Other Income Taxes	-	-	49
50		(557) Provision for Deferred Taxes	98,326	100,828	50
51		TOTAL PROVISIONS FOR INCOME TAXES (Lines 47-50)	98,066	99,428	51
52		Income from Continuing Operations (Lines 46-51)	164,593	173,101	52
<b>DISCONTINUED OPERATIONS</b>					
53		(560) Income or Loss from Operations of Discontinued Segments (Less Applicable Income Taxes of \$ - )	-	-	53
54		(562) Gain or Loss on Disposal of Discontinued Segments (Less Applicable Tax of \$ - )	-	-	54
55		Income before Extraordinary Items (Lines 52 + 53 + 54)	164,593	173,101	55
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>					
56		(570) Extraordinary Items (net)	-	-	56
57		(590) Income Taxes on Extraordinary Items	-	-	57
58		(591) Provision for Deferred Taxes - Extraordinary Items	-	-	58
59		TOTAL EXTRAORDINARY ITEMS (Lines 56-58)	-	-	59
60		(592) Cumulative Effect of Changes in Accounting Principles (Less Applicable Tax of \$ - )	-	-	60
61		Net Income (Loss) (Lines 55 + 59 + 60)	164,593	173,101	61
<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>					
62		Net Revenues from Railway Operations	355,674	358,501	62
63		(556) Income Taxes on Ordinary Income (-)	(260)	(1,400)	63
64		(557) Provision for Deferred Taxes (-)	98,326	100,828	64
65		Income from Lease of Road and Equipment (-)	-	-	65
66		Rent for Leased Roads and Equipment (+)	54	85	66
67		Net Railway Operating Income (Loss)	257,662	259,158	67

**210. RESULTS OF OPERATIONS**  
(Dollars in Thousands)

1. Disclose requested information for respondent pertaining to results of operations for the year.

2. Report total operating expenses from Schedule 410. Any differences between this schedule and Schedule 410 must be explained on page 18.

3. List dividends from investments accounted for under the cost method on line No. 19 and list dividends accounted for under the equity method on line 25.

4. All contra entries should be shown in parenthesis

4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks

Schedule 210  
Line 15, column (b)  
Line 47 plus 48 plus 49, column (b)  
Line 50, column (b)

Schedule 210  
= Line 62, column (b)  
= Line 63, column (b)  
= Line 64, column (b)  
Schedule 410  
= Line 620, column (h)  
= Line 620, column (f)  
= Line 620, column (g)

Line No.	Cross Check	Item  (a)	Amount for current year  (b)	Amount for preceding year  (c)	Freight-related revenue & expenses  (d)	Passenger-related revenue & expenses  (e)	Line No.
		<b>ORDINARY ITEMS</b>					
		<b>OPERATING INCOME</b>					
		Railway Operating Income					
1		(101) Freight	10,179,127	11,291,199	10,179,127		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	60,194	67,703	60,194		4
5		(105) Water Transfers					5
6		(106) Demurrage	195,179	175,130	195,179		6
7		(110) Incidental	76,680	90,199	76,680		7
8		(121) Joint Facility-Credit (Debit)					8
9		(122) Joint Facility-Debit (Credit)					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	10,511,180	11,624,231	10,511,180		10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		<b>TOTAL RAILWAY OPERATING REVENUES (lines 10-12)</b>	<b>10,511,180</b>	<b>11,624,231</b>	<b>10,511,180</b>		13
14	*	(531) Railway operating expenses	7,886,482	8,330,993	7,886,482		14
15	*	Net revenue from railway operations	2,624,698	3,293,238	2,624,698		15
		<b>OTHER INCOME</b>					
16		(506) Revenue from property used in other than carrier operations	12,362	13,322			16
17		(510) Miscellaneous rent income	65,391	58,364			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)					19
20		(514) Interest Income	27,907	13,648			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	34,985	31,242			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)	6				25
26		b. Equity in undistributed earnings (losses)		(190)			26
27		<b>TOTAL OTHER INCOME (lines 16-26)</b>	<b>140,651</b>	<b>116,386</b>			27
28		<b>TOTAL INCOME (lines 15, 27)</b>	<b>2,765,349</b>	<b>3,409,624</b>			28
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534) Expenses of property used in other than carrier operations	19,596	18,393			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	15,022	19,632			34
35		(553) Uncollectible accounts					35
36		<b>TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)</b>	<b>34,618</b>	<b>38,025</b>			36
37		Income available for fixed charges (lines 28, 36)	2,730,731	3,371,599			37

**210. RESULTS OF OPERATIONS - Continued**  
(Dollars in Thousands)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		<b>FIXED CHARGES</b>			
38		(546) Interest on funded debt:			
		(a) Fixed interest not in default	158,836	147,687	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	15,464	21,072	40
41		(548) Amortization of discount on funded debt		10	41
42		TOTAL FIXED CHARGES (lines 38-41)	174,300	168,769	42
43		Income after fixed charges (lines 37, 42)	2,556,431	3,202,830	43
		<b>OTHER DEDUCTIONS</b>			
44		(546) Interest on funded debt:			
		(c) Contingent interest			44
		<b>UNUSUAL OR INFREQUENT ITEMS</b>			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	2,556,431	3,202,830	46
		<b>PROVISIONS FOR INCOME TAXES</b>			
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	592,382	797,408	47
48	*	(b) State income taxes	56,956	103,948	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	278,891	271,663	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	928,229	1,173,019	51
52		Income from continuing operations (lines 46+51)	1,628,202	2,029,811	52
		<b>DISCONTINUED OPERATIONS</b>			
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$ )			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ )			54
55		Income before extraordinary items (lines 52+53+54)	1,628,202	2,029,811	55
		<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>			
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$ )			60
61	*	Net income (Loss) (lines 55+59+60)	1,628,202	2,029,811	61
		<b>Reconciliation of net railway operating income(NROI)</b>			
62		Net revenues from railway operation	2,624,698	3,293,238	62
63	*	(556) Income taxes on ordinary income ( - )	(649,338)	(901,356)	63
64	*	(557) Provision for deferred income taxes ( - )	(278,891)	(271,663)	64
65		Income from lease of road and equipment ( - )	(10,239)	(9,550)	65
66		Rent for leased roads and equipment ( + )	24,560	24,467	66
67		Net railway operating income (loss)	1,710,790	2,135,136	67

**210. RESULTS OF OPERATIONS**  
(Dollars in thousands)

1. Disclose requested information for the respondent pertaining to the results of operations for the year.
2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18.
3. List dividends from investments accounted for under the cost method on line No. 19, and list dividends accounted for under the equity method on line 25.
4. All contra entries hereunder should be indicated in parenthesis.

## 5. Cross-checks:

**Schedule 210**  
Line 15, column (b)  
Line 47, 48, 49 col (b)  
Line 50, col (b)

**Schedule 210**  
= Line 62, col (b)  
= Line 63, col (b)  
= Line 64, col (b)

Line 14, column (b)  
Line 14, column (d)  
Line 14, column (e)

**Schedule 410**  
= Line 620, col (h)  
= Line 620, col (f)  
= Line 620, col (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		<b>ORDINARY ITEMS OPERATING INCOME</b>					
		Railway Operating Income					
1		(101) Freight	1,549,561	1,727,038	1,549,561	0	1
2		(102) Passenger	0	0	0	0	2
3		(103) Passenger-Related	0	0	0	0	3
4		(104) Switching	11,813	12,780	11,813	0	4
5		(105) Water Transfers	0	0	0	0	5
6		(106) Demurrage	30,958	29,980	30,958	0	6
7		(110) Incidental	1,843	268	1,843	0	7
8		(121) Joint Facility-Credit	0	0	0	0	8
9		(122) Joint Facility-Debit	0	0	0	0	9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	1,594,175	1,770,066	1,594,175	0	10
11		(502) Railway operating revenues-Transfers from Government Authorities	0	0	0	0	11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities	9,151	1,232	9,151	0	12
13		TOTAL RAILWAY OPERATING REVENUES (\$ less applicable tax of \$ )	1,603,326	1,771,298	1,603,326	0	13
14		(531) Railway operating expenses	1,029,140	1,343,905	1,029,140	0	14
15		Net revenue from railway operations	574,186	427,393	574,186	0	15
		<b>OTHER INCOME</b>					
16		(506) Revenue from property used in other than carrier operations	0	0			16
17		(510) Miscellaneous rent income	10,921	10,904			17
18		(512) Separately operated properties-Profit	0	0			18
19		(513) Dividend Income (cost method)	0	75			19
20		(514) Interest Income	1,359	202			20
21		(516) Income from sinking and other funds	0	0			21
22		(517) Release of premiums on funded debt	0	0			22
23		(518) Reimbursements received under contracts and agreements	0	0			23
24		(519) Miscellaneous income	67,022	5,141			24
25		Income from affiliated companies: 519					
25		a. Dividends (equity method)	0	0			25
26		b. Equity in undistributed earnings (losses)	8,691	6,696			26
27		TOTAL OTHER INCOME (lines 16-26)	87,993	23,018			27
28		TOTAL INCOME (lines 15, 27)	662,179	450,411			28
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534) Expenses of property used in other than carrier operations	0	0			29
30		(544) Miscellaneous taxes	0	0			30
31		(545) Separately operated properties-loss	0	0			31
32		(549) Maintenance of investment organization	0	0			32
33		(550) Income Transferred under contracts and agreements	0	0			33
34		(551) Miscellaneous income charges	1,934	230,416			34
35		(553) Uncollectible accounts	0	0			35
36		TOTAL MISCELLANEOUS DEDUCTIONS	1,934	230,416			36
37		Income available for fixed charges	660,245	219,995			37

See additional notes to financial statements on pages 7-15

**210. RESULTS OF OPERATIONS - Continued**  
(Dollars in thousands)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		<b>FIXED CHARGES</b>			
		(546) Interest on funded long-term debt:			
38		(a) Fixed interest not in default	83,304	94,943	38
39		(b) Interest in default	0	0	39
40		(547) Interest on unfunded debt	42	69	40
41		(548) Amortization of discount on funded debt	0	0	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	83,346	95,012	42
43		Income after fixed charges (lines 37 minus line 42)	576,899	124,983	43
		<b>OTHER DEDUCTIONS</b>			
		(546) Interest on funded debt:			
44		(c) Contingent interest	0	0	44
		<b>UNUSUAL OR INFREQUENT ITEMS</b>			
45		(555) Unusual or infrequent items (debit) credit	0	0	45
46		Income (loss) from continuing operations (before income taxes)	576,899	124,983	46
		<b>PROVISIONS FOR INCOME TAXES</b>			
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	157,290	125,219	47
48		(b) State income taxes	16,789	26,364	48
49		(c) Other income taxes	0	3	49
50		(557) Provision for deferred taxes	47,052	(114,864)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	221,131	36,722	51
52		Income from continuing operations (line 46 minus line 51)	355,768	88,261	52
		<b>DISCONTINUED OPERATIONS</b>			
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$ )	0	0	53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ )	0	0	54
55		Income before extraordinary items (lines 52 through 54)	355,768	88,261	55
		<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>			
56		(570) Extraordinary items (net)	0	0	56
57		(590) Income taxes on extraordinary items	0	0	57
58		(591) Provision for deferred taxes-Extraordinary items	0	0	58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	0	0	59
60		(592) Cumulative effect of changes in accounting principles (\$ less applicable tax of \$ )	0	0	60
61		Net income (loss) (lines 55 + 59 + 60)	355,768	88,261	61
		<b>Reconciliation of net railway operating income (NROI)</b>			
62		Net revenues from railway operations	574,186	427,393	62
63		(556) Income taxes on ordinary income (-)	174,079	151,586	63
64		(557) Provision for deferred income taxes (-)	47,052	(114,864)	64
65		Income from lease of road and equipment (-)	0	0	65
66		Rent for leased roads and equipment (+)	72	111	66
67		Net railway operating income (loss)	353,127	390,782	67

See additional notes to financial statements on pages 7-15

**210. RESULTS OF OPERATIONS**  
(Dollars in Thousands)

- |  |  |
|--|--|
| 1 Disclose the requested information for respondent pertaining to results of operations for the year.  | Cross-checks   |
| 2 Report total operating expenses from Schedule 410. Any differences between this schedule and Schedule 410 must be explained on page 18.              | <u>Schedule 210</u><br>Line 15, col b<br>Lines 47, 48, 49 col b<br>Line 50, col b  |
| 3 List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25. | <u>Schedule 210</u><br>= Line 62, col b<br>= Line 63, col b<br>= Line 64, col b    |
| 4 All contra entries should be shown in parenthesis.   | <u>Schedule 410</u><br>= Line 620, col h<br>= Line 620, col f<br>= Line 620, col g |

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue and expenses (d)	Passenger-related revenue and expenses (e)	Line No.
		<b>ORDINARY ITEMS</b>					
		<b>OPERATING INCOME</b>					
		Railway Operating Income					
1		(101) Freight	20,396,565	22,559,521	20,396,565		1
2		(102) Passenger	118,814	110,378		118,814	2
3		(103) Passenger-Related	680	634		680	3
4		(104) Switching	170,748	174,496	170,748		4
5		(105) Water Transfers	28,410	22,505	28,410		5
6		(106) Demurrage	144,363	123,584	144,363		6
7		(110) Incidental	843,465	871,730	843,465		7
8		(121) Joint Facility-Credit	12,111	13,705	12,111		8
9		(122) Joint Facility-Debit	0	0	0		9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	21,715,156	23,876,553	21,595,662	119,494	10
11		(502) Railway operating revenues-transfers from government authorities	90,054	98,683		90,054	11
12		(503) Railway operating revenues-amortization of deferred transfers from government authorities	0	0	0		12
13		<b>TOTAL RAILWAY OPERATING REVENUES (lines 10-12)</b>	<b>21,805,210</b>	<b>23,975,236</b>	<b>21,595,662</b>	<b>209,548</b>	13
14	*	(531) Railway operating expenses	13,838,390	15,488,688	13,630,517	207,873	14
15	*	Net revenue from railway operations	7,966,820	8,486,548	7,965,145	1,675	15
		<b>OTHER INCOME</b>					
16		(506) Revenue from property used in other than carrier operations	23,018	27,099			16
17		(510) Miscellaneous rent income	107,957	100,117			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend income (cost method)	225	250			19
20		(514) Interest income	141,328	2,343			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt	302	412			22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	150,428	90,341			24
25		Income from affiliated companies: 519 a. Dividends (equity method)	31,454	32,380			25
26		b. Equity in undistributed earnings (losses)	82,283	77,836			26
27		<b>TOTAL OTHER INCOME (lines 16-26)</b>	<b>536,995</b>	<b>330,778</b>			27
28		<b>TOTAL INCOME (lines 15, 27)</b>	<b>8,503,815</b>	<b>8,817,326</b>			28
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534) Expenses of property used in other than carrier operations	12,533	13,365			29
30		(544) Miscellaneous taxes	0	0			30
31		(545) Separately operated properties-Loss	0	0			31
32		(549) Maintenance of investment organization	0	0			32
33		(550) Income transferred under contracts and agreements	0	0			33
34		(551) Miscellaneous income charges	48,476	58,797			34
35		(553) Uncollectible accounts	0	0			35
36		<b>TOTAL MISCELLANEOUS DEDUCTIONS</b>	<b>61,009</b>	<b>72,162</b>			36
37		Income available for fixed charges	8,442,806	8,745,164			37

210. RESULTS OF OPERATIONS - (Concluded)					
(Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
<b>FIXED CHARGES</b>					
38		(546) Interest on funded debt:			
		(a) Fixed interest not in default	107,021	99,927	38
39		(b) Interest in default	0	0	39
40		(547) Interest on unfunded debt	0	(71,501)	40
41		(548) Amortization of discount on funded debt	3,926	3,663	41
42		TOTAL FIXED CHARGES (lines 38-41)	110,947	32,089	42
43		Income after fixed charges (line 37 minus line 42)	8,331,859	8,713,075	43
<b>OTHER DEDUCTIONS</b>					
44		(546) Interest on funded debt:			
		(c) Contingent interest	7,604	7,466	44
<b>UNUSUAL OR INFREQUENT ITEMS</b>					
45		(555) Unusual or infrequent items (debit) credit	0	0	45
46		Income (Loss) from continuing operations (before income taxes)	8,324,255	8,705,609	46
<b>PROVISIONS FOR INCOME TAXES</b>					
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	2,125,974	2,309,121	47
48	*	(b) State income taxes	218,044	255,868	48
49	*	(c) Other income taxes	(50,084)	(21,918)	49
50	*	(557) Provision for deferred taxes	830,441	745,263	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-52)	3,124,375	3,288,334	51
52		Income from continuing operations (line 46 minus line 51)	5,199,880	5,417,275	52
<b>DISCONTINUED OPERATIONS</b>					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$_____)	0	0	53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$_____)	0	0	54
55		Income before extraordinary items (lines 52 - 54)	5,199,880	5,417,275	55
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>					
56		(570) Extraordinary items (Net)	0	0	56
57		(590) Income taxes on extraordinary items	0	0	57
58		(591) Provision for deferred taxes - Extraordinary items	0	0	58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)	0	0	59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$_____)	0	0	60
61	*	Net income (Loss) (Lines 55 + 59 + 60)	5,199,880	5,417,275	61
<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>					
62	*	Net revenues from railway operations	7,966,820	8,486,548	62
63	*	(556) Income taxes on ordinary income (-)	(2,293,934)	(2,543,071)	63
64	*	(557) Provision for deferred income taxes (-)	(830,441)	(745,263)	64
65		Income from lease of road and equipment (-)	0	0	65
66		Rent for leased roads and equipment (+)	0	0	66
67		Net railway operating income (loss)	4,842,445	5,198,214	67

Note: Line 49 reflects current foreign income taxes and unrecognized tax benefits expense.