

BEFORE THE
SURFACE TRANSPORTATION BOARD

SIMPLIFIED STANDARDS FOR)
RATE CASES – TAXES IN REVENUE)
SHORTFALL ALLOCATION METHOD)

EX PARTE NO. 646 (Sub- No. 2)

WORK PAPERS OF
THE ASSOCIATION OF AMERICAN RAILROADS

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WORK PAPERS FOR EX PARTE NO. 646 (Sub-No. 2)

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AAR Work Papers
Part 1

State Corporate Income Tax Rates

As of January 1, 2007

(2007's noteworthy changes in bold italics)

State	Tax Rates and Brackets	Special Rates or Notes
Alabama	6.50%	Federal deductibility
Alaska	1.0% > \$0 2.0 > 10K 3.0 > 20K 4.0 > 30K 5.0 > 40K 6.0 > 50K 7.0 > 60K 8.0 > 70K 9.0 > 80K 9.4 > 90K	
Arizona	6.968%	Minimum tax is \$50.
Arkansas	1.0% > \$0 2.0 > 3K 3.0 > 6K 5.0 > 11K 6.0 > 25K 6.5 > 100K	
California	8.84%	Minimum tax is \$800. 10.84% on financial institutions. The tax rate on S-Corporations is 1.5% (3.5% for financial S-Corporations).
Colorado	4.63%	
Connecticut	7.50%	20% surcharge for 2006. Pay higher of income tax or tax on capital (3.5 mills- \$1,000,000 maximum).
Delaware	8.70%	
Florida	5.50%	If paid federal AMT, must pay FL higher of Corp. Inc. Tax or 3.3% alternative minimum rate.
Georgia	6.00%	
Hawaii	4.4% > \$0 5.4 > 25K 6.4 > 100K	4% capital gains rate
Idaho	7.60%	Minimum tax is \$20.
Illinois	7.30%	Includes 2.5% income replacement tax. 1.5% for S-Corps.
Indiana	8.50%	
Iowa	6.0% > \$0	50% federal deductibility

	8.0 > 25K 10.0 > 100K 12.0 > 250K	
Kansas	4% > \$0 7.35 > 50K	3.35% surtax over \$50,000
Kentucky	4.% > \$0 5.0 > 50K 7.0 > 100K	Corporations pay the largest of the Corporate Income Tax, a gross receipts tax computed on either in-state sales or gross profits, or a minimum tax of \$175.
Louisiana	4.0 > \$0 5.0 > 25K 6.0 > 50K 7.0 > 100K 8.0 > 200K	Federal deductibility
Maine	3.5% > \$0 7.93 > 25K 8.33 > 75K 8.93 > 250K	
Maryland	7.00%	
Massachusetts	9.50%	Additional tax of \$2.60 per \$1,000 on taxable tangible property (or net worth allocable to state, for intangible property corporations); minimum tax of \$456. 10.5% on financial institutions.
Michigan	1.90%	Modified VAT applies to gross receipts, called the Single Business Tax (SBT). Must file if gross receipts over \$350K. The SBT will be repealed as of December 31, 2007. Michigan lawmakers are currently debating plans to replace the SBT.
Minnesota	9.8%	5.8% alternative minimum tax rate. A minimum tax is levied based on Minnesota property, payroll and sales.
Mississippi	3.0% > \$0 4.0 > 5K 5.0 > 10K	Franchise tax of \$2.50 per \$1,000 with minimum tax of \$25
Missouri	6.25%	7% on financial institutions; 50% of federal tax deductible.

Montana	6.75%	7% for corporations filing under a water's edge election. Minimum tax is \$50.
Nebraska	5.58% > \$0 7.81 > 50K	
Nevada	None	
New Hampshire	8.5% > \$50K 9.25% > 150K	Its two corporate taxes – the Business Profits Tax (BPT) and the Business Enterprise Tax (BET) – have different rates and bases. The BPT rate is 8.5% on gross income over \$50K. The BET rate is either 0.75% on gross income over \$150K, or 0.75% on total compensation paid out, including dividends and interest, over \$75K, making 9.25% the top rate a corporation may face.
New Jersey	6.5% > \$0 7.5% > \$50K 9.0% > \$100K	The minimum tax is \$500. An Alternative Minimum Assessment based on Gross Receipts applies if greater than corporate franchise tax for out-of-state companies with New Jersey sales. Companies with income greater than \$100K pay 9% on all income, companies with income greater than \$50K but less than \$100K pay 7.5 % on all income and companies with income under \$50K pay 6.5%. 4% surtax for 2006.
New Mexico	4.8% > \$0 6.4% > 500K 7.6 %> 1,000,000	
New York	7.50%	Tax rates for small business taxpayers: The tax rate on entire net income (ENI) for a small business taxpayer with ENI of \$290,000 is 6.5% for tax years beginning after January 1, 2005.
North Carolina	6.90%	
North Dakota	2.6% > \$0 4.1% > 3K 5.6% > 8K 6.4% > 20K 7.0% > 30K	7% for financial institutions; minimum tax is \$50.

Ohio	5.1% > \$0 8.5% > 50K	<i>A Value Added-style tax, the Corporate Activities Tax (CAT) was instituted in 2005. It will be phased in through 2010 while the Corporate Franchise Tax (Ohio corporate income tax) is phased out. The rate in 2006 is 40% of .26%, or .104%. For tax year 2006 Ohio companies owe 60% of Corporate Franchise Tax liability.</i>
Oklahoma	6.00%	
Oregon	6.60%	
Pennsylvania	9.99%	Imposes a capital stock and franchise tax of 0.489% on taxable income over \$ 125K.
Rhode Island	9.00%	Nine percent (9%) of net income apportioned to Rhode Island; or an annual franchise tax on authorized capital stock at the rate of \$2.50 for each \$10,000.00 or fractional part thereof minimum of \$500, whichever amount shall yield the greatest tax.
South Carolina	5.00%	4.5% for banks; 6% for savings and loans.
South Dakota	None	6%-0.25% on a bank's net income. Minimum tax is \$200 per location (banks).
Tennessee	6.50%	
Texas	4.50%	<i>Rate is on net taxable earned surplus but has been repealed as of January 1, 2007 and replaced with a gross receipts tax called the Texas Margins Tax that levies a 1% tax on the gross receipts of all Texas companies.</i>
Utah	5.00%	Minimum tax is \$100.
Vermont	6.0% > \$0 7% > 10K 8.75% > 25K 8.9% > 250K	Minimum tax is \$250.
Virginia	6.00%	
Washington	None	Gross receipts tax called Business & Occupation (B&O) Tax.
West Virginia	9.00%	Business franchise tax of .7% of taxable capital, or a minimum of \$50.
Wisconsin	7.90%	
Wyoming	None	

District of Columbia 9.975%

Minimum tax is \$100. Includes 5% surtax. Ball park gross receipts tax levied on gross receipts over \$5 million at varying rates.

Note: Bold Italics indicate noteworthy tax changes during 2006.

Sources: Tax Foundation and each state's tax forms and instructions

Tax Foundation

Ph: (202) 464-6200

Fax: (202) 464-6201

www.taxfoundation.org



State Corporate Income Tax Rates

As of January 1, 2006

(2006's noteworthy changes in bold italics)

State	Tax Rates and Brackets	Special Rates or Notes
Alabama	6.50%	Federal Deductibility
Alaska	1.0% > \$0 2.0 > 10K 3.0 > 20K 4.0 > 30K 5.0 > 40K 6.0 > 50K 7.0 > 60K 8.0 > 70K 9.0 > 80K 9.4 > 90K	
Arizona	6.968%	Minimum tax is \$50.
Arkansas	1.0% > \$0 2.0 > 3K 3.0 > 6K 5.0 > 11K 6.0 > 25K 6.5 > 100K	Corporations with net incomes exceeding \$100,000, 6.5% of entire net income. 3% Surcharge on Tax Paid.
California	8.84%	10.84% on financial institutions. Minimum tax is \$800. The tax rate on S-Corporations is 1.5% (3.5% for banks).
Colorado	4.63%	
Connecticut	7.50%	
Delaware	8.70%	
Florida	5.50%	If paid federal AMT, must Pay FL higher of Corp. Inc. Tax or 3.3% alternative minimum rate.
Georgia	6.00%	
Hawaii	4.4% > \$0 5.4 > 25K 6.4 > 100K	4% capital gains rate, 7.92% on financial institutions.
Idaho	7.60%	Minimum tax is \$20.
Illinois	7.30%	Includes 2.5% income replacement tax. 1.5% for S-Corps.
Indiana	8.50%	
Iowa	6.0% > \$0 8.0 > 25K	5% on financial institutions; 50% federal deductibility.

10.0 > 100K

12.0 > 250K

Kansas

4%

3.35% surtax over \$50,000; Banks 2.25% plus 2.125% surtax over \$25,000.

Kentucky

4.0% > \$0

5.0 > 50K

7.0 > 100K

Corporations pay the largest of the Corporate Income Tax, a gross receipts tax computed on either in-state sales or gross profits, or a minimum tax of \$175

Louisiana

4.0 > \$0

5.0 > 25K

6.0 > 50K

7.0 > 100K

8.0 > 200K

Federal deductibility.

Maine

3.5% > \$0

7.93 > 25K

8.33 > 75K

8.93 > 250K

Maryland

7.00%

Massachusetts

9.50%

Rate includes 14% surtax, as does the following: an additional tax of \$2.60 per \$1,000 on taxable tangible property (or net worth allocable to state, for intangible property corporations); minimum tax of \$456. 10.5% on financial institutions; 10.91% on savings and loan associations.

Michigan

1.9% > \$45K

Modified VAT applies to gross receipts. Must file if gross receipts over \$250K. \$45K deductible. Tax rate reduction by 0.1 percent was legislated in 1998 when rate was 2.3 percent, with intent to phase tax out over 23 years. If state's Budget Stabilization Fund balance falls below \$250 million for a fiscal year, the next calendar year's reduction is canceled.

Minnesota

9.8%

5.8% alternative minimum tax rate. A minimum tax is levied based on Minnesota property, payroll and sales.

Mississippi

3.0% > \$0

4.0 > 5K

5.0 > 10K

Franchise tax of \$2.50 per \$1,000 with minimum tax of \$25.

Missouri

6.25%

7% on financial institutions; 50% of federal tax deductible.

Montana 6.75% 7% for corporations filing under a water's edge election. Minimum tax is \$50.

Nebraska 5.58% > \$0
7.81 > 50K

Nevada None

New Hampshire 8.5% > \$50K
9.25% > 150K
Its two corporate taxes – the Business Profits Tax (BPT) and the Business Enterprise Tax (BET) – have different rates and bases. The BPT rate is 8.5% on gross income over \$50K. The BET rate is either 0.75% on gross income over \$150K, or 0.75% on total compensation paid out, including dividends and interest, over \$75K, making 9.25% the top rate a corporation may face.

New Jersey 6.5% > \$0
7.5% > \$50K
9.0% > \$100K
The rate reported in the table is the corporation business franchise tax rate. The minimum tax is \$500. An Alternative Minimum Assessment based on Gross Receipts applies if greater than corporate franchise tax. Corporations not subject to the franchise tax are subject to a 7.25% income tax. Banking and financial corporations are subject to the franchise tax. Corporations with net income under \$100,000 are taxed at 6.5%. The tax on S corporations is being phased out through 2007. The tax rate on a New Jersey S corporation that has entire net income not subject to federal corporate income tax in excess of \$100,000 will remain at 1.33% for privilege periods ending on or before June 30, 2006. The rate will be 0.67% for privilege periods ending on or after July 1, 2006, but on or before June 30, 2007; and there will be no tax imposed for privilege periods ending on or after July 1, 2007. The tax on S corporation with entire net income not subject to federal corporate income tax of \$100,00 or less is eliminated for privilege periods ending on or after July 1, 2007

New Mexico 4.8% > \$0
6.4% > 500K
7.6 %> 1,000,000

New York	7.50%	Tax rates for small business taxpayers — The tax rate on entire net income (ENI) for a small business taxpayer with ENI of \$290,000 is 6.5% for tax years beginning after January 1, 2005.
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North Carolina	6.90%	
North Dakota	2.6% > \$0 4.1% > 3K 5.6% > 8K 6.4% > 20K 7.0% > 30K	7% for financial institutions; Federal deductibility. Minimum tax is \$50.
Ohio	5.1% > \$0 8.5 > 50K	A Value Added style tax, the Corporate Activities Tax (CAT) was instituted in 2005. It will be phased in through 2010 while the Corporate Franchise Tax (Ohio corporate income tax) is phased out. The rate in 2005 is 23% of .26%, or .0598%
Oklahoma	6.00%	
Oregon	6.60%	Minimum tax is \$10.
Pennsylvania	9.99%	Imposes a capital stock and franchise tax of 0.724% on taxable income over \$ 150K.
Rhode Island	9.00%	Nine percent (9%)of net income apportioned to Rhode Island; or an annual franchise tax on its authorized capital stock at the rate of \$2.50 for each \$10,000.00 or fractional part thereof minimum of \$500,whichever amount shall yield the greatest tax.
South Carolina	5.00%	4.5% for banks; 6% for savings and loans.
South Dakota	None	6%-0.25% on a bank's net income. Minimum tax is \$200 per location (banks).
Tennessee	6.50%	
Texas	4.50%	Rate is on net taxable earned surplus.
Utah	5.00%	Minimum tax is \$100.

Vermont	7.0% > \$0 8.1 > 10K 9.2 > 25K 9.75 > 250K	Minimum tax is \$250.
Virginia	6.00%	
Washington	None	Gross receipts tax called Business & Operations (B&O) Tax.
West Virginia	9.00%	"Business franchise tax" of \$0.70 per cent of taxable capital, or a minimum of \$50.
Wisconsin	7.90%	
Wyoming	None	
District of Columbia	9.975%	Minimum tax is \$100. Includes 5% surtax. Ball park gross receipts tax levied on gross receipts over \$5 million at varying rates.

Note: Bold Italics indicate noteworthy tax changes during 2005.

Sources: Tax Foundation; Each state's tax forms and instructions; Commerce Clearing House.

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State Corporate Income Tax Rates

As of January 1, 2005

(205's noteworthy changes in bold italics)

State	Tax Rates and Brackets	Special Rates or Notes
Alabama	6.50%	Federal Deductibility
Alaska	1.0% > \$0 2.0 > 10K 3.0 > 20K 4.0 > 30K 5.0 > 40K 6.0 > 50K 7.0 > 60K 8.0 > 70K 9.0 > 80K 9.4 > 90K	
Arizona	6.97%	Minimum tax is \$50.
Arkansas	1.0% > \$0 2.0 > 3K 3.0 > 6K 5.0 > 11K 6.0 > 25K 6.5 > 100K	Corporations with net incomes exceeding \$100,000, 6.5% of entire net income.
California	8.84%	10.84% on financial institutions. Minimum tax is \$800. The tax rate on S-Corporations is 1.5% (3.5% for banks).
Colorado	4.63%	
Connecticut	7.50%	
Delaware	8.70%	
Florida	5.50%	3.3% alternative minimum rate. An exemption of \$5,000 is allowed
Georgia	6.00%	
Hawaii	4.4% > \$0 5.4 . 25K 6.4 > 100K	4% capital gains rate, 7.92% on financial institutions.
Idaho	7.60%	Minimum tax is \$20.
Illinois	7.30%	Includes 2.5% income replacement tax.
Indiana	8.50%	
Iowa	6.0% > \$0 8.0 > 25K 10.0 > 100K 12.0 > 250K	5% on financial institutions; 7.2% alternative minimum rate; 50% federal deductibility.

Kansas	4%	3.35% surtax over \$50,000; Banks 2.25% plus 2.125% surtax over \$25,000.
Kentucky	4.% > \$0 5.0 > 25K 6.0 > 50K 7.0 > 100K 8.25 > 250K	
Louisiana	4.0 > \$0 5.0 > 25K 6.0 > 50K 7.0 > 100K 8.0 > 200K	Federal deductibility.
Maine	3.5% > \$0 7.93 > 25K 8.33 > 75K 8.93 > 250K	27% of federal alternative minimum tax liability.
Maryland	7.00%	
Massachusetts	9.50%	Rate includes 14% surtax, as does the following: an additional tax of \$7.00 per \$1,000 on taxable tangible property (or net worth allocable to state, for intangible property corporations); minimum tax of \$456. 10.5% on financial institutions; 10.91% on savings and loan associations.
Michigan	1.9%>\$45K	Modified VAT applies to gross receipts. Must file if gross receipts over \$250K. \$45K deductible. Tax rate reduction by 0.1 percent was legislated in 1998 when rate was 2.3 percent, with intent to phase tax out over 23 years. If state's Budget Stabilization Fund balance falls below \$250 million for a fiscal year, the next calendar year's reduction is canceled.
Minnesota	9.8%	5.8% alternative minimum tax rate. A minimum tax is levied based on Minnesota property, payroll and sales.
Mississippi	3.0% > \$0 4.0 > 5K 5.0 >10K	Franchise tax of \$2.50 per \$1,000 with minimum tax of \$25.
Missouri	6.25%	7% on financial institutions; 50% of federal tax deductible.

Montana	6.75%	7% for corporations filing under a water's edge election. Minimum tax is \$50. Minimum tax for small business corporations is \$10.
Nebraska	5.58% > \$0 7.81 > 50K	
Nevada	None	
New Hampshire	8.5% > \$50K 9.25% > 150K	Its two corporate taxes – the Business Profits Tax (BPT) and the Business Enterprise Tax (BET) – have different rates and bases. The BPT rate is 8.5% on gross income over \$50K. The BET rate is either 0.75% on gross income over \$150K, or 0.75% on total compensation paid out, including dividends and interest, over \$75K, making 9.25% the top rate a corporation may face.
New Jersey	6.5% > \$0 7.5% > \$50K 9.0% > \$100K	<i>The rate reported in the table is the corporation business franchise tax rate. The minimum tax is \$500. An Alternative Minimum Assessment based on Gross Receipts applies if greater than corporate franchise tax. Corporations not subject to the franchise tax are subject to a 7.25% income tax. Banking and financial corporations are subject to the franchise tax. Corporations with net income under \$100,000 are taxed at 6.5%. The tax on S corporations is being phased out through 2007. The tax rate on a New Jersey S corporation that has entire net income not subject to federal corporate income tax in excess of \$100,000 will remain at 1.33% for privilege periods ending on or before June 30, 2006. The rate will be 0.67% for privilege periods ending on or after July 1, 2006, but on or before June 30, 2007; and there will be no tax imposed for privilege periods ending on or after July 1, 2007. The tax on S corporation with entire net income not subject to federal corporate income tax of \$100,00 or less is eliminated for privilege periods ending on or after July 1, 2007</i>
New Mexico	4.8% > \$0 6.4% > 500K 7.6 %> 1,000,000	

New York	7.50%	Tax rates for small business taxpayers — The tax rate on entire net income (ENI) for a small business taxpayer with ENI of \$200,000 or less will be reduced from 7.5% to 6.85% for tax years beginning after June 30, 2003. The tax rate on ENI for a small business taxpayer with ENI greater than \$200,000 will be reduced from 7.5% to a rate between 6.85% and 7.5% for tax years beginning after June 30, 2003. 2.5% surtax rate.
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North Carolina	6.90%	
North Dakota	2.6% > \$0	7% for financial institutions plus 2% surtax rate; Federal deductibility. Minimum tax is \$50.
	4.1% > 3K	
	5.6% > 8K	
	6.4% > 20K	
	7.0% > 30K	

Ohio	5.1% > \$0 8.5 > 50K	For financial institutions, 0.015 times value of stock. Minimum tax is \$50. The net worth rate for corporations other than financial institution is 4 mills. Taxpayers. The net worth rate for financial institutions is thirteen mills. Financial institutions are exempt from the net income base.
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Oklahoma	6.00%	
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Oregon	6.60%	Minimum tax is \$10.
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Pennsylvania	9.99%	Imposes a capital stock and franchise tax of 0.724% on taxable income over \$ 150K.
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Rhode Island	9.00%	Nine percent (9%)of net income apportioned to Rhode Island; or an annual franchise tax on its authorized capital stock at the rate of \$2.50 for each \$10,000.00 or fractional part thereof minimum of \$250.00,whichever amount shall yield the greatest tax.
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South Carolina	5.00%	4.5% for banks; 6% for savings and loans.
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South Dakota	None	6%-0.25% on a bank's net income. Minimum tax is \$500 per location (banks).
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Tennessee	6.50%	
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Texas	None	
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Utah	5.00%	Minimum tax is \$100.
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Vermont	7.0% > \$0 8.1 > 10K 9.2 > 25K 9.75 > 250K	Minimum tax is \$250.
Virginia	6.00%	
Washington	None	Gross receipts tax. The 20 different rates range from 0.011%-5.029% depending on the type of business activity.
West Virginia	9.00%	"Business franchise tax" of \$0.70 per \$100 of taxable capital, or a minimum of \$50.
Wisconsin	7.90%	
Wyoming	None	
District of Columbia	9.98%	Minimum tax is \$100. Includes 5% surtax.

Note: Bold Italics indicate noteworthy tax changes during 2004.

Sources: Tax Foundation; Each state's tax forms and instructions; Commerce Clearing House; Federation of Tax Administrators.

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State Corporate Income Tax Rates

As of January 1, 2004

(2004's noteworthy changes in bold italics)

State	Tax Rates and Brackets	Special Rates or Notes
Alabama	6.50%	Federal Deductibility
Alaska	1.0% > \$0 2.0% > \$10K 3.0% > \$20K 4.0% > \$30K 5.0% > \$40K 6.0% > \$50K 7.0% > \$60K 8.0% > \$70K 9.0% > \$80K 9.4% > \$90K	
Arizona	6.97%	Minimum tax is \$50.
Arkansas	1.0% > \$0 2.0% > \$3K 3.0% > \$6K 5.0% > \$11K 6.0% > \$25K 6.5% > \$100K	Corporations with net incomes exceeding \$100,000, 6.5% of entire net income.
California	8.84%	10.84% on financial institutions. 6.65% alternative minimum tax rate (2% for financial institutions). Minimum tax is \$800.
Colorado	4.63%	
Connecticut	7.50%	
Delaware	8.70%	
Florida	5.50%	3.3% alternative minimum rate. An exemption of \$5,000 is allowed
Georgia	6.00%	
Hawaii	4.4% > \$0 5.4% \$25K 6.4% > \$100K	4% capital gains rate, 7.92% on financial institutions.
Idaho	7.60%	Minimum tax is \$20.
Illinois	7.30%	Includes 2.5% income replacement tax.
Indiana	8.50%	
Iowa	6.0% > \$0 8.0% > \$25K 10.0% > \$100K 12.0% > \$250K	5% on financial institutions; 7.2% alternative minimum rate; 50% federal deductibility.
Kansas	4%	3.35% surtax over \$50,000; Banks 2.25% plus 2.125% surtax over \$25,000.
Kentucky	4.% > \$0 5.0% > \$25K 6.0% > \$50K 7.0% > \$100K 8.25% > \$250K	
Louisiana	4.0 > \$0 5.0 > 25K	Federal deductibility.

	6.0 > 50K 7.0 > 100K 8.0 > 200K	
Maine	3.5% > \$0 7.93 > 25K 8.33 > 75K 8.93 > 250K	27% of federal alternative minimum tax liability.
Maryland	7.00%	
Massachusetts	9.50%	Rate includes 14% surtax, as does the following: an additional tax of \$7.00 per \$1,000 on taxable tangible property (or net worth allocable to state, for intangible property corporations); minimum tax of \$456. 10.5% on financial institutions; 10.91% on savings and loan associations
Michigan	1.9% > \$45K	Modified VAT applies to gross receipts. Must file if gross receipts over \$250K. \$45K deductible. Tax rate reduction by 0.1 percent was legislated in 1998 when rate was 2.3 percent, with intent to phase tax out over 23 years. If state's Budget Stabilization Fund balance falls below \$250 million for a fiscal year, the next calendar year's reduction is canceled.
Minnesota	9.8%	5.8% alternative minimum tax rate. A minimum tax is levied based on Minnesota property, payroll and sales.
Mississippi	3.0% > \$0 4.0% > \$5K 5.0% > \$10K	Franchise tax of \$2.50 per \$1,000 with minimum tax of \$25.
Missouri	6.25%	7% on financial institutions; 50% of federal tax deductible.
Montana	6.75%	7% for corporations filing under a water's edge election. Minimum tax is \$50. Minimum tax for small business corporations is \$10.
Nebraska	5.58% > \$0 7.81% > \$50K	
Nevada	None	
New Hampshire	8.5% > \$50K 9.25% > \$150K	Its two corporate taxes – the Business Profits Tax (BPT) and the Business Enterprise Tax (BET) – have different rates and bases. The BPT rate is 8.5% on gross income over \$50K. The BET rate is either 0.75% on gross income over \$150K, or 0.75% on total compensation paid out, including dividends and interest, over \$75K, making 9.25% the top rate a corporation may face.

New Jersey	9.0%	<i>The rate reported in the table is the corporation business franchise tax rate. The minimum tax is \$500. An Alternative Minimum Assessment based on Gross Receipts applies if greater than corporate franchise tax. Corporations not subject to the franchise tax are subject to a 7.25% income tax. Banking and financial corporations are subject to the franchise tax. Corporations with net income under \$100,000 are taxed at 6.5%. The tax on S corporations is being phased out through 2007. The tax rate on a New Jersey S corporation that has entire net income not subject to federal corporate income tax in</i>
New Mexico	4.8% > \$0 6.4% > \$500K 7.6 %> \$1million	
New York	7.50%	<i>Tax rates for small business taxpayers–The tax rate on entire net income (ENI) for a small business taxpayer with ENI of \$200,000 or less will be reduced from 7.5% to 6.85% for tax years beginning after June 30, 2003. The tax rate on ENI for a small business taxpayer with ENI greater than \$200,000 will be reduced from 7.5% to a rate between 6.85% and 7.5% for tax years beginning after June 30, 2003. 2.5% surtax rate.</i>
North Carolina	6.90%	
North Dakota	3.0% > \$0 4.5% > \$3K 6.0% > \$8K 7.5% > \$20K 9.0% > \$30K 10.5% > \$50K	5% for financial institutions plus 2% surtax rate; Federal deductibility. Minimum tax is \$50.
Ohio	5.1% > \$0 8.5% > \$50K	For financial institutions, 0.015 times value of stock. Minimum tax is \$50. The net worth rate for corporations other than financial institution is 4 mills. Taxpayers. The net worth rate for financial institutions is thirteen mills. Financial institutions are exempt from the net income base.
Oklahoma	6.00%	
Oregon	6.60%	Minimum tax is \$10.
Pennsylvania	9.99%	Imposes a capital stock and franchise tax of 0.724% on taxable income over \$ 150K.
Rhode Island	9.00%	Nine percent (9%) of net income apportioned to Rhode Island; or an annual franchise tax on its authorized capital stock at the rate of \$2.50 for each \$10,000.00 or fractional part thereof minimum of \$250.00, whichever amount shall yield the greatest tax.
South Carolina	5.00%	4.5% for banks; 6% for savings and loans.
South Dakota	None	6%-0.25% on a bank's net income. Minimum tax is \$200 per location (banks).
Tennessee	6.50%	
Texas	None	

Utah	5.00%	Minimum tax is \$100.
Vermont	7.0% > \$0 8.1% > \$10K 9.2% > \$25K 9.75% > \$250K	Minimum tax is \$250.
Virginia	6.00%	
Washington	None	Gross receipts tax. The 20 different rates range from 0.011%-5.029% depending on the type of business activity.
West Virginia	9.00%	"Business franchise tax" of \$0.70 per \$100 of taxable capital, or a minimum of \$50.
Wisconsin	7.90%	
Wyoming	None	
<i>District of Columbia</i>	<i>9.98%</i>	Minimum tax is \$100. Includes 5% surtax.

Note: Bold Italics indicate noteworthy tax changes during 2001.

Sources: Tax Foundation; Each state's tax forms and instructions; Commerce Clearing House; Federation of Tax Administrators.

Tax Foundation

Ph: (202) 464-6200

Fax: (202) 464-6201

www.taxfoundation.org



State Corporate Income Tax Rates

As of January 1, 2003

(2003's noteworthy changes in bold italics)

State	Tax Rates and Brackets	Special Rates or Notes
Alabama	5.00%	6.5% on financial institutions.
Alaska	1.0% > \$0 2.0 > 10K 3.0 > 20K 4.0 > 30K 5.0 > 40K 6.0 > 50K 7.0 > 60K 8.0 > 70K 9.0 > 80K 9.4 > 90K	
Arizona	6.97%	Minimum tax is \$50.
Arkansas	1.0% > \$0 2.0 > 3K 3.0 . 6K 5.0 > 11K 6.0 > 25K 6.5 > 100K	Corporations with net incomes exceeding \$100,000, 6.5% of entire net income.
California	8.84%	10.84% on financial institutions.6.65% alternative minimum tax rate (2% for financial institutions). Minimum tax is \$800.
Colorado	4.63%	
Connecticut	7.50%	
Delaware	8.70%	
Florida	5.50%	3.3% alternative minimum rate.
Georgia	6.00%	
Hawaii	4.4%> \$0 5.4 . 25K 6.4 > 100K	4% capital gains rate, 7.92% on financial institutions.
Idaho	7.60%	Minimum tax is \$20.
Illinois	4.80%	2.5% income replacement tax.
Indiana	3.40%	4.5% on supplemental income. Rate increases to 8.5% in 2003.
Iowa	6.0% > \$0 8.0 . 25K 10.0 > 100K 12.0 > 250K	5% on financial institutions; 7.2% alternative minimum rate; 50% federal deductibility.
Kansas	4% > \$0 7.35 > 50K	3.35% surtax over \$50,000; Banks 2.25% plus 2.125% surtax over \$25,000.
Kentucky	4.% > \$0 5.0 > 25K 6.0 > 50K 7.0 > 100K	

	8.25 > 250K	
Louisiana	4.0 > \$0 5.0 . 25K 6.0 > 50K 7.0 > 100K 8.0 > 200K	Federal deductibility.
Maine	3.5% > \$0, 7.93 > 25,000, 8.33 > 75,000, 8.93 > 250,000	27% of federal alternative minimum tax liability.
Maryland	7.00%	
Massachusetts	9.50%	Franchise tax built into rate (.26% per \$1,000 of income); 10.5% on financial institutions; 10.91% on savings and loan associations. Minimum tax is \$456.
Michigan	1.9% > \$45,000	Modified VAT. Rate applies to gross receipts. Must file only with gross receipts over \$250,000. \$45,000 deductible. The SBT tax rate will continue to be reduced by 0.1 percent annually from its 1998 rate of 2.3 percent. The tax rate reduction, which began January 1, 1999, will continue until the SBT is completely phased out over 23 years, unless the State's Budget Stabilization Fund balance for a fiscal year falls below \$250 million. If that should happen, the next calendar year's reduction will not take place.
Minnesota	9.8%	5.8% alternative minimum tax rate. A minimum tax is levied based on Minnesota property, payroll and sales.
Mississippi	3.0% > \$0 4.0 > 5K 5.0 > 10K	Franchise tax of \$2.50 per \$1,000 with minimum tax of \$25.
Missouri	6.25%	7% on financial institution; 50% of federal tax deductible.
Montana	6.75%	7% for corporations filing under a water's edge election. Minimum tax is \$50. Minimum tax for small business corporations is \$10.
Nebraska	5.58% > \$0 7.81 > 50K	
Nevada	None	
New Hampshire	8.5%	Must file business profits tax only with gross receipts over \$50,000. Businesses with over \$100,000 in gross receipts or wages, interest, and dividends over \$50,000 are subject to 0.5% business enterprise tax on total value of wages, interest, and dividends. Such business' BPT liability is reduced by sum of BET liability.
New Jersey	9.0%	Corporations with entire net income of less than \$100,000 pay 7.5%. Minimum tax is \$200.
New Mexico	4.8% > \$0 6.4% > 500K 7.6 %> 1,000K	

New York	7.50%	The rate fell to 7.5% after June 30, 2001. 2.5% surtax rate.
North Carolina	6.90%	
North Dakota	3.0% > \$0 4.5 > 3K 6.0 > 8K 7.5 > 20K 9.0 > 30K 10.5 > 50K	5% for financial institutions plus 2% surtax rate; Federal deductibility. Minimum tax is \$50.
Ohio	5.1% > \$0 8.5 > 50K	For financial institutions, 0.015 times value of stock. Minimum tax is \$50.
Oklahoma	6.00%	
Oregon	6.60%	Minimum tax is \$10.
Pennsylvania	9.99%	Imposes a "Capital Stock and Franchise Tax."
Rhode Island	9.00%	Minimum tax is \$250.
South Carolina	5.00%	4.5% for banks; 6% for savings and loans.
South Dakota	None	6%-0.25% on a bank's net income. Minimum tax is \$200 per location (banks).
Tennessee	6.00%	
Texas	None	
Utah	5.00%	Minimum tax is \$100.
Vermont	7.0% > \$0 8.1 > 10K 9.2 > 25K 9.75 > 250K	Minimum tax is \$250.
Virginia	6.00%	
Washington	None	Gross receipts tax. The 20 different rates range from 0.011%-5.029% depending on the type of business activity.
West Virginia	9.00%	
Wisconsin	7.90%	
Wyoming	None	
<i>District of Columbia</i>	9.50%	Includes 5% surtax. Minimum tax is \$100.

Note: Bold Italics indicate noteworthy tax changes during 2001.

Sources: Tax Foundation; Each state's tax forms and instructions; Commerce Clearing House; Federation of Tax Administrators.

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State Corporate Income Tax Rates

As of January , 2002

(2002's noteworthy changes in bold italics)

State	Tax Rates and Brackets	Special Rates or Notes
Alabama	5% > \$0	6% on financial institutions (6.5% after January 1, 2001); federal deductibility.
Alaska	1% > \$0 2% > \$9,999 3% > \$19,999 4% > \$29,999 5% > \$39,999 6% > \$49,999 7% > \$59,999 8% > \$69,999 9% > \$79,999 9.4% > \$89,999	
Arizona	6.968% > \$0	Minimum tax is \$50.
Arkansas	1% > \$3K 2% > \$3K 3% > \$6K 5% > \$11K; 6% > \$25K 6.5% > \$100K	For net incomes exceeding \$100K, 6.5% of entire net income.
California	8.84% > \$0	10.84% on financial institutions. 6.65% alternative minimum tax rate (2% for financial institutions). Minimum tax is \$800.
Colorado	4.63% > \$0	
Connecticut	7.5% > \$0	
Delaware	8.7% > \$0	
Florida	5.5% > \$0	3.3% alternative minimum rate.
Georgia	6% > \$0	
Hawaii	4.4% > \$0 5.4% > \$25K 6.4% > \$100K	4% capital gains rate, 7.92% on financial institutions.
Idaho	7.6% > \$0	Minimum tax is \$20.
Illinois	4.8% > \$0	2.5% income replacement tax.
Indiana	3.4% > \$0	4.5% on supplemental income.
Iowa	6% > \$0 8% > \$25K 10% > \$100K 12.0 %> \$250K	5% on financial institutions; 7.2% alternative minimum rate; 50% federal deductibility.
Kansas	4% > \$0	3.35% surtax over \$50,000; Banks 2.25% plus 2.125% surtax over \$25K.
Kentucky	4% > \$0 5% > \$25K 6% > \$50K 7% > \$100K 8.25 > \$250K	
Louisiana	4% > \$0K 5% > \$25K	Federal deductibility.

	6% > \$50K 5% > \$100K 8% > \$200K	
Maine	3.5% > \$0 7.93% > \$25K 8.33% > \$75K 8.93% > 250K	27% of federal alternative minimum tax liability.
Maryland	7% > \$0	
Massachusetts	9.5% > \$0	Franchise tax built into rate (.26% per \$1,000 of income); 10.5% on financial institutions; 10.91% on savings and loan associations. Minimum tax is \$456.
Michigan	2% > \$0	Single Business Tax (SBT) applies to gross receipts. Must file with gross receipts over \$250K. \$45K deductible. By law the SBT rate drops 0.1 percent annually from its 1998 rate of 2.3 percent until phased out, but if the Budget Stabilization Fund falls below \$250 million for a fiscal year, the next calendar year's reduction is deferred.
Minnesota	9.8% > \$0	5.8% alternative minimum tax rate. A minimum tax is levied based on Minnesota property, payroll and sales.
Mississippi	3% > \$0 4% > \$5K 5% > \$10K	Franchise tax of \$2.50 per \$1,000 with minimum tax of \$25.
Missouri	6.25% > \$0	7% on financial institution; 50% of federal tax deductible.
Montana	6.75% > \$0	7% for corporations filing under a water's edge election. Minimum tax is \$50. Minimum tax for small business corporations is \$10.
Nebraska	5.58% > \$0 7.81% > \$50K	
Nevada	None	
New Hampshire	8.5% > \$0	Must file business profits tax if gross receipts exceed \$50K. A business with \$100K in gross receipts or \$50K wages, interest, and dividends is subject to 0.5% business enterprise tax on total value of wages, interest, and dividends, in which case BPT liability is reduced by sum of BET liability.
New Jersey	8.5% > \$0	Rate is 7.5% if entire net income is less than \$100K. Minimum tax \$200.
New Mexico	4.8% > \$0 6.4% > \$500K 7.6% > \$1,000K	
New York	7.5% > \$0	The rate fell to 7.5% after June 30, 2001. 2.5% surtax rate.
North Carolina	6.9% > \$0	
North Dakota	3% > \$0 4.5% > \$3K 6% > \$8K 7.5% > \$20K 9% > \$30K 10.5% > \$50K	Financial institutions: 5% + 2% surtax rate; federal deductibility. Minimum tax \$50.
Ohio	5.1% > \$0 8.5 > \$50K	For financial institutions, 0.015 times value of stock. Minimum tax is \$50.
Oklahoma	6% > \$0	

Oregon	6.6% > \$0	Minimum tax is \$10.
Pennsylvania	10% > \$0	Imposes a "Capital Stock and Franchise Tax."
Rhode Island	9% > \$0	Minimum tax is \$250.
South Carolina	5% > \$0	4.5% for banks; 6% for savings and loans.
South Dakota	None	6%-0.25% on a bank's net income. Minimum tax is \$200 per location (banks).
Tennessee	6% > \$0	
Texas	None	
Utah	5% > \$0	Minimum tax is \$100.
Vermont	7% > \$0 8.1% > \$10K 9.2% > \$25K 9.75 > \$100K	Minimum tax is \$250.
Virginia	6% > \$0	
Washington	None	Gross receipts tax: 20 rates (0.011% to .029%) depending on type of business.
West Virginia	9% > \$0	
Wisconsin	7.9% > \$0	
Wyoming	None	
District of Columbia	9.5% > \$0	Includes 5% surtax. Minimum tax is \$100.

Note: Bold Italics indicate noteworthy tax changes during 2001.

Sources: Tax Foundation; Each state's tax forms and instructions; Commerce Clearing House; Federation of Tax Administrators.

Tax Foundation

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Fax: (202) 464-6201

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AAR Work Papers
Part 2

Crimmel, Clyde

From: Mulligan, Jill K [Jill.Mulligan@BNSF.com]
Sent: Wednesday, February 18, 2009 9:12 AM
To: Crimmel, Clyde
Subject: ExParte 646 Weighted Avg State Inc Tax Rate
Attachments: ExParte 646 Weighted Ave State Inc Tax Rate.xls

Clyde,

For the years 2002 – 2006 BNSF reported the Texas franchise tax in operating expense. Due to a change in Texas law, beginning in 2007, we started to report the Texas tax as an income tax. Below is the calculation showing how our tax folks arrived at the 2007 tax rate. Under the new Texas law, BNSF pays a 1% tax on 70% of our revenue.

Corporate Activities Tax

Operating Revenue	15,909,200	from R-1 Schedule 210 Line 13
	11,136,440	70% of Operating Revenue
Net Inc. Bef. Tax	3,509,311	from R-1 Schedule 210 Line 46
Tax Rate	1.000%	Texas Margins Tax on Gross Receipts
State Taxes	111,364	Tax Rate x Operating Revenue
Texas Effective Tax Rate	3.173%	State Taxes divided by Taxable Earnings

Also, attached is a schedule computing BNSF's average state income tax rate for 2002-2007 under Ex Parte No. 646.

Let me know if you have any other questions.

<<ExParte 646 Weighted Ave State Inc Tax Rate.xls>>

Jill K. Mulligan

Senior General Attorney

BNSF Railway Company

2500 Lou Menk Drive

Fort Worth, Texas 76131-2828

817.352.2353

817.352.2399 (fax)

Jill.Mulligan@BNSF.com

Crimmel, Clyde

From: Benjamin.Blair@cn.ca
Sent: Friday, February 13, 2009 12:39 PM
To: Crimmel, Clyde
Cc: Ted.Kalick@cn.ca
Subject: Treatment of Certain State Taxes for STB Ex Parte 646

Clyde, in connection with calculating the average state tax rate of Grand Trunk Corporation (CN), please be advised that GTC has treated the following taxes as operating taxes rather than income taxes for financial reporting purposes, and thus they are included in railway operating expenses on schedule 410 of our annual report R-1:

- Michigan single business tax, years 2002-2007
- Ohio commercial activities tax, years 2006-2007

Please let me know if you have any questions.

Regards,
Ben Blair

Ben Blair - Director US Taxes - Canadian National Railway
17641 S. Ashland Avenue - Homewood, IL 60430
phone (708) 332-3627 fax (708) 332-3052
e-mail benjamin.blair@cn.ca

Crimmel, Clyde

From: Armbrust, Steven [Steven_Armbrust@csx.com]
Sent: Tuesday, February 17, 2009 10:50 AM
To: Crimmel, Clyde
Cc: Pangborn, Joel Iv
Subject: RE: State Tax Rates

You may Clyde. Thanks. Steve

Steve Armbrust | CSX Transportation | 904-359-1229 | 904-245-3357 (fax) | 322-1229 (rmx) steven_armbrust@csx.com
Florida Authorized House Counsel
Admitted in New York; Not Admitted in Florida

From: Crimmel, Clyde [mailto:CCrimmel@aar.org]
Sent: Tuesday, February 17, 2009 10:48 AM
To: Armbrust, Steven
Cc: Pangborn, Joel Iv
Subject: RE: State Tax Rates

Steven,

You have a privileged and confidential notice at the bottom of your e-mail. Is it ok to use this e-mail as part of the work papers submitted to the STB for STB Ex Parte No. 646 (Sub - No. 2)?

A. Clyde Crimmel, Jr.
Director - Statistical Information
Association of American Railroads

From: Armbrust, Steven [mailto:Steven_Armbrust@csx.com]
Sent: Friday, February 13, 2009 5:40 PM
To: Crimmel, Clyde
Cc: Pangborn, Joel Iv
Subject: State Tax Rates

Clyde, I am writing to confirm that the following states have revenue-based franchise taxes which are reported above the line in Schedule 410:

Connecticut, Michigan, New Jersey, New York, Texas.

Please let me know if you have any questions. Best regards.

Steve Armbrust | CSX Transportation | 904-359-1229 | 904-245-3357 (fax) | 322-1229 (rmx) steven_armbrust@csx.com
Florida Authorized House Counsel
Admitted in New York; Not Admitted in Florida

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2/17/2009

Crimmel, Clyde

From: David Reeves [DReeves@KCSouthern.com]
Sent: Friday, February 13, 2009 11:47 AM
To: Crimmel, Clyde
Subject: Texas tax in 2006 - treatment in R-1

As information.

David C. Reeves

Associate General Counsel
The Kansas City Southern Railway Company
Direct dial: 816-983-1387
Fax: 816-983-1227

From: James Byrd
Sent: Friday, February 13, 2009 10:32 AM
To: David Reeves
Cc:
Subject: RE: Texas tax in 2006 - treatment in R-1

David,

Kansas City Southern and subsidiaries treated the Texas State tax as an income tax that wasn't included in operating expenses.

Regards,
Jim

Crimmel, Clyde

From: JKSTOCK@up.com
Sent: Wednesday, February 18, 2009 9:42 AM
To: Crimmel, Clyde
Subject: RE: States Rates for STB Ex Parte No. 646 (Sub.-No. 2)

Clyde,

Yes, it is okay to use this as part of the public record. UP attaches the message, do you want me to try sending you one without the note? Thank you for following up with me.

Regards,
 Senior Director - State Tax Legislative, Planning & International
 Union Pacific Railroad Company
 1400 Douglas Street STOP 1650
 Omaha, NE 68179
 Phone: (402) 544-3834
 Fax: (402) 501-0028
 Email: jkstock@up.com
 ▼ "Crimmel, Clyde" <CCrimmel@aar.org>

"Crimmel, Clyde"
 <CCrimmel@aar.org>

To:<JKSTOCK@up.com>
 cc
 SubjectRE: States Rates for STB Ex Parte No. 646 (Sub.-No. 2)

02/17/2009 05:22 PM

Jo Ellen,

You have a confidential and/or privileged message at the end of this e-mail. Is it OK for me to use it as part of the public work papers for Ex Parte 646-2?

A. Clyde Crimmel, Jr.
 Director - Statistical Information
 Association of American Railroads

From: JKSTOCK@up.com [<mailto:JKSTOCK@up.com>]
Sent: Friday, February 13, 2009 2:05 PM
To: Gray, John; Crimmel, Clyde
Cc: LARINN@up.com; PCCHRIST@up.com; SLUTECH@up.com
Subject: States Rates for STB Ex Parte No. 646 (Sub.-No. 2)

UP paid the earned surplus part of the Texas franchise tax in 2006. This is treated as an income tax. Therefore, the 2006 Texas rate should be 4.5%. Tex. Tax Code Ann. §171.002 (effective until 1/1/08).

Please let me know if you have any questions.

Jo Ellen K. Stock
 Senior Director - State Tax Legislative, Planning & International
 Union Pacific Railroad Company
 1400 Douglas Street STOP 1650

2/18/2009

AAR Work Papers
Part 3

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	246				110	356			1
2		Arizona	595					595			2
3		Arkansas	208				837	1,045			3
4		British Columbia	61				1	62			4
5		California	1,190				977	2,167	10		5
6		Colorado	770				436	1,206	3		6
7		Florida									7
8		Idaho	124					124	33		8
9		Illinois	1,230				213	1,443			9
10		Iowa	638				39	677			10
11		Kansas	1,302				471	1,773	6		11
12		Kentucky									12
13		Louisiana	236				111	347			13
14		Manitoba					69	69			14
15		Minnesota	1,641				69	1,710	3		15
16		Mississippi	179					179			16
17		Missouri	1,629				149	1,778			17
18		Montana	2,121				17	2,138	621		18
19		Nebraska	1,657				43	1,700			19
20		Nevada					809	809			20
21		New Mexico	1,248				363	1,611	53		21
22		North Dakota	2,043				16	2,059	650		22
23		Oklahoma	1,057				141	1,198	189		23
24		Oregon	236				114	350	127		24
25		South Dakota	542				363	930			25
26		Tennessee	17					17			26
27		Texas	2,651					2,010	100		27
28		Utah					436	436			28
29		Washington	1,721				112	1,833			29
30		Wisconsin	267				6	273			30
31		Wyoming	966					966			31
32		Total Mileage (Single Track)	24,575				363	7,574	1,795		32

(1) Includes approximately 249 miles of lines sold to California regulatory authorities and operated under a freight agreement.

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 portion 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, 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)	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)	New line constructed during year (i)	
1											1
2		ALABAMA	34						34		2
3											3
4		ILLINOIS	1,235	1	1			152	1,389		4
5											5
6		INDIANA	80					1	81		6
7											7
8		IOWA	605						605		8
9											9
10		KENTUCKY	85					17	102		10
11											11
12		LOUISIANA	253						253		12
13											13
14		MICHIGAN	945		10			57	1,012		14
15											15
16		MINNESOTA	197					57	254		16
17											17
18		MISSISSIPPI	843						843		18
19											19
20		OHIO	4					5	9		20
21											21
22		TENNESSEE	153						153		22
23											23
24		WISCONSIN	1,578					77	1,655		24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	6,012	1	11			366	6,390		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.

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	1,133				110	1,243	44		1
2		Connecticut	0		7		62	69			2
3		District of Columbia	11		8		2	21			3
4		Delaware	23				20	43			4
5		Florida	1,618			83	47	1,748	22		5
6		Georgia	1,484		118		75	1,677	131		6
7		Illinois	491	35	304		219	1,049	8		7
8		Indiana	966	120	546		277	1,909	13		8
9		Kentucky	1,713	64	1	10	49	1,837	8		9
10		Louisiana	35				8	43			10
11		Massachusetts	0		288		148	436	2		11
12		Maryland	392	16	71		86	565			12
13		Michigan	667				171	838	6		13
14		Mississippi	74				20	94			14
15		Missouri	0				13	13			15
16		New Jersey	0		64		584	648	2		16
17		New York	0		1,055		267	1,322	12		17
18		North Carolina	1,080			7	52	1,139			18
19		Ohio	1,028		778	12	465	2,283	38		19
20		Pennsylvania	421	46	137	5	532	1,141	63		20
21		South Carolina	1,239		46		17	1,302	12		21
22		Tennessee	848		16		160	1,024	58		22
23		Virginia	956	30	9		55	1,050			23
24		West Virginia	1,277	20	16	14	202	1,529	42		24
25								0			25
26		Canada (Ontario)		66			10	76			26
27		Canada (Quebec)	0	25	30		6	61			27
28											28
29											29
30											30
31											31
32											32
33											33
34											34
35		Total Mileage (single track)	15,456	422	3,494	131	3,657	23,160	461		35

SCHEDULE 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, 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 and 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		Missouri	460						460			1
2												2
3		Kansas	18						18			3
4												4
5		Arkansas	213					4	217			5
6												6
7		Oklahoma	156					1	157			7
8												8
9		Louisiana	851		2			63	916			9
10												10
11		Texas	332						379			11
12												12
13		Tennessee	5						5			13
14												14
15		Mississippi	643		1			37	681			15
16												16
17		Alabama	79						123			17
18												18
19		Illinois	128						128			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)	2,885		3			196	3,084			32

KANSAS CITY SOUTHERN RAILWAY COMPANY

Year 2002

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 portion 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, 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)	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	1,301					92	1,393	21		1
2		Canada						301	301			2
3		Delaware			160			43	203			3
4		District of Columbia						13	13			4
5		Florida	96					53	149			5
6		Georgia	1,830					9	1,839	296		6
7		Illinois	739		140			413	1,292	33		7
8		Indiana	872		405			266	1,543	60		8
9		Iowa	6				1	37	44	41		9
10		Kansas						2	2			10
11		Kentucky	170		212			63	445			11
12		Louisiana	78					4	82			12
13		Maryland	15		80			174	269			13
14		Michigan	79		334			230	643	2		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey			126			807	933			17
18		New York	68		644			216	928			18
19		North Carolina	1,066				11	364	1,441	288		19
20		Ohio	828		1,007			398	2,233	16		20
21		Pennsylvania	44		1,822		5	637	2,508			21
22		South Carolina	691					104	795	36		22
23		Tennessee	713		137			46	896	133		23
24		Virginia	2,037					107	2,144	89		24
25		West Virginia	559		236			47	842	14		25
26												26
27												27
28												28
29												29
30												30
31												31
32		TOTAL MILEAGE (single track)	11,745		5,303		17	4,493	21,558	1,029		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, 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)	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		Montana	0	0	0	0	0	0	57	0	1
2		Michigan	0	0	0	0	262	262	0	0	2
3		South Dakota	6	0	0	0	0	6	0	0	3
4		North Dakota	473	0	0	0	9	482	665	0	4
5		Minnesota	750	0	0	0	490	1,240	53	0	5
6		Wisconsin	314	0	0	0	273	587	34	0	6
7		Illinois	22	0	0	0	334	356	0	0	7
8		Indiana	94	0	0	0	197	291	0	0	8
9		Kentucky	0	0	0	0	1	1	0	0	9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											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)	1,659	0	0	0	1,566	3,225	809	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	664					664			1
2		Arkansas	1,337				5	1,342	140		2
3		California	3,064				515	3,579	630		3
4		Colorado	1,499				300	1,799	16		4
5		Idaho	872				4	876	42		5
6		Illinois	1,615	21	2		634	2,272	8		6
7		Indiana	0				6	6			7
8		Iowa	1,530				98	1,628	7		8
9		Kansas	1,656				699	2,355	408		9
10		Louisiana	900				243	1,143	15		10
11		Minnesota	468				227	695			11
12		Missouri	1,025				474	1,499	329		12
13		Montana	125					125	52		13
14		Nebraska	987				9	996	254		14
15		Nevada	1,200					1,200			15
16		New Mexico	561					561			16
17		Oklahoma	516		312		353	1,181	19		17
18		Oregon	892				205	1,097	406		18
19		Tennessee	11				5	16	2		19
20		Texas	5,283				1,084	6,367	326		20
21		Utah	1,334					1,334	6		21
22		Washington	297				260	557	72		22
23		Wisconsin	641				328	969	75		23
24		Wyoming	880					880			24
25											25
26											26
27											27
28											28
29											29
30											30
31		TOTAL MILEAGE	27,357	21	314	0	5,449	33,141	2,807	0	31
32		(single track)									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 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	115				114	229	17		1	
2		Arizona	595					595			2	
3		Arkansas	208				837	1,045			3	
4		British Columbia	61				1	62			4	
5		California	1,155				977	2,132	43		5	
6		Colorado	770				436	1,206	3		6	
7		Florida									7	
8		Idaho	124					124	33		8	
9		Illinois	1,225			2	213	1,440	5		9	
10		Iowa	637				38	675			10	
11		Kansas	1,289				471	1,760	6		11	
12		Kentucky					13	13			12	
13		Louisiana	236					347			13	
14		Manitoba					69	69			14	
15		Minnesota	1,641				70	1,711	3		15	
16		Mississippi	166				13	179			16	
17		Missouri	1,614				149	1,763			17	
18		Montana	2,168				17	2,185	621		18	
19		Nebraska	1,648				43	1,691			19	
20		Nevada					809	809			20	
21		New Mexico	1,227				363	1,590	53		21	
22		North Dakota	1,976				17	1,993	650		22	
23		Oklahoma	1,056				141	1,197	189		23	
24		Oregon	235				114	349	127		24	
25		South Dakota	543				363	931			25	
26		Tennessee	17					17			26	
27		Texas	2,635				2,010	4,645	100	8	27	
28		Utah					436	436			28	
29		Washington	1,722				112	1,834			29	
30		Wisconsin	267				6	273			30	
31		Wyoming	966					966			31	
32		Total Mileage (Single Track)	24,296				378	7,592	32,266	1,850	8	32

(1) Includes approximately 249 miles of lines sold to California regulatory authorities and operated under a freight agreement.

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 portion 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, 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)	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)	
1										1
2		ALABAMA	41					41		2
3										3
4		ILLINOIS	1,245	1	1		272	1,519		4
5										5
6		INDIANA	80					80		6
7										7
8		IOWA	605					605		8
9										9
10		KENTUCKY	89				17	106		10
11										11
12		LOUISIANA	259				4	263		12
13										13
14		MICHIGAN	941		11		63	1,015		14
15										15
16		MINNESOTA	196				69	265		16
17										17
18		MISSISSIPPI	847				4	851		18
19										19
20		OHIO	4					4		20
21										21
22		TENNESSEE	145					145		22
23										23
24		WISCONSIN	1,551				48	1,599		24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32		TOTAL MILEAGE (single track)	6,003	1	12		477	6,493		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.

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	1,025					111	1,136	44		1
2		Connecticut	0		7			62	69			2
3		District of Columbia	16		3			2	21			3
4		Delaware	23					21	44			4
5		Florida	1,617			83		47	1,747	23		5
6		Georgia	1,486		118			75	1,679	131		6
7		Illinois	490	36	304			220	1,050	8		7
8		Indiana	966	120	547			277	1,910	13		8
9		Kentucky	1,615	64	1	10		49	1,739			9
10		Louisiana	35					8	43			10
11		Massachusetts	0		286			148	434	2		11
12		Maryland	393	16	71			86	566			12
13		Michigan	661					171	832	6		13
14		Mississippi	74					20	94			14
15		Missouri	0					13	13			15
16		New Jersey	0		64			584	648	2		16
17		New York	1		1,049			267	1,317	16		17
18		North Carolina	1,079			7		52	1,138			18
19		Ohio	1,021		775	12		465	2,273	37		19
20		Pennsylvania	337	46	138	5		532	1,058	147		20
21		South Carolina	1,239		46			17	1,302	12		21
22		Tennessee	848		15			160	1,023	58		22
23		Virginia	956	30	9			55	1,050			23
24		West Virginia	1,266	20	16	14		202	1,518	41		24
25									0			25
26		Canada (Ontario)		66				10	76			26
27		Canada (Quebec)	0	25	30			6	61			27
28												28
29												29
30												30
31												31
32												32
33												33
34												34
35		Total Mileage (single track)	15,148	423	3,479	131		3,660	22,841	540		35

SCHEDULE 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, 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 and 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)		New line constructed during year (i)
1		Missouri	418					418			1
2											2
3		Kansas	18					18			3
4											4
5		Arkansas	213					4	217		5
6											6
7		Oklahoma	156					1	157		7
8											8
9		Louisiana	852		2			63	917		9
10											10
11		Texas	332					47	379		11
12											12
13		Tennessee	5						5		13
14											14
15		Mississippi	643		1			37	681		15
16											16
17		Alabama	79					44	123		17
18											18
19		Illinois	169						169		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)	2,885			3		196	3,084		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 portion 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, 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)	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	1,279					92	1,371	21		1
2		Canada						301	301			2
3		Delaware			160			43	203			3
4		District of Columbia						13	13			4
5		Florida	96					53	149			5
6		Georgia	1,834					9	1,843	305		6
7		Illinois	739		140			413	1,292	33		7
8		Indiana	872		405			266	1,543	60		8
9		Iowa	6				1	37	44	41		9
10		Kansas						2	2			10
11		Kentucky	165		212			63	440			11
12		Louisiana	78					4	82			12
13		Maryland	15		80			174	269			13
14		Michigan	79		334			230	643	2		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey			126			807	933			17
18		New York	68		581			279	928			18
19		North Carolina	1,066				11	364	1,441	288		19
20		Ohio	828		1,007			398	2,233	16		20
21		Pennsylvania	44		1,822		5	637	2,508			21
22		South Carolina	691					104	795	36		22
23		Tennessee	708		137			46	891	138		23
24		Virginia	2,027					107	2,134	89		24
25		West Virginia	559		236			47	842	14		25
26												26
27												27
28												28
29												29
30												30
31												31
32		TOTAL MILEAGE (single track)	11,707		5,240		17	4,556	21,520	1,043		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, 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)	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		Montana	0	0	0	0	0	0	57	0	1
2		Michigan	0	0	0	0	262	262	0	0	2
3		South Dakota	6	0	0	0	0	6	0	0	3
4		North Dakota	474	0	0	0	8	482	665	0	4
5		Minnesota	749	0	0	0	490	1,239	53	0	5
6		Wisconsin	314	0	0	0	307	621	0	0	6
7		Illinois	22	0	0	0	334	356	0	0	7
8		Indiana	94	0	0	0	197	291	0	0	8
9		Kentucky	0	0	0	0	1	1	0	0	9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											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)	1,659	0	0	0	1,599	3,258	775	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	666					666	77		1
2		Arkansas	1,337				8	1,345	140		2
3		California	2,919				534	3,453	635		3
4		Colorado	1,350				352	1,702	16		4
5		Idaho	872				4	876	41		5
6		Illinois	1,588	19	2		632	2,241	8		6
7		Indiana					4	4			7
8		Iowa	1,430				95	1,525	6		8
9		Kansas	1,613				699	2,312	436		9
10		Louisiana	1,084				52	1,136	22		10
11		Minnesota	463				228	691			11
12		Missouri	1,017				467	1,484	338		12
13		Montana	125					125	52		13
14		Nebraska	986				11	997	254		14
15		Nevada	1,200					1,200			15
16		New Mexico	561				83	644			16
17		Oklahoma	516		313		353	1,182	19		17
18		Oregon	879				205	1,084	406		18
19		Tennessee	11				5	16	2		19
20		Texas	5,288				1,120	6,408	322		20
21		Utah	1,333					1,333	8		21
22		Washington	298				260	558	72		22
23		Wisconsin	638				331	969	75		23
24		Wyoming	880					880			24
25											25
26											26
27											27
28											28
29											29
30											30
31		TOTAL MILEAGE	27,054	19	315	0	5,443	32,831	2,929	0	31
32		(single track)									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 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	115					114	229	17		1
2		Arizona	595						595			2
3		Arkansas	202					849	1,051			3
4		British Columbia	41					1	42	5		4
5		California	1,155					977	2,132	43		5
6		Colorado	770	96				439	1,305	3		6
7		Florida										7
8		Idaho	124						124	33		8
9		Illinois	1,199				2	213	1,414	5		9
10		Iowa	637					38	675			10
11		Kansas	1,289	3				475	1,767	6		11
12		Kentucky					13		13			12
13		Louisiana	236					111	347			13
14		Manitoba		4				69	73			14
15		Minnesota	1,616					95	1,711	3		15
16		Mississippi	166					13	179			16
17		Missouri	1,614					166	1,780			17
18		Montana	2,129					17	2,146	637		18
19		Nebraska	1,558					93	1,651			19
20		Nevada						805	805			20
21		New Mexico	995					365	1,360	248		21
22		North Dakota	1,976					17	1,993	650		22
23		Oklahoma	1,044					253	1,297	189		23
24		Oregon	235					151	386	127		24
25		South Dakota	543				362	25	930			25
26		Tennessee	17						17			26
27		Texas	2,503	20				2,301	4,824	100		27
28		Utah						433	433			28
29		Washington	1,492					140	1,632	113		29
30		Wisconsin	267					6	273			30
31		Wyoming	966						966			31
32		Total Mileage (Single Track)	23,484	123			377	8,166	32,150	2,179		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 portion 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, 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)	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)	
1										1
2		ALABAMA	41					41		2
3										3
4		ILLINOIS	1,245	1	1		272	1,519		4
5										5
6		INDIANA	80					80		6
7										7
8		IOWA	605					605		8
9										9
10		KENTUCKY	89				17	106		10
11										11
12		LOUISIANA	259				4	263		12
13										13
14		PENNSYLVANIA	155					155		14
15										15
16		MICHIGAN	942		11		63	1,016		16
17										17
18		MINNESOTA	380				52	432		18
19										19
20		MISSISSIPPI	847				4	851		20
21										21
22		OHIO	7					7		22
23										23
24		TENNESSEE	145					145		24
25										25
26		WISCONSIN	1,555				47	1,602		26
27										27
28										28
29										29
30										30
31										31
32		TOTAL MILEAGE (single track)	6,350	1	12		459	6,822		32

Road Initials:

OTC

Year 2004

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.

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	1,038					111	1,149	44		1
2		Connecticut	7					62	69			2
3		Delaware	23					21	44			3
4		District of Columbia	19					2	21			4
5		Florida	1,616				83	47	1,746	23		5
6		Georgia	1,442			118		75	1,635	137		6
7		Illinois	703	36	86			220	1,045	8		7
8		Indiana	1,303	120	15			277	1,715	175		8
9		Kentucky	1,587	64	1		10	49	1,711			9
10		Louisiana	35					8	43			10
11		Maryland	459	16	5			86	566			11
12		Massachusetts	277		10			148	435	8		12
13		Michigan	658					151	809	6		13
14		Mississippi	74					20	94			14
15		Missouri						13	13			15
16		New Jersey	64					584	648	2		16
17		New York	847		195			267	1,309	16		17
18		North Carolina	1,078				7	52	1,137			18
19		Ohio	1,308		140		12	465	1,925	235		19
20		Ontario, Canada		66				10	76			20
21		Pennsylvania	428	51	46		5	532	1,062	132		21
22		Quebec, Canada		25	30			6	61			22
23		South Carolina	1,239		46			17	1,302	12		23
24		Tennessee	835		15			160	1,010	64		24
25		Virginia	956	30	9			55	1,050			25
26		West Virginia	1,227	20	16		13	202	1,478	47		26
27												27
28												28
29												29
30												30
31												31
32												32
33												33
34												34
35		Total Mileage (single track)	17,223	428	732	130	3,640	22,153		909	-	35

SCHEDULE 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, 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 and 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)		New line constructed during year (i)
1		Missouri	418					418			1
2											2
3		Kansas	18					18			3
4											4
5		Arkansas	213					4	217		5
6											6
7		Oklahoma	156					1	157		7
8											8
9		Louisiana	852		2			63	917		9
10											10
11		Texas	332					36	368		11
12											12
13		Tennessee	5						5		13
14											14
15		Mississippi	643		1			19	663		15
16											16
17		Alabama	79					44	123		17
18											18
19		Illinois	186						186		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)	2,902		3			167	3,072		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 portion 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, 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)	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	1,279					92	1,371	21		1
2		Canada						301	301			2
3		Delaware	160					43	203			3
4		District of Columbia						13	13			4
5		Florida	96					53	149			5
6		Georgia	1,834					9	1,843	305		6
7		Illinois	847					413	1,260	63		7
8		Indiana	1,276		2			265	1,543	60		8
9		Iowa	6				1	37	44	41		9
10		Kansas						2	2			10
11		Kentucky	156		212			63	431			11
12		Louisiana	78					4	82			12
13		Maryland	95					174	269			13
14		Michigan	414					230	644	2		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey	126					807	933			17
18		New York	568					294	862	81		18
19		North Carolina	1,064				11	364	1,439	288		19
20		Ohio	1,825		10			398	2,233	16		20
21		Pennsylvania	1,791				5	637	2,433	42		21
22		South Carolina	691					104	795	6		22
23		Tennessee	708		136			46	890	144		23
24		Virginia	2,027					107	2,134	93		24
25		West Virginia	795					47	842	14		25
26												26
27												27
28												28
29												29
30												30
31												31
32		TOTAL MILEAGE (single track)	16,389		360		17	4,570	21,336	1,176		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.

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		Montana	0	0	0	0	0	0	0	0	1
2		Michigan	0	0	0	0	0	0	57	0	2
3		South Dakota	6	0	0	0	262	262	0	0	3
4		North Dakota	474	0	0	0	0	6	0	0	4
5		Minnesota	749	0	0	0	8	482	665	0	5
6		Wisconsin	307	0	0	0	490	1,239	53	0	6
7		Illinois	22	0	0	0	307	614	0	0	7
8		Indiana	94	0	0	0	334	356	0	0	8
9		Kentucky	0	0	0	0	197	291	0	0	9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											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)	1,652	0	0	0	1,599	3,251	775	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	692					692	51		1
2		Arkansas	1,337		5		2	1,344	140		2
3		California	2,917				538	3,455	636		3
4		Colorado	1,157				349	1,506	207		4
5		Idaho	865				4	869	42		5
6		Illinois	1,583	19	2		643	2,247	8		6
7		Indiana					4	4			7
8		Iowa	1,400				95	1,495	6		8
9		Kansas	1,606				642	2,248	377		9
10		Louisiana	1,084				58	1,142	22		10
11		Minnesota	447				221	668	16		11
12		Missouri	1,017		24		489	1,530	338		12
13		Montana	125					125	52		13
14		Nebraska	984				91	1,075	254		14
15		Nevada	1,199					1,199			15
16		New Mexico	560				83	643			16
17		Oklahoma	516		312		353	1,181	19		17
18		Oregon	880				205	1,085	417		18
19		Tennessee	11				5	16	2		19
20		Texas	5,268				1,120	6,388	335		20
21		Utah	1,333					1,333	6		21
22		Washington	298				260	558	73		22
23		Wisconsin	601				331	932	112		23
24		Wyoming	881					881			24
25											25
26											26
27											27
28											28
29											29
30											30
31		TOTAL MILEAGE	26,761	19	343	0	5,493	32,616	3,113	0	31
32		(single track)									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 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	115					129	244	17		1
2		Arizona	595						595			2
3		Arkansas	203					849	1,052			3
4		British Columbia	41					1	42			4
5		California	1,155					975	2,130	43		5
6		Colorado	771	96				533	1,400	3		6
7		Florida										7
8		Idaho	124					1	125	33		8
9		Illinois	1,199				2	213	1,414	5		9
10		Iowa	637					38	675			10
11		Kansas	1,275	3				475	1,753	6		11
12		Kentucky					13		13			12
13		Louisiana	237					111	348			13
14		Manitoba		4				69	73			14
15		Minnesota	1,598					95	1,693	3		15
16		Mississippi	166					13	179			16
17		Missouri	1,598					166	1,764			17
18		Montana	1,966					17	1,983	800		18
19		Nebraska	1,540					94	1,634			19
20		Nevada						805	805			20
21		New Mexico	1,029					365	1,394	248		21
22		North Dakota	1,907					16	1,923	650		22
23		Oklahoma	1,040					253	1,293	189		23
24		Oregon	235					151	386	127		24
25		South Dakota	901					25	926			25
26		Tennessee	17						17			26
27		Texas	2,504	20				2,471	4,995	100		27
28		Utah						433	433			28
29		Washington	1,509					112	1,621	113		29
30		Wisconsin	267					6	273			30
31		Wyoming	966					5	971			31
32		Total Mileage (Single Track)	23,595	123			15	8,421	32,154	2,337		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, 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)	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)		New line constructed during year (i)
1											1
2		ALABAMA	41								2
3								41			3
4		ILLINOIS	1,245	1	1			271	1,518		4
5											5
6		INDIANA	80						80		6
7											7
8		IOWA	605						605		8
9											9
10		KENTUCKY	89					17	106		10
11											11
12		LOUISIANA	259					4	263		12
13											13
14		PENNSYLVANIA	155						155		14
15											15
16		MICHIGAN	942		11			63	1,016		16
17											17
18		MINNESOTA	383					52	435		18
19											19
20		MISSISSIPPI	847					4	851		20
21											21
22		OHIO	7						7		22
23											23
24		TENNESSEE	145						145		24
25											25
26		WISCONSIN	1,470					44	1,514		26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	6,268	1	12			455	6,736		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	917	-	-	-	111	1,028	163	-	1
2		Connecticut	7	-	-	-	62	69	-	-	2
3		Delaware	23	-	-	-	21	44	-	-	3
4		District of Columbia	19	-	-	-	2	21	-	-	4
5		Florida	1,523	-	-	83	47	1,653	115	-	5
6		Georgia	1,433	-	118	-	75	1,626	146	-	6
7		Illinois	615	36	86	-	220	957	-	-	7
8		Indiana	1,242	120	15	-	260	1,637	222	-	8
9		Kentucky	1,586	64	1	10	49	1,710	2	-	9
10		Louisiana	35	-	-	-	8	43	-	-	10
11		Maryland	459	17	5	-	86	567	-	-	11
12		Massachusetts	277	-	10	-	148	435	8	-	12
13		Michigan	416	-	-	-	151	567	179	-	13
14		Mississippi	74	-	-	-	20	94	-	-	14
15		Missouri	-	-	-	-	13	13	-	-	15
16		New Jersey	64	-	-	-	584	648	2	-	16
17		New York	848	-	195	-	267	1,310	12	-	17
18		North Carolina	1,078	-	-	7	52	1,137	-	-	18
19		Ohio	1,297	-	140	12	465	1,914	249	-	19
20		Ontario, Canada	-	66	-	-	10	76	-	-	20
21		Pennsylvania	428	51	46	5	532	1,062	132	-	21
22		Quebec, Canada	-	25	30	-	6	61	-	-	22
23		South Carolina	1,234	-	46	-	17	1,297	12	-	23
24		Tennessee	835	-	15	-	160	1,010	64	-	24
25		Virginia	767	30	-	-	254	1,051	-	-	25
26		West Virginia	1,075	20	16	14	202	1,327	167	-	26
27											27
28											28
29											29
30											30
31											31
32		Total Mileage (Single Track)	16,252	429	723	131	3,822	21,357	1,473	-	35

SCHEDULE 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, 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 and 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)		New line constructed during year (i)
1		Missouri	418					418			1
2											2
3		Kansas	18					18			3
4											4
5		Arkansas	158					4	162	59	5
6											6
7		Oklahoma	150					1	151	6	7
8											8
9		Louisiana	673		2			62	737	173	9
10											10
11		Texas	492					401	893		11
12											12
13		Tennessee	5						5		13
14											14
15		Mississippi	611		1			19	631	32	15
16											16
17		Alabama								79	17
18											18
19		Illinois	182						182		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)	2,707		3			487	3,197	349	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 portion 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, 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)	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)	New line constructed during year (i)		
1		Alabama	1,279					92	1,371	21		1
2		Canada						301	301			2
3		Delaware	160					43	203			3
4		District of Columbia						13	13			4
5		Florida	96					53	149			5
6		Georgia	1,791					9	1,800	305		6
7		Illinois	847					413	1,260	63		7
8		Indiana	1,276		2			265	1,543	60		8
9		Iowa	6				1	37	44	41		9
10		Kansas						2	2			10
11		Kentucky	156		212			63	431			11
12		Louisiana	77					4	81			12
13		Maryland	95					174	269			13
14		Michigan	414					230	644	2		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey	126					807	933			17
18		New York	568					294	862	81		18
19		North Carolina	1,056				11	364	1,431	288		19
20		Ohio	1,825		10			398	2,233	16		20
21		Pennsylvania	1,746				5	637	2,388	87		21
22		South Carolina	679					104	783	16		22
23		Tennessee	708		136			46	890	144		23
24		Virginia	1,993					107	2,100	93		24
25		West Virginia	786					47	833	14		25
26												26
27												27
28												28
29												29
30												30
31												31
32		TOTAL MILEAGE (single track)	16,237		360		17	4,570	21,184	1,231		32

Schedule 702 as filed. AAR uses a different version for the AAR data base, which treats jointly owned road consistant with other railroads.

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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.

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		Montana	0	0	0	0	0	0	57	0	1
2		Michigan	0	0	0	0	352	352	0	0	2
3		South Dakota	6	0	0	0	0	6	0	0	3
4		North Dakota	474	0	0	0	8	482	638	0	4
5		Minnesota	749	0	0	0	491	1,240	53	0	5
6		Wisconsin	307	0	0	0	305	612	0	0	6
7		Illinois	22	0	0	0	365	387	0	0	7
8		Indiana	94	0	0	0	308	402	0	0	8
9		Kentucky	0	0	0	0	1	1	0	0	9
10		Ohio	0	0	0	0	29	29	0	0	10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											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)	1,652	0	0	0	1,859	3,511	748	0	32

Road Infilms: SOO Year: 2005

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	692	-	-	-	-	692	51	-	1		
2		Arkansas	1,329	-	5	-	2	1,336	148	-	2		
3		California	2,838	-	-	-	520	3,358	708	-	3		
4		Colorado	1,181	-	-	-	349	1,530	183	-	4		
5		Idaho	863	-	-	-	4	867	42	-	5		
6		Illinois	1,573	19	2	-	643	2,237	2,239	10	6		
7		Indiana	-	-	-	-	4	4	-	-	7		
8		Iowa	1,385	-	-	-	95	1,480	6	-	8		
9		Kansas	1,571	-	-	-	642	2,213	382	-	9		
10		Louisiana	1,084	-	-	-	58	1,141	22	-	10		
11		Minnesota	447	-	-	-	221	668	667	16	11		
12		Missouri	1,017	-	24	23	489	1,530	338	-	12		
13		Montana	125	-	-	-	-	125	52	-	13		
14		Nebraska	984	-	-	-	91	1,075	1,074	254	14		
15		Nevada	1,200	-	-	-	-	1,200	-	-	15		
16		New Mexico	560	-	-	-	83	643	644	-	16		
17		Oklahoma	516	-	313	312	353	1,182	1,181	19	17		
18		Oregon	860	-	-	-	205	1,065	437	-	18		
19		Tennessee	11	-	-	-	5	16	2	-	19		
20		Texas	5,254	-	-	-	1,123	6,377	304	-	20		
21		Utah	1,330	-	-	-	-	1,330	6	-	21		
22		Washington	289	-	-	-	259	548	549	73	22		
23		Wisconsin	601	-	-	-	331	932	108	-	23		
24		Wyoming	876	-	-	-	-	876	-	-	24		
25											25		
26											26		
27											27		
28											28		
29											29		
30											30		
31		TOTAL MILEAGE	26,586	19	344	343	0	5477	5,478	32,426	3,161	0	31
32		(single track)											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 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	115					129	244	17		1
2		Arizona	595						595			2
3		Arkansas	198					849	1,047			3
4		British Columbia	41					11	52			4
5		California	1,155					975	2,130	16		5
6		Colorado	771	96				533	1,400	3		6
7		Florida										7
8		Idaho	122					1	123	33		8
9		Illinois	1,199				2	260	1,461	5		9
10		Iowa	635					38	673			10
11		Kansas	1,269	3				476	1,748	6		11
12		Kentucky					13		13			12
13		Louisiana	237					111	348			13
14		Manitoba		4				69	73			14
15		Minnesota	1,589					103	1,692	3		15
16		Mississippi	166					25	191			16
17		Missouri	1,598					166	1,764			17
18		Montana	1,924					18	1,942	792		18
19		Nebraska	1,435					94	1,529			19
20		Nevada						805	805			20
21		New Mexico	980					414	1,394	248		21
22		North Dakota	1,775					16	1,791	730		22
23		Oklahoma	1,040					253	1,293	189		23
24		Oregon	235					151	386	127		24
25		South Dakota	901					25	926			25
26		Tennessee	17						17			26
27		Texas	2,485	20				2,470	4,975	100		27
28		Utah						433	433			28
29		Washington	1,505					116	1,621	113		29
30		Wisconsin	267					6	273			30
31		Wyoming	966					5	971			31
32		Total Mileage (Single Track)	23,220	123			15	8,552	31,910	2,382		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, 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)	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											1
2		ALABAMA	41						41		2
3											3
4		ILLINOIS	1,246	1	1			271	1,519		4
5											5
6		INDIANA	80						80		6
7											7
8		IOWA	605						605		8
9											9
10		KENTUCKY	89					17	106		10
11											11
12		LOUISIANA	259					4	263		12
13											13
14		PENNSYLVANIA	155						155		14
15											15
16		MICHIGAN	942		11			63	1,016		16
17											17
18		MINNESOTA	383					52	435		18
19											19
20		MISSISSIPPI	847					4	851		20
21											21
22		OHIO	7						7		22
23											23
24		TENNESSEE	145						145		24
25											25
26		WISCONSIN	1,470					44	1,514		26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	6,269	1	12			455	6,737		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	917	-	-	-	111	1,028	163	-	1
2		Connecticut	7	-	-	-	62	69	-	-	2
3		Delaware	23	-	-	-	21	44	-	-	3
4		District of Columbia	18	-	-	-	2	20	-	-	4
5		Florida	1,522	-	-	83	47	1,652	117	-	5
6		Georgia	1,428	-	118	-	75	1,621	147	-	6
7		Illinois	615	35	55	-	219	924	32	-	7
8		Indiana	1,232	120	15	-	259	1,626	224	-	8
9		Kentucky	1,570	15	1	10	46	1,642	53	-	9
10		Louisiana	35	-	-	-	8	43	-	-	10
11		Maryland	451	17	5	-	86	559	-	-	11
12		Massachusetts	277	-	10	-	147	434	8	-	12
13		Michigan	418	-	-	-	151	569	181	-	13
14		Mississippi	74	-	-	-	20	94	-	-	14
15		Missouri	-	-	-	-	13	13	-	-	15
16		New Jersey	63	-	-	-	585	648	2	-	16
17		New York	843	-	195	-	254	1,292	24	-	17
18		North Carolina	1,062	-	-	7	52	1,121	-	-	18
19		Ohio	1,301	-	140	12	465	1,918	244	-	19
20		Ontario, Canada	-	53	-	-	10	63	-	-	20
21		Pennsylvania	428	47	39	5	536	1,055	86	-	21
22		Quebec, Canada	-	13	30	-	6	49	12	-	22
23		South Carolina	1,197	-	47	-	17	1,261	12	-	23
24		Tennessee	835	-	15	-	160	1,010	64	-	24
25		Virginia	763	30	-	-	254	1,047	-	-	25
26		West Virginia	1,060	20	16	14	202	1,312	180	-	26
27											27
28											28
29											29
30											30
31											31
32		Total Mileage (Single Track)	16,139	350	686	131	3,808	21,114	1,549	-	35

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, 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 and 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)	New line constructed during year (i)	
1		Missouri	418	NONE	-	NONE	-	418	-	NONE	1
2											2
3		Kansas	18	-	-	-	-	18	-		3
4											4
5		Arkansas	158	-	-	-	4	162	59		5
6											6
7		Oklahoma	150	-	-	-	1	151	6		7
8											8
9		Louisiana	673	-	2	-	62	737	173		9
10											10
11		Texas	492	-	-	-	401	893	-		11
12											12
13		Tennessee	5	-	-	-	-	5	-		13
14											14
15		Mississippi	590	-	1	-	19	610	54		15
16											16
17		Alabama	-	-	-	-	-	-	79		17
18											18
19		Illinois	182	-	-	-	-	182	-		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)	2,686	-	3	-	487	3,176	371	-	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 portion 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, 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.

Road Initials: NS Rail Year 2006

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)	New line constructed during year (i)		
1		Alabama	1,279					92	1,371	21		1
2		Canada						301	301			2
3		Delaware	160					43	203			3
4		District of Columbia						13	13			4
5		Florida	96					53	149			5
6		Georgia	1,791					9	1,800	305		6
7		Illinois	847					413	1,260	63		7
8		Indiana	1,274		2			265	1,541	60		8
9		Iowa	6				1	37	44	41		9
10		Kansas						2	2			10
11		Kentucky	156		212			63	431			11
12		Louisiana	77					4	81			12
13		Maryland	95					174	269			13
14		Michigan	414					230	644	2		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey	126					807	933			17
18		New York	568					294	862	81		18
19		North Carolina	1,056				11	364	1,431	288		19
20		Ohio	1,825		10			398	2,233	16		20
21		Pennsylvania	1,746				5	637	2,388	87		21
22		South Carolina	679					104	783	16		22
23		Tennessee	667		136			46	849	144		23
24		Virginia	1,993					107	2,100	93		24
25		West Virginia	786					47	833	14		25
26												26
27												27
28												28
29												29
30												30
31												31
32		TOTAL MILEAGE (single track)	16,194		360		17	4,570	21,141	1,231		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, 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)	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		Montana	0	0	0	0	0	0	0	57	0	1
2		Michigan	0	0	0	0	342	342	0	0	0	2
3		South Dakota	6	0	0	0	0	6	0	0	0	3
4		North Dakota	474	0	0	0	8	482	638	0	0	4
5		Minnesota	750	0	0	0	490	1,240	53	0	0	5
6		Wisconsin	301	0	0	0	306	607	0	0	0	6
7		Illinois	22	0	0	0	341	363	0	0	0	7
8		Indiana	0	0	0	0	197	197	1	0	0	8
9		Kentucky	0	0	0	0	0	0	0	0	0	9
10		Ohio	0	0	0	0	30	30	0	0	0	10
11												11
12												12
13												13
14												14
15												15
16												16
17												17
18												18
19												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)	1,553	0	0	0	1,714	3,267	749	0		32

The AAR has made one change in the AAR database to force the total in column (h) to be the sum of the rounded numbers shown for each state. UP is aware of the change and said it was appropriate. The total number in column (h) was changed from 3,152 to 3,151.

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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	686	-	-	-	-	686	51	-	1
2		Arkansas	1,324	-	6	-	2	1,332	149	-	2
3		California	2,835	-	-	-	523	3,358	708	-	3
4		Colorado	1,175	-	-	-	349	1,524	184	-	4
5		Idaho	845	-	-	-	4	849	42	-	5
6		Illinois	1,571	19	2	-	640	2,232	10	-	6
7		Indiana	-	-	-	-	4	4	-	-	7
8		Iowa	1,351	-	-	-	95	1,446	6	-	8
9		Kansas	1,567	-	-	-	642	2,209	355	-	9
10		Kentucky	-	-	-	-	12	12	0	-	10
11		Louisiana	1,083	-	-	-	58	1,141	22	-	11
12		Minnesota	447	-	-	-	221	668	16	-	12
13		Missouri	1,017	-	24	-	512	1,553	338	-	13
14		Montana	125	-	-	-	-	125	52	-	14
15		Nebraska	983	-	-	-	91	1,074	254	-	15
16		Nevada	1,199	-	-	-	-	1,199	-	-	16
17		New Mexico	560	-	-	-	83	643	-	-	17
18		Oklahoma	516	-	312	-	353	1,181	19	-	18
19		Oregon	859	-	-	-	205	1,064	437	-	19
20		Tennessee	13	-	-	-	5	18	0	-	20
21		Texas	5,229	-	-	-	1,122	6,351	304	-	21
22		Utah	1,329	-	-	-	-	1,329	6	-	22
23		Washington	274	-	-	-	259	533	90	-	23
24		Wisconsin	601	-	-	-	331	932	108	-	24
25		Wyoming	876	-	-	-	-	876	-	-	25
26											26
27											27
28											28
29											29
30											30
31		TOTAL MILEAGE	26,465	19	344	0	5,511	32,339	3,152	0	31
32		(single track)									32

Road Initials: UPRR Year: 2005

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	115					129	244	17		1
2		Arizona	595						595			2
3		Arkansas	198					849	1,047			3
4		British Columbia	27					11	38	14		4
5		California	1,155					975	2,130	16		5
6		Colorado	770	96				533	1,399	3		6
7		Idaho	122					1	123	33		7
8		Illinois	1,174			2		376	1,552	5		8
9		Iowa	635					38	673			9
10		Kansas	1,230	3				476	1,709	6		10
11		Kentucky					13	86	99			11
12		Louisiana	237					111	348			12
13		Manitoba		4				69	73			13
14		Minnesota	1,583					103	1,686	3		14
15		Mississippi	166					13	179			15
16		Missouri	1,593					166	1,759			16
17		Montana	1,909					18	1,927	792		17
18		Nebraska	1,440					94	1,534			18
19		Nevada						805	805			19
20		New Mexico	931					463	1,394	248		20
21		North Dakota	1,716					16	1,732	730		21
22		Oklahoma	1,039					373	1,412	189		22
23		Oregon	235					151	386	127		23
24		South Dakota	901					25	926			24
25		Tennessee	17					127	144			25
26		Texas	2,567	20				2,353	4,940	100		26
27		Utah						433	433			27
28		Washington	1,507					172	1,679	113		28
29		Wisconsin	267					6	273			29
30		Wyoming	961					5	966	5		30
31												31
32		Total Mileage (Single Track)	23,090	123			15	8,977	32,205	2,401		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, 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)	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											1
2		ALABAMA	41						41		2
3											3
4		ILLINOIS	1,245	1	1			271	1,518		4
5											5
6		INDIANA	81						81		6
7											7
8		IOWA	605						605		8
9											9
10		KENTUCKY	89					18	107		10
11											11
12		LOUISIANA	259					4	263		12
13											13
14		PENNSYLVANIA	155						155		14
15											15
16		MICHIGAN	942		11			63	1,016		16
17											17
18		MINNESOTA	383					52	435		18
19											19
20		MISSISSIPPI	847					4	851		20
21											21
22		OHIO	7						7		22
23											23
24		TENNESSEE	145						145		24
25											25
26		WISCONSIN	1,470					44	1,514		26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	6,269	1	12			456	6,738		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	903	-	-	-	111	1,014	163	-	1
2		Connecticut	6	-	-	-	62	68	-	-	2
3		Delaware	23	-	-	-	21	44	-	-	3
4		District of Columbia	18	-	-	-	2	20	-	-	4
5		Florida	1,523	-	-	81	47	1,651	117	-	5
6		Georgia	1,428	-	118	-	75	1,621	147	-	6
7		Illinois	615	35	55	-	219	924	32	-	7
8		Indiana	1,207	212	15	-	259	1,693	224	-	8
9		Kentucky	1,572	15	1	10	46	1,644	53	-	9
10		Louisiana	35	-	-	-	8	43	-	-	10
11		Maryland	451	17	5	-	86	559	-	-	11
12		Massachusetts	270	-	10	-	154	434	8	-	12
13		Michigan	418	-	-	-	151	569	181	-	13
14		Mississippi	74	-	-	-	20	94	-	-	14
15		Missouri	-	-	-	-	13	13	-	-	15
16		New Jersey	63	-	-	-	585	648	2	-	16
17		New York	843	-	195	-	254	1,292	24	-	17
18		North Carolina	1,062	-	-	7	52	1,121	-	-	18
19		Ohio	1,295	-	140	12	465	1,912	244	-	19
20		Ontario, Canada	-	53	-	-	10	63	-	-	20
21		Pennsylvania	428	47	39	5	536	1,055	86	-	21
22		Quebec, Canada	-	13	30	-	6	49	12	-	22
23		South Carolina	1,202	-	47	-	17	1,266	12	-	23
24		Tennessee	835	-	15	-	160	1,010	64	-	24
25		Virginia	763	30	-	-	254	1,047	-	-	25
26		West Virginia	1,060	20	16	14	202	1,312	180	-	26
27											27
28											28
29											29
30											30
31											31
32		Total Mileage (Single Track)	16,094	442	686	129	3,815	21,166	1,549	-	35

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, 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 and 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		Missouri	394	NONE	-	NONE	-	394	-	NONE	1
2											2
3		Kansas	18	-	-	-	-	18	-		3
4											4
5		Arkansas	158	-	-	-	4	162	59		5
6											6
7		Oklahoma	150	-	-	-	1	151	6		7
8											8
9		Louisiana	673	-	2	-	62	737	173		9
10											10
11		Texas	491	-	-	-	401	892	-		11
12											12
13		Tennessee	5	-	-	-	-	5	-		13
14											14
15		Mississippi	590	-	1	-	19	610	54		15
16											16
17		Alabama	-	-	-	-	-	-	79		17
18											18
19		Illinois	182	-	-	-	-	182	-		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)	2,661	-	3	-	487	3,151	371	-	32

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 portion 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, 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.

Road Initials:

NS Rail

Year 2007

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)	New line constructed during year (i)		
1		Alabama	1,279					92	1,371	21		1
2		Canada						301	301			2
3		Delaware	160					43	203			3
4		District of Columbia						13	13			4
5		Florida	96					53	149			5
6		Georgia	1,791					9	1,800	305		6
7		Illinois	847					413	1,260	63		7
8		Indiana	1,274		2			265	1,541	60		8
9		Iowa	6				1	37	44	41		9
10		Kansas						2	2			10
11		Kentucky	156		212			63	431			11
12		Louisiana	77					4	81			12
13		Maryland	95					174	269			13
14		Michigan	414					230	644	2		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey	126					807	933			17
18		New York	497					294	791	152		18
19		North Carolina	926				11	364	1,301	418		19
20		Ohio	1,825		10			398	2,233	16		20
21		Pennsylvania	1,697				5	637	2,339	135		21
22		South Carolina	679					104	783	16		22
23		Tennessee	666		136			46	848	144		23
24		Virginia	1,993					107	2,100	93		24
25		West Virginia	786					47	833	14		25
26												26
27												27
28												28
29												29
30												30
31												31
32		TOTAL MILEAGE (single track)	15,943			360		17	4,570	20,890	1,480	32

This is the original page. The AAR uses a slightly different version that corresponds with Schedule 700.

Railroad Annual Report R-1

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.

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		Montana	0	0	0	0	0	0	57	0	1
2		Michigan	0	0	0	0	342	342	0	0	2
3		South Dakota	6	0	0	0	0	6	0	0	3
4		North Dakota	474	0	0	0	8	482	663	0	4
5		Minnesota	749	0	0	0	491	1,240	53	0	5
6		Wisconsin	302	0	0	0	305	607	0	0	6
7		Illinois	22	0	0	0	341	363	0	0	7
8		Indiana	0	0	0	0	197	197	0	0	8
9		Kentucky	0	0	0	0	0	0	1	0	9
10		Ohio	0	0	0	0	30	30	0	0	10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											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)	1,553	0	0	0	1,714	3,267	774	0	32

Road Initials: SOO Year: 2007

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	686	-	-	-	-	686	51	-	1
2		Arkansas	1,321	-	6	-	5	1,332	149	-	2
3		California	2,791	-	-	-	521	3,312	722	-	3
4		Colorado	1,174	-	-	-	349	1,523	184	-	4
5		Idaho	845	-	-	-	4	849	42	-	5
6		Illinois	1,575	19	2	-	641	2,237	10	-	6
7		Indiana	-	-	-	-	4	4	-	-	7
8		Iowa	1,344	-	-	-	95	1,439	6	-	8
9		Kansas	1,566	-	-	-	642	2,208	355	-	9
10		Kentucky	-	-	-	-	12	12	0	-	10
11		Louisiana	1,083	-	-	-	58	1,141	22	-	11
12		Minnesota	441	-	-	-	224	665	16	-	12
13		Missouri	1,016	-	0	-	512	1,528	338	-	13
14		Montana	125	-	-	-	-	125	52	-	14
15		Nebraska	980	-	-	-	91	1,071	254	-	15
16		Nevada	1,194	-	-	-	-	1,194	-	-	16
17		New Mexico	560	-	-	-	83	643	-	-	17
18		Oklahoma	516	-	306	-	353	1,175	19	-	18
19		Oregon	849	-	-	-	205	1,054	437	-	19
20		Tennessee	13	-	-	-	5	18	0	-	20
21		Texas	5,221	-	-	-	1,123	6,344	301	-	21
22		Utah	1,302	-	-	-	-	1,302	22	-	22
23		Washington	272	-	-	-	260	532	90	-	23
24		Wisconsin	601	-	-	-	331	932	108	-	24
25		Wyoming	879	-	-	-	-	879	-	-	25
26											26
27											27
28											28
29											29
30											30
31		TOTAL MILEAGE	26,354	19	314	0	5,518	32,205	3,178	0	31
32		(single track)									32

AAR Work Papers
Part 4

Alabama

Changed 2002 and 2003 from 5.0 percent to 6.5 percent.

Information from State of Alabama web site, last updated January 31, 2007.

http://www.ador.state.al.us/incometax/Corporate_FAQ.html

"For tax years beginning January 1, 2001, the tax rate is 6.5%. For tax years prior to 2001, the tax rate was 5%."

Arizona

Changed 2003 - 2005 from 6.97 percent to 6.968 percent.

Tax forms from Arizona (line 16) confirm 6.968 percent rate.

http://www.azdor.gov/forms/2004/120_fillable.pdf

http://www.azdor.gov/forms/2003/120_0504revision_fillable.pdf

http://www.azdor.gov/forms/2005/120_f.pdf

Connecticut

Changed all years to 0% rate because taxes are not recorded as income taxes.

Recorded as operating expense instead of income tax, per CSX.

(See railroad comments.)

District of Columbia

Changed 2002-2003 from 9.5 percent to 9.975 percent.

Changed 2004-2005 from 9.98 percent to 9.975 percent.

http://app.cfo.dc.gov/services/studies/dc_taxfacts_2002.pdf

Page 5 (page 11 of PDF) says "The franchise tax rate is 9.975 percent of taxable income, 9.5 percent rate plus a surtax equal to 5 percent of the base rate."

Railroad confirmed (see railroad comments).

Illinois

Changed 2002-2003 from 4.8 percent to 7.3 percent.

Tax Foundation mentions 2.5% Income Replacement tax in notes, and begins adding it after 2003.

<http://www.revenue.state.il.us/taxforms/incm2002/bus/corp/il1120.pdf>

<http://www.revenue.state.il.us/taxforms/incm2003/bus/corp/il1120.pdf>

Indiana

Changed 2003 from 3.4 percent to 8.5 percent.

Tax Foundation notes say "Rate increases to 8.5% in 2003."

Railroad confirmed (see railroad comments).

<http://www.in.gov/dor/3470.htm>

Kansas

Changed 2002 and 2004-2006 from 4.0 percent to 7.35 percent.

Tax Foundation notes say "3.35% surtax....", and adds to 4.0% for 2003 and 2007.

Tax forms confirm surtax.

<http://www.ksrevenue.org/pdf/forms/k-12006.pdf>

<http://www.ksrevenue.org/pdf/forms/k-12005.pdf>

<http://www.ksrevenue.org/pdf/forms/k-12004.pdf>

<http://www.ksrevenue.org/pdf/forms/k-12002.pdf>

Kentucky

For 2005, changed 8.25% to 7.0%.

For 2007, changed 7.0% to 6.0%.

<http://revenue.ky.gov/NR/ronlyres/65173613-AC21-48A0-8C80-1220B4CE695F/0/41A720lflat.pdf>

Massachusetts

Instead of the 9.5% corporate tax rate, railroads use the 6.5% rate from the Public Service tax return.

http://www.mass.gov/Ador/docs/dor/Forms/Fin_Inst06/PDFs/PS1_inst.pdf

Michigan

Changed all years to 0% rate because taxes are not recorded as income taxes.

Recorded as operating expense instead of income tax, per railroads.

(See railroad comments.)

New Jersey

Changed all years to 0% rate because taxes are not recorded as income taxes.

Recorded as operating expense instead of income tax, per railroads.

(See railroad comments.)

New York

Changed all years to 0% rate because taxes are not recorded as income taxes.

Recorded as operating expense instead of income tax, per railroads.

(See railroad comments.)

North Dakota

Corrected 2004 from 10.5% to 7%. Corrected 2007 from 7% to 6.5%.

<http://www.nd.gov/tax/business/taxrates.pdf>

Ohio

Phase-out of Income Tax

Tax rates for 2005-2007 reduced. 2005 at 80% of 8.5%. 2006 at 60%, and 2007 at 40%.

http://tax.ohio.gov/divisions/communications/publications/annual_reports/2007_Annual_Report/corporation_franchise_tax_07.pdf

http://tax.ohio.gov/divisions/corporation_franchise/documents/CFT_ScheduleofRates_2009_122908.pdf

Pennsylvania

Corrected 2002 from 10.0% to 9.99%

http://www.revenue.state.pa.us/revenue/lib/revenue/2002_rct-101.pdf

Tennessee

Corrected 2002 and 2003 from 6.0% to 6.5%

http://www.state.tn.us/taxstructurestudycommission/john_houston.pdf

Texas

Recorded as operating expense instead of income tax in 2006 for one railroad.

(See railroad comments.)

West Virginia

Corrected 2007 from 9.0% to 8.75%.

<http://www.state.wv.us/taxrev/uploads/Brochures/taxSavingChangesForWestVirginiaBusinesses.pdf>

527, or 4947 (a) (1) of the Internal Revenue Code, your organization is determined to qualify as an exempt organization pursuant to Section 40-18-32, as amended by the Corporate Income Tax Reform Act of 1985.

Your organization will not be required to file corporation income tax returns with the Alabama Department of Revenue for as long as it retains its exempt status under applicable Federal and State laws, unless it has unrelated business income. If it does have unrelated business taxable income, it should file a Form 20C with a copy of Federal Form 990T.

- **Does our corporation have nexus in Alabama ?**

Generally refer to Public Law 86-272 **Bright Line Test** to determine if you have nexus in Alabama. However, there are instances where a taxpayer would normally fall under Public Law 86-272 and may be required to file a corporate return.

- **What is the due date for filing a corporate income tax return?**

The return is due on the 15th day of the third month following the end of the tax period. Use Form 20C. Taxpayers have been granted one 6 month extension. Alabama is not tied to the federal due dates for cooperatives and non-profits.

- **Does Alabama accept the federal extension?**

Yes, for Form Years 2007 and prior, provided the federal extension is attached to the Alabama return when the return is filed. If tax will be due, an Alabama extension (form 20E) must be filed and the tax paid on or before the original due date of the 20C return in order to avoid penalties and interest. You can now file your Form 20E (Corporate Income Tax Extension) online. For Form Years 2008 and forward, an automatic six month extension has been granted to file the return. This extension does not extend the due date for the payment of tax. Make an extension/return payment (BIT-V) online.

- **Can a consolidated return be filed?**

For tax periods beginning before January 1, 1999 - No. Alabama's income tax laws and regulations specifically required each corporation to file a separate return with the department (§40-18-39(a) and Regulation 810-3-39-.01(5)).

For tax period beginning after December 31, 1998 - Yes. Alabama's Tax Conformity Act (Act 98-502) allows an Alabama "affiliated group" to elect to file a consolidated Alabama tax return, provided the "group" files a consolidated federal return for the same taxable year. An "Alabama affiliated group" means a group of corporations that constitute an affiliated group as defined in 26 U.S.C. § 1504, one or more members of which are subject to tax under §40-18-31.

For tax periods beginning after December 31, 2001 - Yes. Act 2001-1089(HB4) revised the Consolidated filing requirements in Alabama Code Section 40-18-39 for tax periods beginning after December 31, 2001. Alabama consolidated returns can only include Alabama "nexus" companies.

Each corporation included in the Alabama consolidated return must compute their Alabama taxable income on a separate company basis. Then, the taxable income of the Alabama group is combined to determine the tax due. The filing fee has also been increased from a maximum of \$12,500 to a \$25,000 maximum. This election is binding for 120 consecutive months. See the new consolidated corporate income tax return (Form 20C-C).

- **What is the corporate income tax rate?**

For tax years beginning January 1, 2001, the tax rate is 6.5%. For tax years prior to 2001, the tax rate was 5%.

For taxable year beginning ... and ending
Mail to: Arizona Department of Revenue, PO Box 29079, Phoenix AZ 85038-9079

CHECK ONE:
Calendar year [] Fiscal year []
Federal employer ID number (FEIN)
AZ withholding tax number
AZ transaction privilege tax number

Business telephone number
Please Type or Print
Name
Number and street or PO Box
City, or town, state, and ZIP code
Business activity code number (from federal Form 1120)

68 Check box if: [] This is a first return [] Name change [] Address change
A Is FEDERAL return filed on a consolidated basis? [] Yes [] No
B ARIZONA filing method: (Check only one) See instruction pages 2-3
1 [] Separate company 2 [] Combined (unitary group) 3 [] Consolidated
C If ARIZONA filing method is combined or consolidated, see Form 51 instructions
Are there any additions or deletions on Form 51? [] Yes [] No
D Is this the corporation's final ARIZONA return? [] Yes [] No
If yes, check one: Dissolved [] Withdrawn [] Merged/Reorganized []
List FEIN of the successor corporation, if any

FOR DOR USE ONLY
81 82 CHECK BOX IF:
Federal extension used to file return. 82 F []
66

Table with 39 rows and 3 columns: Line number, Description, Amount. Includes lines for taxable income, adjustments, tax liability, and payments.



ARIZONA FORM
120

Arizona Corporation Income Tax Return

2004

For taxable year beginning _____, and ending _____
Mail to: Arizona Department of Revenue, PO Box 29079, Phoenix AZ 85038-9079

CHECK ONE:
Calendar year Fiscal year

Employer identification number (EIN) _____

AZ withholding tax number _____

AZ transaction privilege tax number _____

Business telephone number _____ Business activity code number (from federal Form 1120) _____	Please Type or Print	Name _____
		Number and street or PO Box _____
		City, or town, state, and 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: (Check only one) See instruction pages 2-3
1 Separate company 2 Combined (unitary group) 3 Consolidated

C If ARIZONA filing method is combined or consolidated, see Form 51 instructions
Are there any additions or deletions on Form 51? Yes No

D Is this the corporation's final ARIZONA return? Yes No
If yes, check one: Dissolved Withdrawn Merged/Reorganized
List EIN of the successor corporation, if any _____

FOR DOR USE ONLY

81 _____ **66** _____

82 CHECK BOX IF: Federal extension used to file return. 82 F

1	Taxable income - per attached federal return	1	00
2	Additions to taxable income - from page 2, Schedule A, line A13.....	2	00
3	Total taxable income - add lines 1 and 2	3	00
4	Subtractions from taxable income - from page 2, Schedule B, line B13.....	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 3, Schedule D, line D8. 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 C 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 3, Schedule E, line E7. 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 NOL - from line 5 or line 12.....	13	00
14	Arizona basis net operating loss carryover - attach computation schedule	14	00
15	Arizona taxable income - subtract line 14 from line 13	15	00
16	Enter tax. Tax is 6.968 percent of line 15 or fifty dollars (\$50), whichever is greater	16	00
17	Tax from recapture of tax credits - from Form 300, Part II, line 25	17	00
18	Subtotal - add lines 16 and 17	18	00
19	Clean Elections Fund Tax Reduction. Check this box to send \$5 to the fund and reduce the tax (line 18) by \$5. Enter the amount of the tax reduction..... 19A <input type="checkbox"/>	19	00
20	Nonrefundable tax credits - from Arizona Form 300, Part II, line 48.....	20	00
21	Credit type - enter form number for each nonrefundable credit claimed .. [21] 3 3 3 3	21	00
22	Tax liability - subtract the sum of lines 19 and 20 from line 18	22	00
23	Clean Elections Fund Tax Credit. SEE INSTRUCTIONS BEFORE COMPLETING THIS LINE.....	23	00
24	Tax liability after Clean Elections Fund tax credit - subtract line 23 from line 22.....	24	00
25	Refundable tax credits - see instructions.....	25	00
26	Credit type - enter form number for each refundable credit claimed [26] 3 3	26	00
27	Retroactive consolidation tax payment credit - see instructions	27	00
28	Extension payment made with Form 120EXT - see instructions	28	00
29	Estimated tax payments - see instructions	29	00
30	Total payments - see instructions	30	00
31	Balance of tax due - If line 24 is larger than line 30, enter balance of tax due. Skip line 32.....	31	00
32	Overpayment of tax - If line 30 is larger than line 24, enter overpayment of tax	32	00
33	Penalty and interest	33	00
34	Estimated tax underpayment penalty. If Form 220 is attached, check box..... 34A <input type="checkbox"/>	34	00
35	Donation to Citizens Clean Elections Fund - see instructions	35	00
36	TOTAL DUE - payment must accompany return	36	00
37	OVERPAYMENT - see instructions	37	00
38	Amount of line 37 to be applied to 2005 estimated tax	38	00
39	Amount to be refunded - subtract line 38 from line 37	39	00



ARIZONA FORM
120

Arizona Corporation Income Tax Return

2005

For taxable year beginning _____, and ending _____
Mail to: Arizona Department of Revenue, PO Box 29079, Phoenix AZ 85038-9079

CHECK ONE:
Calendar year Fiscal year

Employer identification number (EIN) _____

AZ transaction privilege tax number _____

Business telephone number _____	Please Type or Print	Name _____
		Number and street or PO Box _____
		City, or town, state, and ZIP code _____
Business activity code number (from federal Form 1120)		

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: (Check only one) See instruction pages 1-2
1 Separate company 2 Combined (unitary group) 3 Consolidated

C If ARIZONA filing method is combined or consolidated, see Form 51 instructions
Are there any additions or deletions on Form 51? Yes No

D Is this the corporation's final ARIZONA return? Yes No
If yes, check one: Dissolved Withdrawn Merged/Reorganized
List EIN of the successor corporation, if any _____

82 CHECK BOX IF:
Federal extension used to file return. 82 F

FOR DOR USE ONLY

81 _____ **66** _____

1	Taxable income - per attached federal return	1	00
2	Additions to taxable income - from page 2, Schedule A, line A13.....	2	00
3	Total taxable income - add lines 1 and 2	3	00
4	Subtractions from taxable income - from page 2, Schedule B, line B13.....	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 3, Schedule D, line D8. 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 C 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 3, Schedule E, line E7. 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 NOL - from line 5 or line 12.....	13	00
14	Arizona basis net operating loss carryover - attach computation schedule	14	00
15	Arizona taxable income - subtract line 14 from line 13	15	00
16	Enter tax. Tax is 6.968 percent of line 15 or fifty dollars (\$50), whichever is greater.....	16	00
17	Tax from recapture of tax credits - from Form 300, Part II, line 20	17	00
18	Subtotal - add lines 16 and 17	18	00
19	Clean Elections Fund Tax Reduction. Check this box to send \$5 to the fund and reduce the tax (line 18) by \$5. Enter the amount of the tax reduction.....	19A <input type="checkbox"/>	00
20	Nonrefundable tax credits - from Arizona Form 300, Part II, line 39.....	20	00
21	Credit type - enter form number for each nonrefundable credit claimed ..	21	3 3 3
22	Tax liability - subtract the sum of lines 19 and 20 from line 18	22	00
23	Clean Elections Fund Tax Credit. SEE INSTRUCTIONS BEFORE COMPLETING THIS LINE.....	23	00
24	Tax liability after Clean Elections Fund tax credit - subtract line 23 from line 22	24	00
25	Refundable tax credits - see instructions.....	25	00
26	Credit type - enter form number for each refundable credit claimed	26	3 3
27	Retroactive consolidation tax payment credit - see instructions	27	00
28	Extension payment made with Form 120EXT - see instructions	28	00
29	Estimated tax payments - see instructions	29	00
30	Total payments - see instructions	30	00
31	Balance of tax due - If line 24 is larger than line 30, enter balance of tax due. Skip line 32.....	31	00
32	Overpayment of tax - If line 30 is larger than line 24, enter overpayment of tax	32	00
33	Penalty and interest	33	00
34	Estimated tax underpayment penalty. If Form 220 is attached, check box.....	34A <input type="checkbox"/>	00
35	Donation to Citizens Clean Elections Fund - see instructions	35	00
36	TOTAL DUE - payment must accompany return	36	00
37	OVERPAYMENT - see instructions	37	00
38	Amount of line 37 to be applied to 2006 estimated tax	38	00
39	Amount to be refunded - subtract line 38 from line 37.....	39	00



INCOME TAXES

CORPORATION AND UNINCORPORATED BUSINESS FRANCHISE TAXES

GENERAL LIABILITY:

The corporation franchise tax is imposed on corporations carrying on a trade, business or profession in the District or receiving income from District sources. Effective July 1, 1981, financial institutions became subject to the corporation franchise tax. Prior to this date these institutions were subject to a gross earning tax.

Whoever engages in a trade, business or profession in the District of Columbia must register. Failure to register may result in a fine of not more than \$500 and a civil penalty of \$50 for each and every separate day that such failure to register continues.

The tax on unincorporated businesses is imposed on businesses with gross receipts over \$12,000. A 30% salary allowance for owners and a \$5,000 exemption are deductible from net income to arrive at taxable income.

No person other than a corporation shall engage in or conduct a trade, business or profession, which is excluded from the imposition of the District of Columbia tax on unincorporated businesses and whose gross income for the calendar year is expected to exceed \$12,000, without first making application for a trade and business license. A person who fails to obtain a trade or business license may be fined not more than \$300 for each day that such failure continues.

Generally, persons exempt from filing an unincorporated business franchise tax return include trade, business, or professional organizations having a gross income not in excess of \$12,000 for the taxable year, and trade, business, or professional organizations, which by law, customs, or ethics cannot be incorporated, such as doctors and lawyers.

Federal conformity is maintained pursuant to Public Law 105-100. It continues the District's limited conformity with the Internal Revenue Code (IRC) of 1986 as amended through August 20, 1996.

D.C. Code Citation: Title 47, chapter 18.

PRESENT RATES: (January 1, 2003)

The franchise tax rate is 9.975 percent of taxable income, 9.5 percent rate plus a surtax equal to 5 percent of the base rate.

REVENUE:

Fiscal Year	Corporation	Unincorporated Business
2000	\$190,594,000	\$ 70,624,000
2001	\$233,237,000	\$ 68,812,000
2002	\$142,647,000	\$ 68,602,000
2003 (Est.)	\$137,065,000	\$ 63,892,000

Part III — Base income or loss allocable to Illinois

Complete Part III only if any portion of your base income or loss is derived outside Illinois.

- 1 Write your base income or loss from Part I, Line 7 1 _____
- 2 a Nonbusiness income or loss included in Part III, Line 1. (Attach Schedule NB.)
Short year filers only: If you are making the business income election, check this box and write zero here and on Part III, Line 7. (See instructions.) → 2a _____
 b Business income or loss from non-unitary partnerships, trusts, and estates included in Part III, Line 1. (See instructions.) 2b _____
- 3 Add Lines 2a and 2b. This is the total of your subtractions. 3 _____
- 4 Subtract Line 3 from Line 1. This is your business income or loss. 4 _____
- 5 Business income apportionment formula. (Insurance companies (I), financial organizations (F), and transportation companies (T) check the appropriate box and see Special Apportionment Formulas instr.) I F T
 a Total sales everywhere (cannot be negative) 5a _____
 b Total sales within Illinois (cannot be negative) 5b _____
 c Divide Line 5b by Line 5a. (Carry to six decimal places.)
 This is your apportionment factor. 5c . _____
- 6 Multiply Line 4 by Line 5c. This is your business income or loss apportionable to Illinois. 6 _____
- 7 Nonbusiness income or loss allocable to Illinois. (Attach Sch. NB.) If you checked the box on Line 2a, write zero here. 7 _____
- 8 Business income or loss apportionable to Illinois from non-unitary partnerships, trusts, and estates. (See instr.) 8 _____
- 9 Add Lines 6 through 8. This is your base income or net loss allocable to Illinois. Write here and on Part IV, Line 1. 9 _____

Part IV — Net income and replacement tax

- 1 Write your base income or loss from Part III, Line 9, if applicable; otherwise from Part I, Line 7. 1 _____
 Check this box if Line 1 is a loss and you are electing to only carry this loss forward. (See instructions.) → a
- 2 Illinois net loss deduction (NLD). (Attach Schedule NLD.) Write "0" if Line 1 is zero or negative. 2 _____
- 3 Subtract Line 2 from Line 1 (cannot be less than zero). This is your income after NLD. 3 _____
- 4 Write your total base income or loss from Part I, Line 7. 4 _____
- 5 Divide Line 1 by Line 4. If Line 1 equals or exceeds Line 4, write "1." 5 _____
- 6 Multiply Line 5 by \$1,000. This is your standard exemption. If you are a short year filer, see General Information. 6 _____
- 7 Subtract Line 6 from Line 3. This is your net income. Write here and on **Part V, Line 1**. 7 _____
- 8 a Multiply Line 7 by 2.5% (.025). This is your replacement tax. 8a _____
 b Recapture of investment credits from Schedule 4255. (See instructions.) 8b _____
- 9 Add Lines 8a and 8b. This is your total replacement tax before investment credits. 9 _____
- 10 Investment credits from Form IL-477. (Attach Form IL-477. See instructions.) 10 _____
- 11 Subtract Line 10 from Line 9 (cannot be less than zero.) This is your net replacement tax. Write here and on Part II, Line 1. 11 _____

Part V — Income tax

- 1 Write the net income from Part IV, Line 7 1 _____
- 2 a Multiply Line 1 by 4.8% (.048). This is your income tax. 2a _____
 b Recapture of investment credits from Schedule 4255. (See instructions.) 2b _____
- 3 Add Lines 2a and 2b. This is your total income tax before credits. 3 _____
- 4 a Income tax credits from Schedule 1299-D (Attach Schedule 1299-D.) 4a _____
 b Credit for replacement tax paid (from worksheet, see instructions) 4b _____
 c Carryforward of credit for replacement tax paid (from worksheet) 4c _____
- 5 Add Lines 4a through 4c. This is the total of your credits. 5 _____
- 6 Subtract Line 5 from Line 3 (cannot be less than zero). This is your net income tax. Write here and on Part II, Line 2. 6 _____

Part VI — This information must be completed by all taxpayers.

- 1 Check the method of accounting used in preparing this return.
 Cash Accrual Other (Specify: _____)
- 2 Write the state where your corporation's trade or business is principally directed or managed. State: _____
- 3 Write the city and state where your corporation's accounting records are kept. City: _____ State: _____
- 4 Write the Illinois address of your principal place of business.
 Address: _____
 City: _____ State: IL ZIP: _____
- 5 Write the date of incorporation and state:
 Date: ____/____/____ State: _____
 Write your principal business activity: _____
- 6 If this is your **final return**, complete the date the business was
 discontinued ____/____/____ or
 sold ____/____/____
 Write the new owner's name: _____
- 7 Write the date and amount of all 2002 Illinois estimated income and replacement tax payments made.
 1st ____/____/____ \$ _____
 2nd ____/____/____ \$ _____
 3rd ____/____/____ \$ _____
 4th ____/____/____ \$ _____
Credit from 2001 \$ _____
Total \$ _____

Part III — Base income or loss allocable to Illinois

Complete Part III only if any portion of your base income or loss is derived outside Illinois.

- 1 Write your base income or loss from Part I, Line 7 1 _____
- 2 a Nonbusiness income or loss included in Part III, Line 1. (Attach Schedule NB.)
If you are making the business income election, check this box and write zero here and on Part III, Line 7. (See instructions.) → 2a _____
- b Business income or loss from non-unitary partnerships, trusts, and estates included in Part III, Line 1. (See instructions.) 2b _____
- 3 Add Lines 2a and 2b. This is the total of your subtractions. 3 _____
- 4 Subtract Line 3 from Line 1. This is your business income or loss. 4 _____
- 5 Business income apportionment formula. (Insurance companies (I), financial organizations (F), and transportation companies (T) check the appropriate box and see Special Apportionment Formulas instr.) I F T
- a Total sales everywhere (cannot be negative) 5a _____
- b Total sales within Illinois (cannot be negative) 5b _____
- c Divide Line 5b by Line 5a. (Carry to six decimal places.)
This is your apportionment factor. 5c . _____
- 6 Multiply Line 4 by Line 5c. This is your business income or loss apportionable to Illinois. 6 _____
- 7 Nonbusiness income or loss allocable to Illinois. (Attach Sch. NB.) If you checked the box on Line 2a, write zero here. 7 _____
- 8 Business income or loss apportionable to Illinois from non-unitary partnerships, trusts, and estates. (See instr.) 8 _____
- 9 Add Lines 6 through 8. This is your base income or net loss allocable to Illinois. Write here and on Part IV, Line 1. 9 _____

Part IV — Net income and replacement tax

- 1 Write your base income or loss from Part III, Line 9, if applicable; otherwise from Part I, Line 7. 1 _____
- 2 Illinois net loss deduction (NLD). (Attach Schedule NLD.) Write "0" if Line 1 is zero or negative. 2 _____
- 3 Subtract Line 2 from Line 1 (cannot be less than zero). This is your net income after NLD.
Write the total amount here and on Part V, Line 1. 3 _____
- 4 a Multiply Line 3 by 2.5% (.025). This is your replacement tax. 4a _____
- b Recapture of investment credits from Schedule 4255. (See instructions.) 4b _____
- 5 Add Lines 4a and 4b. This is your total replacement tax before investment credits. 5 _____
- 6 Investment credits from Form IL-477. (Attach Form IL-477. See instructions.) 6 _____
- 7 Subtract Line 6 from Line 5 (cannot be less than zero.) This is your net replacement tax.
Write here and on Part II, Line 1. 7 _____

Part V — Income tax

- 1 Write the net income from Part IV, Line 3. 1 _____
- 2 a Multiply Line 1 by 4.8% (.048). This is your income tax. 2a _____
- b Recapture of investment credits from Schedule 4255. (See instructions.) 2b _____
- 3 Add Lines 2a and 2b. This is your total income tax before credits. 3 _____
- 4 Write your total income tax credits from Schedule 1299-D. (Attach Schedule 1299-D.) 4 _____
- a High Impact Businesses only: Write the amount of your Jobs Tax Credit from Schedule 1299-D. 4a _____
- b Write the amount of your High Impact Business Investment Credit from Schedule 1299-D. 4b _____
- c Write the amount of your EDGE Tax Credit from Schedule 1299-D. 4c _____
- 5 Subtract Line 4 from Line 3 (cannot be less than zero). This is your net income tax. Write here and on Part II, Line 2. 5 _____

Part VI — This information must be completed by all taxpayers.

- 1 Check the method of accounting used in preparing this return.
 Cash Accrual Other (Specify: _____)
- 2 Write the state where your corporation's trade or business is principally directed or managed. State: _____
- 3 Write the city and state where your corporation's accounting records are kept. City: _____ State: _____
- 4 Write the Illinois address of your principal place of business.
Address: _____
City: _____ State: IL ZIP: _____
- 5 Write the date of incorporation and state:
Date: ____/____/____ State: _____
Write your principal business activity: _____
- 6 If this is your final return, complete the date the business was
 discontinued ____/____/____ or
 sold ____/____/____
Write the new owner's name: _____
- 7 Write the date and amount of all 2003 Illinois estimated income and replacement tax payments made.

1st	____/____/____	\$	_____
2nd	____/____/____	\$	_____
3rd	____/____/____	\$	_____
4th	____/____/____	\$	_____
Credit from 2002		\$	_____
Total		\$	_____

IL-1120 back (R-12/03)



Indiana

Corporate Tax Rate History

Gross Income Tax (general corporations)

Month - Year	High Rate	Low Rate
05/1933 - 06/1963	1.00 %	.2500%
07/1963 - 03/1973	2.00%	.5000%
04/1973 - 12/1973	1.90%	.4750%
1974	1.80%	.4500%
1975	1.70%	.4250%
1976	1.60%	.4000%
1977	1.55%	.3875%
1978	1.50%	.3750%
1979	1.45%	.3623%
1980	1.40%	.3500%
1981	1.35%	.3375%
1982 - 1984	1.30%	.3250%
1985	1.25%	.3125%
1986 - 2002	1.20%	.3000%
2003	0%	0%
		(repealed 01-01-2003)

Adjusted Gross Income Tax (general corporations, non-financial Institutions)

Month - Year Rate

07/1963 - 1972	2.0%
1973 - 1986	3.0%
1987	3.2%
	(3.4% effective rate July 1, 1987)
07/1987 - 2002	3.4%
2003 - Present	8.5%

Supplemental Net Income Tax (all corporations, financial institutions until 1989)

Month - Year Rate

1973 - 1974	2.0%
1975 - 1976	2.5%
1977 - 1980	3.0%
1982 - 1986	4.0%
1987 - 2002	4.5%
2003	0%
	(repealed 01-01-2003)

Financial Institutions Tax (replaced former bank taxes)

Month - Year Rate

1990 - Present	8.5%
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Utility Receipts Tax (retail sales of utility services)

Month - Year Rate

2003 - Present	1.4%
----------------	------

KS 2006

150106

20. Kansas taxable income (Subtract line 18 from line 17 or enter line 19, as applicable)	20		
21. Normal tax (4% of line 20)	21	.	
22. Surtax (3.35% of line 20 in excess of \$50,000)	22	.	
23. Total tax (Add lines 21 and 22. If filing combined, use line 22 of K-121.)	23	.	
24. Total nonrefundable credits (Part I, line 26; cannot exceed amount on line 23)	24	.	
25. Balance (Subtract line 24 from line 23; cannot be less than zero)	25	.	
26. Estimated tax paid and amount credited forward (Part II, line 4)	26	.	<p>If this is your ORIGINAL Kansas return, skip lines 30 and 31 and continue to line 32.</p> <p>If this is your AMENDED Kansas return, complete lines 30 and 31 before continuing to line 32.</p>
27. Other tax payments (Enclose separate schedule and any applicable K-19 forms)	27	.	
28. Business machinery & equipment property tax credit; see instructions	28	.	
29. Total of all other refundable credits (Part I, line 35. Do not include the business machinery & equipment property tax credit amount)	29	.	
30. Payment remitted with original return; see instructions)	30	.	
31. Overpayment from original return (This figure is a subtraction; see instructions)	31	-	
32. Total prepaid credits (Add lines 26 through 30 and subtract line 31)	32	.	
33. Balance due (If line 25 exceeds line 32)	33	.	
34. Interest	34	.	
35. Penalty	35	.	
36. Estimated tax penalty If annualizing to compute penalty, check this box <input type="checkbox"/>	36	.	
37. Total tax, interest & penalty due (Add lines 33 through 36). Complete Form K-120V and enclose it with your payment.	37	.	
38. Overpayment (If line 25 plus line 36 is less than line 32)	38	.	
39. Refund. Enter the amount of line 38 you wish to be refunded.	39	.	
40. Credit Forward. Enter the amount of line 38 (original return only) you wish to be applied to 2007 estimated tax. (Line 40 cannot exceed the total of lines 26 & 27)	40	.	

I authorize the Director of Taxation or the Director's designee to discuss my return and enclosures with my preparer.

I declare under the penalties of perjury that to the best of my knowledge this is a true, correct, and complete return.

sign here

Signature of officer	Title	Date
Individual or firm signature of preparer	Address and Phone Number	Date

NOTE: You are not required to send a copy of your entire federal return. See instructions for the list of federal forms required to accompany the state return.

Mail to: Kansas Corporate Tax
Kansas Department of Revenue
915 SW Harrison Street
Topeka, KS 66699-4000

KS 2005

150105

20. Kansas taxable income (Subtract line 18 from line 17 or enter line 19, as applicable)	20		
21. Normal tax (4% of line 20)	21	.	
22. Surtax (3.35% of line 20 in excess of \$50,000)	22	.	
23. Total tax (Add lines 21 and 22. If filing combined, use line 22 of K-121.)	23	.	
24. Total nonrefundable credits (Part I, line 18; cannot exceed amount on line 23)	24	.	
25. Balance (Subtract line 24 from line 23; cannot be less than zero)	25	.	
26. Estimated tax paid and amount credited forward (Part II, line 4)	26	.	<p>If this is your ORIGINAL Kansas return, skip lines 30 and 31 and continue to line 32.</p> <p>If this is your AMENDED Kansas return, complete lines 30 and 31 before continuing to line 32.</p>
27. Other tax payments (Enclose separate schedule and any applicable K-19 forms)	27	.	
28. Business machinery & equipment property tax credit; see instructions	28	.	
29. Total of all other refundable credits (Part I, line 28. Do not include the business machinery & equipment property tax credit amount)	29	.	
30. Payment remitted with original return; see instructions)	30	.	
31. Overpayment from original return (This figure is a subtraction; see instructions)	31	-	
32. Total prepaid credits (Add lines 26 through 30 and subtract line 31)	32	.	
33. Balance due (If line 25 exceeds line 32)	33	.	
34. Interest	34	.	
35. Penalty	35	.	
36. Estimated tax penalty If annualizing to compute penalty, check this box <input type="checkbox"/>	36	.	
37. Total tax, interest & penalty due (Add lines 33 through 36). Complete Form K-120V and enclose it with your payment.	37	.	
38. Overpayment (If line 25 plus line 36 is less than line 32)	38	.	
39. Refund. Enter the amount of line 38 you wish to be refunded.	39	.	
40. Credit Forward. Enter the amount of line 38 (original return only) you wish to be applied to 2006 estimated tax. (Line 40 cannot exceed the total of lines 26 & 27).	40	.	

I authorize the Director of Taxation or the Director's designee to discuss my return and enclosures with my preparer.

I declare under the penalties of perjury that to the best of my knowledge this is a true, correct, and complete return.

sign here

Signature of officer	Title	Date
Individual or firm signature of preparer	Address and Phone Number	Date

NOTE: You are not required to send a copy of your entire federal return. See instructions for the list of federal forms required to accompany the state return.

Mail to: Kansas Corporate Tax
Kansas Department of Revenue
915 SW Harrison Street
Topeka, KS 66699-4000

KS 2004

150104

20. Kansas taxable income (Subtract line 18 from line 17 or enter line 19, as applicable)	20	.	
21. Normal tax (4% of line 20)	21	.	
22. Surtax (3.35% of line 20 in excess of \$50,000)	22	.	
23. Total tax (Add lines 21 and 22. If filing combined, use line 22 of K-121.)	23	.	
24. Total nonrefundable credits (Part I, line 16; cannot exceed amount on line 23)	24	.	
25. Balance (Subtract line 24 from line 23; cannot be less than zero)	25	.	
26. Estimated tax paid and amount credited forward (Part II, line 4)	26	.	If this is your ORIGINAL Kansas return, skip lines 30 and 31 and continue to line 32. If this is your AMENDED Kansas return, complete lines 30 and 31 before continuing to line 32.
27. Other tax payments (Enclose separate schedule and any applicable K-19 forms)	27	.	
28. Business machinery & equipment property tax credit; see instructions	28	.	
29. Total of all other refundable credits (Part I, line 25. Do not include the business machinery & equipment property tax credit amount)	29	.	
30. Payment remitted with original return (see instructions)	30	.	
31. Overpayment from original return (This figure is a subtraction; see instructions)	- 31	.	
32. Total prepaid credits (Add lines 26 through 30 and subtract line 31)	32	.	
33. Balance due (If line 25 exceeds line 32)	33	.	
34. Interest	34	.	
35. Penalty	35	.	
36. Estimated tax penalty If annualizing to compute penalty, check this box <input type="checkbox"/>	36	.	
37. Total tax, interest & penalty due (Add lines 33 through 36). Complete Form K-120V and enclose it with your payment.	37	.	
38. Overpayment (If line 25 plus line 36 is less than line 32)	38	.	
39. Refund. Enter the amount of line 38 you wish to be refunded.	39	.	
40. Credit Forward. Enter the amount of line 38 (original return only) you wish to be applied to 2005 estimated tax. (Line 40 cannot exceed the total of lines 26 & 27).	40	.	

I authorize the Director of Taxation or the Director's designee to discuss my return and enclosures with my preparer.

I declare under the penalties of perjury that to the best of my knowledge this is a true, correct, and complete return.

sign here

Signature of officer	Title	Date
Individual or firm signature of preparer	Address and Phone Number	Date

NOTE: You are not required to send a copy of your entire federal return. See instructions for the list of federal forms required to accompany the state return.

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Mail to: Kansas Corporate Tax
Kansas Department of Revenue
915 SW Harrison Street
Topeka, KS 66699-4000

KS 2002

150102

Enter the taxable income from line 20 _____

21. Normal tax (4% of line 20).....	21	.	
22. Surtax (3.35% of line 20 in excess of \$50,000).....	22	.	
23. Total tax (Add lines 21 and 22. If filing combined, use line 22 of K-121.)	23	.	
24. Total nonrefundable credits (Part I, line 14; cannot exceed amount on line 23)	24	.	
25. Balance (Subtract line 24 from line 23; cannot be less than zero)	25	.	
26. Estimated tax paid and amount credited forward (Part II, line 4)	26	.	
27. Amount paid with Kansas extension (Separate schedule)	27	.	
28. Business machinery & equipment property tax credit (See instr.)	28	.	
29. Total of all other refundable credits (Part I, line 22. Do not include the business machinery & equipment property tax credit amount)	29	.	
30. Total prepaid credits (Add lines 26, 27, 28 and 29)	30	.	
31. Balance due (If line 25 exceeds line 30)	31	.	
32. Interest	32	.	
33. Penalty	33	.	
34. Estimated tax penalty	34	.	
(If annualizing to compute penalty, check this box) <input type="checkbox"/>			
35. Total tax, interest & penalty due (Add lines 31, 32, 33 and 34)	35	.	
36. Overpayment (If line 25 plus line 34 is less than line 30)	36	.	
37. Refund (Amount of line 36 you wish to be refunded)	37	.	
38. Credit Forward (Amount of line 36 you wish to be credited to 2003 estimated tax). (Line 38 cannot exceed the total of lines 26 & 27)	38	.	

I authorize the Director of Taxation or the Director's designee to discuss my return and enclosures with my preparer.

I declare under the penalties of perjury that to the best of my knowledge this is a true, correct, and complete return.

sign here	_____	_____	_____
	Signature of officer	Title	Date
	_____	_____	_____
	Individual or firm signature of preparer	Address	Date

NOTE: You are not required to send a copy of your entire federal return. See instructions for the list of federal forms required to accompany the state return.

Mail to: Kansas Corporate Tax
Kansas Department of Revenue
915 SW Harrison Street
Topeka, KS 66699-4000



2005 KENTUCKY CORPORATION INCOME TAX RETURN

On March 18, 2005, Governor Ernie Fletcher signed into law House Bill 272, the most sweeping tax change in the history of the Commonwealth. Corporation income and license tax changes in the bill include a repeal of the license tax and a reduction in the top corporation income tax rate. The instructions on the following pages provide details of the corporation income and license tax law changes. The Department of Revenue looks forward to explaining the law changes to you. You can find additional information about House Bill 272 at our Web site at www.revenue.ky.gov. Please call us at (502) 564-8139 if you have any questions.

PURPOSE OF THE FORMS—These instructions have been designed for corporations as defined in KRS 141.010(24), other than pass-through corporations, which are required by law to file a Kentucky corporation income tax return. The pass-through corporations will use the forms designed specifically for these types of entities. Refer to the chart on page 3 to determine what corporation income tax form your business needs to file.

HOW TO OBTAIN ADDITIONAL FORMS—Forms and instructions are available at some libraries, post offices, courthouses, banks and all Kentucky Taxpayer Service Centers (see page 13). They may also be obtained by writing FORMS, Department of Revenue, Frankfort, KY 40620, or by calling (502) 564-3658. Forms can be downloaded from www.revenue.ky.gov. Refer to the instructions on scannable forms for information on the use of faxed copies.

KENTUCKY TAX LAW CHANGES

CORPORATION LICENSE TAX

Repealed—(Effective for tax periods ending on or after December 31, 2005.) The corporation license tax is repealed. Returns and tax for prior periods remain due. **KRS 136.070**

A corporation license tax return due without regard to extension on or after April 15, 2004 for a corporation, other than a bank holding company, that holds directly or indirectly stock in other corporations equal to or greater than 50 percent of its total assets may compute its capital employed based upon: (1) a consolidated license tax return that includes the parent and all subsidiary corporations in which the parent owns more than 50 percent of the outstanding stock; or (2) a separate license tax return and deducting the book value of its investment in the stock and securities of any corporation in which it owns more than 50 percent of the outstanding stock. **KRS 136.071**

CORPORATION INCOME TAX

Rate Reduction—(Effective for tax periods beginning on or after January 1, 2005.) The top corporate rate is reduced and lower brackets expanded. The 4 percent bracket applies to the first \$50,000 of taxable net income and the 5 percent bracket applies to taxable net income between \$50,001 and \$100,000. For taxable years beginning on or after January 1, 2005, and prior to January 1, 2007, the top corporate rate will be 7 percent on all taxable net income over \$100,000. For tax years beginning on or after January 1, 2007, the top rate will be 6 percent on all taxable net income over \$100,000. **KRS 141.040**

Corporation Income Tax Base Expansion—(Effective for tax periods beginning on or after January 1, 2005.) The corporation income tax base is expanded to include all limited liability entities

(corporations, LLPs, LLCs, including single member LLCs, limited partnerships, and S corporations). General partnerships and sole proprietorships will not be subject to the expanded corporation income tax. Publicly traded partnerships and their limited partnership and limited liability company affiliates will be taxed as general partnerships. A pass-through entity subject to corporation income tax does not pass through income, loss or credit to other entities subject to corporation income tax. Individual partners, members or shareholders of pass-through entities subject to corporation income tax will receive credit for tax paid at the entity level. **KRS 141.010 and KRS 141.040**

Reference to Internal Revenue Code (IRC)—(Effective for tax periods beginning on or after January 1, 2005, except where otherwise indicated.) The IRC reference date is updated to December 31, 2004, except that depreciation and Section 179 expenses are calculated based on the IRC in effect on December 31, 2001, and the federal NOL carryback provisions do not apply. By updating the reference date, Kentucky's tax laws conform more closely with federal laws, providing ease of filing for taxpayers and ease of administration for the Department of Revenue. **KRS 141.010**

Alternative Minimum (AMC)—(Effective for tax periods beginning on or after January 1, 2005.) Taxpayers must pay the greater of the income tax, the alternative minimum tax or \$175. Taxpayers must select between the lesser of the two methods to calculate the alternative minimum: 9.5 cents per \$100 of the corporation's gross receipts or 75 cents per \$100 of the corporation's Kentucky gross profits. Kentucky gross profits mean Kentucky gross receipts reduced by returns and allowances attributable to Kentucky gross receipts, less Kentucky cost of goods sold. Cost of goods sold includes direct labor and the cost of specialized transportation for gasoline and special fuels. **KRS 141.040**

Form P.S.1 Instructions

Who Must File a Public Service Corporation Franchise Tax Return?

All utility corporations subject to Massachusetts General Laws (MGL) Ch. 63, sec. 52A, and which do any or all of their business in Massachusetts must complete and file Massachusetts Form P.S.1. Utility corporations are as follows:

- Every incorporated electric company and gas company subject to MGL Ch. 164;
- Every incorporated water company and aqueduct company subject to MGL Ch. 165;
- Every incorporated telephone and telegraph company subject to MGL Ch. 166;
- Every incorporated railroad and railway company subject to MGL Ch. 160 and every corporation qualified under said MGL Ch. 160, sec. 131A to acquire, own and operate terminal facilities from steam, electric or other types of railroad;
- Every incorporated street railway subject to MGL Ch. 161;
- Every incorporated electric railroad subject to MGL Ch. 162;
- Every incorporated trackless trolley company subject to MGL Ch. 163;
- Every domestic or foreign pipeline corporation engaged in the transportation or sale of natural gas within the Commonwealth; or
- Every foreign corporation which is not subject to the above chapters, but which does an electric, gas, water, aqueduct, telephone, telegraph, railroad, railway, electric railroad, trackless trolley or bus business within the Commonwealth and has, prior to January 1, 1952, been subject to taxation under MGL Ch. 63, secs. 53–60.

When Must Form P.S.1 Be Filed?

Form P.S.1 must be filed on or before the 15th day of the 3rd month after the close of the utility corporation's taxable year. A late return incurs a penalty of 1% per month (or fraction thereof), up to a maximum of 25% of the tax due. The penalty for late payment of the tax is ½% per month (or fraction thereof) of the balance due, up to a maximum of 25%.

Can a Corporation Get an Extension of Time to File?

Yes. Utility corporations may request a six-month extension of time to file Form P.S.1 by submitting Massachusetts Form 355-7004 Misc. on or before the original due date of the return. At or before the time of filing Form 355-7004 Misc., the utility corporation must pay in full the estimated tax due. Failure to pay at least 50% of the total tax due as shown on your return will result in the voiding of the extension and the imposition of a late filing penalty.

What Is a Valid Return?

A valid return is a return upon which all required amounts have been entered in all appropriate lines on all forms. Data sheets, account forms or other schedules may be enclosed to explain amounts entered on the forms. However, referencing items to enclosures in lieu of properly entering all amounts onto the return is not sufficient.

A properly filed return must also include exact and complete copies of all four pages of the corporation's U.S. Form 1120 or 1120A. Copies of all accompanying schedules and supplemental statements must be enclosed.

Reproduction of returns must be approved by the DOR prior to filing and meet the criteria provided in Technical Information Release 95-8. Please address form approvals to The Banking and Insurance Unit, PO Box 7052, Boston, MA 02204.

Failure to meet any of the requirements detailed in this section may result in a penalty for filing an insufficient return. Such penalties may be assessed at double the amount of the tax due.

When Must a Corporation Pay Estimated Taxes?

Any utility corporation which reasonably estimates its franchise tax to be more than \$1,000 must pay estimated taxes. Payments must be made in quarterly installments of 40%, 25%, 25% and 10% of the estimated annual tax liability.

Note: New corporations in their first full taxable year with less than 10 employees have different estimated payment percentages — 30%, 25%, 25% and 20% respectively.

Public Utility companies that underpay, or fail to pay, their estimated taxes may incur an additional penalty on the amount of the underpayment for the period of the underpayment. Form M-2220, Underpayment of Massachusetts Estimated Tax by Corporations, is used to compute the additional charge.

Any corporation having \$1 million or more of federal taxable income in any of its three preceding taxable years (as defined in section 6655 (g) of the IRC) may only use its prior year's tax liability to calculate its first quarterly estimated tax payment. Any reduction in the first installment payment that results from using this method must be added to the second installment payment.

How Is the Corporation Franchise Tax Determined?

The tax for utility corporations is 6½% of net income. For tax purposes, net income is gross income from all sources, without exclusion, other than dividends from investment in 80% or more of the voting stock of another utility corporation, less deductions allowed by the Internal Revenue Code in effect for the taxable year. Deductions are not allowed for dividends received, losses sustained in other taxable years, and income, franchise and capital stock taxes. Any credits allowed under the Internal Revenue Code for the taxable year are not allowed in Massachusetts.

Are Combined Returns Allowed?

No. Public service corporations are **not** allowed to participate in the filing of combined returns.

Line Instructions

If your return is not for the calendar year, enter at the top of the form the dates of your taxable year. If the return covers less than a full fiscal year, the taxable year is the twelve month period ending with the close of the period covered by the return.

Should the Whole Dollar Method be Used?

Yes. All amounts entered on Form P.S.1 must be rounded off to the nearest dollar.

Registration Information

If your corporation has undergone a federal audit for some prior year, you must report any changes to Massachusetts on Form CA-6. You must report any federal audit changes within three months after the final determination of the correct taxable income by the IRS. Otherwise, you will be subject to a penalty. If the federal change results in less tax due to Massachusetts than was assessed or paid, you may apply for abatement under the federal change rules within one year of the final federal determination. Answering "yes" to this question does not relieve the utility corporation from this filing obligation.

If the utility corporation is requesting alternative apportionment under Chapter 63, sec. 42, check the box and enclose Form AA-1. Schedule O must also be completed and the tax paid according to the statutory three-factor formula. However, alternative treatment may be requested and a refund will be issued if such treatment is granted by the Commissioner. For further information, see MGL Chapter 63, sec. 42 or 830 CMR 63.42.1.



STATE OF NORTH DAKOTA
OFFICE OF STATE TAX COMMISSIONER
Cory Fong, Commissioner

North Dakota Corporation Income Tax Brackets and Rates

For taxable years beginning on or after January 1, 2007 -

North Dakota taxable income:	<u>over</u>	<u>but not over</u>	
	\$0	\$3,000	2.60% of North Dakota taxable income
	\$3,000	\$8,000	\$78 + 4.10% of the amount over \$3,000
	\$8,000	\$20,000	\$283 + 5.60% of the amount over \$8,000
	\$20,000	\$30,000	\$955 + 6.40% of the amount over \$20,000
	Over \$30,000		\$1,595 + 6.50% of the amount over \$30,000

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 their North Dakota taxable income.

For taxable years beginning on or after January 1, 2004 and prior to January 1, 2007

North Dakota taxable income	<u>over</u>	<u>but not over</u>	
	\$0	\$3,000	2.60% of North Dakota taxable income
	\$3,000	\$8,000	\$78 + 4.10% of the amount over \$3,000
	\$8,000	\$20,000	\$283 + 5.60% of the amount over \$8,000
	\$20,000	\$30,000	\$955 + 6.40% of the amount over \$20,000
	Over \$30,000		\$1,595 + 7.00% of the amount over \$30,000

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 their North Dakota taxable income.

For taxable years beginning on or after January 1, 1983 and prior to January 1, 2004

North Dakota taxable income	<u>over</u>	<u>but not over</u>	
	\$0	\$3,000	3.00% of North Dakota taxable income
	\$3,000	\$8,000	\$90 + 4.50% of the amount over \$3,000
	\$8,000	\$20,000	\$315 + 6.00% of the amount over \$8,000
	\$20,000	\$30,000	\$1,035 + 7.50% of the amount over \$20,000
	\$30,000	\$50,000	\$1,785 + 9.00% of the amount over \$30,000
	\$50,000		\$3,585 + 10.50% of the amount over \$50,000

For taxable years beginning on or after January 1, 1981 and prior to January 1, 1983

North Dakota taxable income:	<u>over</u>	<u>but not over</u>	
	\$0	\$3,000	2.00% of North Dakota taxable income
	\$3,000	\$8,000	\$60 + 3.00% of the amount over \$3,000
	\$8,000	\$20,000	\$210 + 4.00% of the amount over \$8,000
	\$20,000	\$30,000	\$690 + 5.00% of the amount over 20,000
	\$30,000	\$50,000	\$1,190 + 6.00% of the amount over \$30,000
	\$50,000		\$2,390 + 7.00% of the amount over \$50,000

For taxable years beginning on or after January 1, 1978 and prior to January 1, 1981

North Dakota taxable income:	<u>over</u>	<u>but not over</u>	
	\$0	\$3,000	3.00% of North Dakota taxable income
	\$3,000	\$8,000	\$90 + 4.00% of the amount over \$3,000
	\$8,000	\$15,000	\$290 + 5.00% of the amount over \$8,000
	\$15,000	\$25,000	\$640 + 6.00% of the amount over \$15,000
	\$25,000		\$1,240 + 8.50% of the amount over \$25,000

For taxable years beginning on or after January 1, 1937 and prior to January 1, 1978

North Dakota taxable income:	<u>over</u>	<u>but not over</u>	
	\$0	\$3,000	3.00% of North Dakota taxable income
	\$3,000	\$8,000	\$90 + 4.00% of the amount over \$3,000
	\$8,000	\$15,000	\$290 + 5.00% of the amount over \$8,000
	\$15,000		\$640 + 6.00% of the amount over \$15,000

For taxable years beginning on or after January 1, 1923 and prior to January 1, 1937

The state's corporation income tax rate was 3.0% on North Dakota taxable income

Corporation Franchise Tax

OH

Ohio is in the process of phasing out the corporation franchise tax for most taxpayers in favor of the new commercial activity tax (CAT).

The corporation franchise tax is a business privilege tax that dates back to 1902. Current law requires most taxpayers to compute the tax on both net worth and net income and pay on the base that produces the higher tax (see exhibits 1 and 2 for examples of these calculations). The net worth rate is 4 mills; the net income rate is 5.1 percent on the first \$50,000 of net income and 8.9 percent on remaining net income.

The corporation franchise tax for financial institutions is computed differently: financial institutions pay no tax based on net income but pay 13 mills based on net worth. In addition, financial institutions must follow a different apportionment formula than general corporations.

All corporations except family farm corporations and financial institutions are also subject to a litter tax based on either net worth or net income.

In Fiscal Year 2007, the corporation franchise tax generated about \$1,125.6 million in total revenue. Of that amount, about \$1,076.5 million, or 95.6 percent, was distributed to the General Revenue Fund. The Local Government Fund received \$41.5 million or 3.7 percent; and \$5.9 million or 0.5 percent was distributed to the Local Government Revenue Assistance Fund. The amount distributed to each fund was established by House Bill 66, the biennium budget bill for FY 2006-2007.

The tables in this chapter provide data from the 2006 tax year taken from reports due and filed in 2006. For all corporations except financial institutions, the reported tax liability (including litter tax) before credits, the 20 percent phase-out factor, and the manufacturing grant, was \$1,238.8 million. After tax credits, the manufacturing grant, and the 20 percent phase-out factor, the liability was \$827.4 million.

Data on financial institutions are reported separately from general corporations and are shown in the final table. Financial institutions reported tax liability before credits of \$164.4 million for the 2006 tax year.

Of the total tax liability before credits for general corporations, about 83 percent came from net income taxpayers. Of all corporation franchise taxpayers, approximately 21 percent paid tax on net income, 29 percent paid tax on net worth, and the remaining 50 percent paid the minimum tax.

Of financial institutions, banks filed 63 percent of all returns and paid 73 percent of the total tax liability. Savings and loans filed 25 percent of returns and paid 23 percent

of the total liability. Other types of financial institutions accounted for the balance of returns and tax liability.

Franchise Tax Phase-Out:

For most taxpayers, the franchise tax is being phased out in 20 percent increments during the 2006 through 2010 franchise tax report years (for business activities in the taxable years ending in 2005 through 2009). As a result, the 2009 franchise tax report, based on the taxpayer's taxable year ending in 2008, will be the last franchise tax report for most taxpayers.

The phase-out of the franchise tax does not apply to:

- financial institutions and certain affiliates of financial institutions when such affiliates are engaged in financial institution-type activities;
- certain affiliates of insurance companies when such affiliates are engaged in insurance-type activities; and
- securitization companies.

Those entities remain subject to the franchise tax unless otherwise exempt under Ohio Revised Code 5733.09, and they will not be subject to the CAT.

The phase-out applies to all other franchise taxpayers. During the phase-out, a corporation will pay either the minimum tax (\$50 for small companies and \$1,000 for large companies), or its computed tax, whichever is greater. In computing its corporation franchise tax, a corporation may take any nonrefundable credits first (except for the pass-through entity tax credit). The remaining liability is then reduced each year by a percentage: 20 percent for 2006, 40 percent for 2007, 60 percent for 2008, and 80 percent for 2009. The pass-through entity tax credit (which is not subject to the phase-out), the manufacturer's grant and the refundable tax credits are then taken after making that calculation. For most corporations, there will be no franchise tax payable for tax year 2010 and forward.

Most corporations may continue to claim any unused net operating loss carry forwards on their franchise tax report during the phase-out period. However, certain companies with Ohio net operating losses in excess of \$50 million will be allowed to claim a portion of their unused net operating losses and other net deferred tax assets as a credit against the commercial activity tax. That portion of the net operating losses on which the taxpayer claims the CAT credit cannot be deducted on the franchise report. But net operating losses not in excess of \$50 million can continue to be deducted during the franchise tax phase-out period.

Additionally, taxpayers subject to the franchise tax phase-out and the CAT phase-in may not claim their unused nonrefundable franchise tax credits or credit carry

OH

1972-2009 Schedule of Franchise Tax Rates, Litter Tax Rates, Interest and Penalty

Rev. 7/08

Franchise Tax Year	Taxable Year On or Between Dates Shown	Minimum Fee	Franchise Tax Rate		Net Worth Basis	Phase-out %****	Surtax	Litter Tax Rates					Interest Rate	Addition to Tax Penalty
			Net Income Basis					Tier One		Tier Two				
			First \$50,000 (First \$25,000 Prior to 1989 Report)	Over \$50,000 (Over \$25,000 Prior to 1989 Report)				Net Income Basis		Net Worth Basis	Net Income Over \$50,000 (Over \$25,000 Prior to 1989 Report)	Net Worth Basis		
								First \$50,000 (First \$25,000 Prior to 1989 Report)	Over \$50,000 (Over \$25,000 Prior to 1989 Report)					
2009	1/1/08-12/31/08	\$1,000 or \$50***	5.1%	8.5%	0.004	20%	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	5%	
2008	1/1/07-12/31/07	\$1,000 or \$50***	5.1%	8.5%	0.004	40%	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	8%	
2007	1/1/06-12/31/06	\$1,000 or \$50***	5.1%	8.5%	0.004	60%	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	8%	
2006	1/1/05-12/31/05	\$1,000 or \$50**	5.1%	8.5%	0.004	80%	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	6%	
2005	1/1/04-12/31/04	\$1,000 or \$50**	5.1%	8.5%	0.004	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	5%	
2004	1/1/03-12/31/03	\$1,000 or \$50**	5.1%	8.5%	0.004	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	4%	See Note ** Below
2003	1/1/02-12/31/02	\$ 50	5.1%	8.5%	0.004	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	6%	
2002	1/1/01-12/31/01	\$ 50	5.1%	8.5%	0.004	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	7%	
2001	1/1/00-12/31/00	\$ 50	5.1%	8.5%	0.004	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	9%	
2000	1/1/99-12/31/99	\$ 50	5.1%	8.5%	0.004	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	8%	
1999	1/01/98-12/31/98	\$ 50	5.1%	8.5%	0.004	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	8%	
1998	1/01/97-12/31/97	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	9%	
1997	1/1/96-12/31/96	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	9%	
1996	1/1/95-12/31/95	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	9%	
1995	1/1/94-12/31/94	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	9%	
1994	1/1/93-12/31/93	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	7%	
1993	1/1/92-12/31/92	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	7%	
1992	1/1/91-12/31/91	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	10%	
1991	1/1/90-12/31/90	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	11%	
1990	1/1/89-12/31/89	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	11%	
1989	1/1/88-12/31/88	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	11%	
1988	1/1/87-12/31/87	\$ 50	5.1%	8.9%	0.00582	N/A	N/A	0.0011	0.0022	0.00014	0.0022	0.00014	10%	25%
1987	1/1/86-12/31/86	\$ 50	5.1%	9.2%	0.00582	N/A	2.7%*	0.0011	0.0022	0.00014	0.0022	0.00014	6%	25%
1986	1/1/85-12/31/85	\$ 50	5.1%	9.2%	0.00582	N/A	5.4%*	0.0011	0.0022	0.00014	0.0022	0.00014	8%	25%
1985	1/1/84-12/31/84	\$ 50	5.1%	9.2%	0.00582	N/A	5.4%	0.0011	0.0022	0.00014	0.0022	0.00014	9%	25%

* Effective for taxable years ending after 6/30/83, the surtax is only applicable if the net income basis exceeds the net worth basis.

** For each month or fraction of a month that the Ohio Corporation Franchise Tax Report (form FT 1120) was delinquent, the corporation is liable for the Failure to File (or timely file) penalty. This penalty is the greater of \$50 per month up to \$500 or 5% per month (50% maximum) of the net tax due shown on the delinquent report. All delinquent reports, including reports which (1) indicate an overpayment or no balance due or (2) an informational report (FT 1120S), are subject to the "Failure to File" penalty.

In addition to the above penalty, there is also a penalty for failure to pay (or timely pay) the tax computed on the delinquent report. The penalty is not to exceed 15% of the delinquent payment. For additional information on delinquencies, please contact the office on the delinquency notice.

*** Effective for taxable years ending after June 25, 2003, the minimum fee is \$1,000 if (1) the sum of the taxpayer's gross receipts from activities within and without Ohio during the taxable year equals or exceeds \$5 million, or (2) the total number of the taxpayer's employees within and without Ohio during the taxable year equals or exceeds 300. For more information, see instructions on the department's Web site at tax.ohio.gov.

**** Effective for taxable years ending in 2005, H.B. 66 enacted a commercial activities tax and began a phase-out of the corporation franchise tax beginning with tax year 2006. See Ohio Revised Code section (R.C.) 5751. Taxpayers described in R.C. 5751.01(E)(5), (6), (7), (8) or (10) are not subject to the franchise tax phase-out. See R.C. 5733.01(G)(2). Additionally, financial institutions remain subject to the franchise tax and must file Ohio form FT 1120FI.

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NAME []
ACCOUNT ID [] TAX YEAR END []

RCT-101 PAGE 3

PA CORPORATE TAX REPORT 2002

Business Trust XX
Solicitation Only XX
PA-S XX
LLC XX

SECTION B: Bonus Depreciation

- 1. Current Year Fed. Deprec. of 168k Prop. 1 []
- 2. Current Year Adj. for Disp. of 168k Prop. 2 []
- 3. Other Adjustments 3 []
(Must Attach Schedule C-3 if claiming bonus depreciation)

SECTION C: CORPORATE NET INCOME TAX

- 1. Income or Loss from federal return on a separate company basis
- 2. DEDUCTIONS:
 - A. Corporate Dividends Received (From Schedule C-2, Line 6)
 - B. Interest on U.S. Securities (GROSS INT less EXPENSES)
 - C. Curr Yr. Addtl. PA Deprec. plus Adjust. for Sale (Attached Schedule C-3)
 - D. Other (Attached Schedule). See Instructions
 - TOTAL DEDUCTIONS - Sum of (A) through (D)
- 3. ADDITIONS:
 - A. Taxes imposed on or measured by net income (Attached Schedule)
 - B. Tax Preference Items (Attached copy of Federal Form 4626)
 - C. Employment Incentive Payment Credit Adjustment (Attached Schedule W)
 - D. Current Year Bonus Depreciation (Attached Schedule C-3)
 - E. Other (Attached Schedule) See Instructions
 - TOTAL ADDITIONS - Sum of (A) through (E)
- 4. Income or Loss with Pennsylvania Adjustments (Line 1 - Line 2 + Line 3)
- 5. Total Nonbusiness Income (or Loss)
- 6. Income (or Loss) to be Apportioned (Line 4 - Line 5)
- 7. Income (or Loss) Apportioned to PA (Line 6 x Schedule C-1 Line 5)
- 8. Nonbusiness Income (or Loss) allocated to PA
- 9. Taxable Income (or Loss) after Apportionment (Line 7 + Line 8)
- 10. Total Net Operating Loss Deduction (from RCT-103) can not exceed \$2,000,000
- 11. PA Taxable Income (or Loss) after Apportionment (Line 9 - Line 10)
- 12. Corporate Net Income Tax (Line 11 x .0999)

1	[]
2A	[]
2B	[]
2C	[]
2D	[]
2	[]
3A	[]
3B	[]
3C	[]
3D	[]
3E	[]
3	[]
4	[]
5	[]
6	[]
7	[]
8	[]
9	[]
10	[]
11	[]
12	[]

SCHEDULE C-1: Apportionment Schedule For Corporate Net Income Tax (Include Form RCT-106)

- 1A. Property Factor - PA 1A []
- 1B. Property Factor -Total 1B []
- 2A. Payroll Factor - PA 2A []
- 2B. Payroll Factor - Total 2B []
- 3A. Sales Factor - PA 3A []
- 3B. Sales Factor - Total 3B []
- 1C []
- 2C []
- 3C []
- 4A. Single Factor - Numerator 4A []
- 4B. Single Factor - Denominator 4B []
- 5. Apportionment Proportion 5 []

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III. OVERVIEW OF TENNESSEE AND GEORGIA BUSINESS INCOME TAXES

A. Tennessee Franchise and Excise Tax

1. The Tennessee Franchise Tax rate is 0.25% and is applied to the greater of a property tax base or an equity tax base.
2. The Tennessee Excise Tax is a flat rate of 6.50%. Although called the corporate excise tax, it is actually a fairly standard corporate income tax.
3. Special Features - Since Tennessee does not have a comprehensive individual income tax, it taxes S corporations as if they were regular C corporations. In addition, Tennessee subjects many limited liability entities such as LLC's to a modified form of the Franchise and Excise Tax.

B. Georgia Business Income Taxes

1. Georgia does not have an equivalent to the Tennessee Franchise Tax. It does, however, subject most business inventories to an annual property tax (inventories are also included in the Tennessee Franchise tax base.)
2. The Georgia corporate income tax is a flat rate of 6.00%. It is similar to the Tennessee Excise Tax as applied to regular C corporations.
3. Special Features – Unlike Tennessee, Georgia generally allows the income of “flow-through” entities such as S corporations, partnerships, and limited liability entities to be taxed directly to the shareholders or partners and does not assess a separate entity level tax.

C. Tennessee Business License “Gross Receipts” Taxes

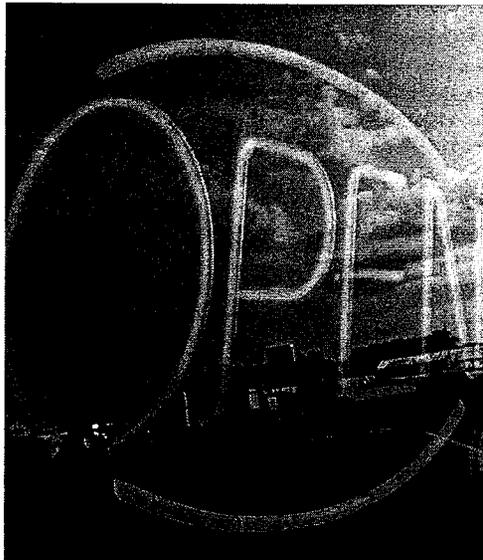
IV. REVIEW OF TENNESSEE AND GEORGIA SALES TAXES

V. QUESTIONS AND CLOSING COMMENTS

WV

Tax Changes Designed to Promote Business Growth

Easing the Tax Burden Since 2006



\$260 Million Reduction in Taxes

During the past year, Governor Manchin signed a number of bills collectively reducing State business taxes by more than \$260 million when fully implemented. In addition, the Governor was instrumental in the passage of legislation responsible for the gradual phase-down of the Consumer Sales Tax on groceries for home consumption from 6% to 3%, a net savings of roughly \$75

million for West Virginia consumers. A number of business groups supported a reduction in the sales tax rate on food as a move to make border retailers more competitive. In addition to the sales tax changes on groceries for home consumption, other recent tax changes designed to promote business growth in West Virginia include the following:

Business Franchise Tax

In 2006, Governor Manchin took the first step in reducing the Business Franchise Tax rate when he proposed legislation to lower the rate from 0.70% to 0.55%. The rate reduction, which became effective January 1, 2007, is expected to save businesses an estimated \$25.7 million per year in State taxes.

Further reduction of the Business Franchise Tax begins January 1, 2009. The tax will decrease to 0.48% in 2009, 0.41% in 2010, 0.34% in 2011, 0.27% in 2012, 0.20% in 2013, and 0.10% in 2014, and will be eliminated in 2015. Once complete, the changes will be a net business tax reduction in excess of \$100 million.

Once eliminated, West Virginia will no longer be one of 18 states imposing such a tax on general business activities.

Corporate Net Income Tax

Effective January 1, 2007, the Corporate Net Income Tax rate was lowered from 9.00% to 8.75%. The rate reduction will save corporations an estimated \$5.0 million per year in State taxes.

Effective January 1, 2009, the Corporate

Net Income Tax rate will decrease to 8.5%. The legislation proposed by the Governor further decreases the rate on January 1, 2012 to 7.75%, on January 1, 2013 to 7.0% and on January 1, 2014 to 6.5%. A portion of the anticipated revenue decrease will be offset by additional revenue associated with the closing of various corporate tax reporting loopholes through the adoption of mandatory reporting for unitary filers. However, corporations are still expected to save more than \$53 million per year when the rate reductions are fully implemented.

Manufacturing Tax Credits

The maximum offset of the Manufacturing Investment Tax Credit will increase to 60% of State tax liability beginning in

2009. The Manufacturing Investment Tax Credit, which is equal to 5% for capital investments, may reduce the effective Business Franchise Tax rate from 0.48% to 0.192% in 2009. During that same year, it may also reduce the effective Corporate Net Income Tax rate for West Virginia manufacturers from 8.5% to 3.4%. When all reductions are implemented, the credit may reduce the effective Corporate Net Income Tax rate for West Virginia manufacturers to just 2.6%.

Manufacturers may claim a non-refundable tax credit equal to the amount of local property taxes paid on West Virginia manufacturing inventory. This credit is expected save manufacturers roughly \$11 million per year.

Corporate License Tax Repealed

Corporations will no longer be taxed for a corporate license as of July 1, 2008. The repeal of the tax reduces taxes for all registered corporations by roughly \$6.7 million per year. However, the Secretary of State's office will still require an existing \$25 annual fee for the office's annual report. This fee was formerly called the Attorney-In-Fact Fee.

Business Renewals Obsolete in 2010

Businesses will no longer have to periodically renew their business license certificate as of July 1, 2010. When implemented this change will eliminate roughly 100,000 tax return filings each year and save businesses a total of \$1.8 million in annual fees.

<https://mytaxes.wvtax.gov>

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AAR Work Papers
Part 5

Data from Annual Report Form R-1

Total Railway Operating Revenues Schedule 210, Line 13, Column (b)

Year	RR	Sched	Line	ColB
2007	BNSF	210	13	15,909,200.00
2007	CNGT	210	13	2,257,887.00
2007	CSXT	210	13	9,039,079.00
2007	KCS	210	13	925,926.00
2007	NS	210	13	9,432,399.00
2007	SOO	210	13	785,960.00
2007	UP	210	13	16,249,053.00

Income (Loss) from continuing operations (before income taxes) Schedule 210, Line 46, Column (b)

Year	RR	Sched	Line	ColB
2007	BNSF	210	46	3,509,311.00
2007	CNGT	210	46	675,516.00
2007	CSXT	210	46	1,600,811.00
2007	KCS	210	46	103,191.00
2007	NS	210	46	1,916,142.00
2007	SOO	210	46	219,146.00
2007	UP	210	46	2,881,305.00

AAR Work Papers
Part 6

Summary of Weighted Average State Tax Rates

Railroad	Year	Rate
BNSF	2002	5.487%
CNGT	2002	6.512%
CSXT	2002	5.960%
KCS	2002	5.791%
NS	2002	6.213%
SOO	2002	7.890%
UP	2002	5.443%

State Corporate Tax Rates for 2002

State	Inc. Tax Rate	Comments
Alabama	6.500%	
Arizona	6.968%	
Arkansas	6.500%	
California	8.840%	
Colorado	4.630%	
Connecticut	0.000%	
Delaware	8.700%	
Dist. of Columbia	9.975%	
Florida	5.500%	
Georgia	6.000%	
Idaho	7.600%	
Illinois	7.300%	
Indiana	3.400%	
Iowa	12.000%	
Kansas	7.350%	
Kentucky	8.250%	
Louisiana	8.000%	
Maine	*	No Class I mileage
Maryland	7.000%	
Massachusetts	6.500%	
Michigan	0.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	6.250%	
Montana	6.750%	
Nebraska	7.810%	
Nevada	0.000%	None.
New Hampshire	*	No Class I mileage
New Jersey	0.000%	
New Mexico	7.600%	
New York	0.000%	
North Carolina	6.900%	
North Dakota	10.500%	
Ohio	8.500%	
Oklahoma	6.000%	
Oregon	6.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	0.000%	
Utah	5.000%	
Vermont	*	No Class I mileage
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	9.000%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

Note: There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "*", so rates are not collected here. Tax rates are from the web site of the Tax Foundation, Washington, DC

State Miles Operated - 2002

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	356	34	1,243	123	1,393	0	0	3,149	AL
Arizona	595	0	0	0	0	0	664	1,259	AZ
Arkansas	1,045	0	0	217	0	0	1,342	2,604	AR
California	2,167	0	0	0	0	0	3,579	5,746	CA
Colorado	1,206	0	0	0	0	0	1,799	3,005	CO
Connecticut	0	0	69	0	0	0	0	69	CT
Delaware	0	0	43	0	203	0	0	246	DE
Dist. of Columbia	0	0	21	0	13	0	0	34	DC
Florida	0	0	1,748	0	149	0	0	1,897	FL
Georgia	0	0	1,677	0	1,839	0	0	3,516	GA
Idaho	124	0	0	0	0	0	876	1,000	ID
Illinois	1,443	1,389	1,049	128	1,292	356	2,272	7,929	IL
Indiana	0	81	1,909	0	1,543	291	6	3,830	IN
Iowa	677	605	0	0	44	0	1,628	2,954	IA
Kansas	1,773	0	0	18	2	0	2,355	4,148	KS
Kentucky	0	102	1,837	0	445	1	0	2,385	KY
Louisiana	347	253	43	916	82	0	1,143	2,784	LA
Maine	0	0	0	0	0	0	0	0	ME
Maryland	0	0	565	0	269	0	0	834	MD
Massachusetts	0	0	436	0	0	0	0	436	MA
Michigan (See Note)	0	1,012	838	0	643	262	0	2,755	MI
Minnesota	1,710	254	0	0	0	1,240	695	3,899	MN
Mississippi	179	843	94	681	211	0	0	2,008	MS
Missouri	1,778	0	13	460	409	0	1,499	4,159	MO
Montana	2,138	0	0	0	0	0	125	2,263	MT
Nebraska	1,700	0	0	0	0	0	996	2,696	NE
Nevada	809	0	0	0	0	0	1,200	2,009	NV
New Hampshire	0	0	0	0	0	0	0	0	NH
New Jersey	0	0	648	0	933	0	0	1,581	NJ
New Mexico	1,611	0	0	0	0	0	561	2,172	NM
New York	0	0	1,322	0	928	0	0	2,250	NY
North Carolina	0	0	1,139	0	1,441	0	0	2,580	NC
North Dakota	2,059	0	0	0	0	482	0	2,541	ND
Ohio	0	9	2,283	0	2,233	0	0	4,525	OH
Oklahoma	1,198	0	0	157	0	0	1,181	2,536	OK
Oregon	350	0	0	0	0	0	1,097	1,447	OR
Pennsylvania	0	0	1,141	0	2,508	0	0	3,649	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,302	0	795	0	0	2,097	SC
South Dakota	930	0	0	0	0	6	0	936	SD
Tennessee	17	153	1,024	5	896	0	16	2,111	TN
Texas	4,661	0	0	379	0	0	6,367	11,407	TX
Utah	436	0	0	0	0	0	1,334	1,770	UT
Vermont	0	0	0	0	0	0	0	0	VT
Virginia	0	0	1,050	0	2,144	0	0	3,194	VA
Washington	1,833	0	0	0	0	0	557	2,390	WA
West Virginia	0	0	1,529	0	842	0	0	2,371	WV
Wisconsin	273	1,655	0	0	0	587	969	3,484	WI
Wyoming	966	0	0	0	0	0	880	1,846	WY
Total U.S.	32,381	6,390	23,023	3,084	21,257	3,225	33,141	122,501	

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

BNSF Average State Tax Rate for 2002

State	Income			
	Miles BNSF	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	356	6.500%	1.09941%	0.07146%
Arizona	595	6.968%	1.83750%	0.12804%
Arkansas	1,045	6.500%	3.22720%	0.20977%
California	2,167	8.840%	6.69220%	0.59159%
Colorado	1,206	4.630%	3.72441%	0.17244%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	124	7.600%	0.38294%	0.02910%
Illinois	1,443	7.300%	4.45632%	0.32531%
Indiana	0	3.400%	0.00000%	0.00000%
Iowa	677	12.000%	2.09073%	0.25089%
Kansas	1,773	7.350%	5.47543%	0.40244%
Kentucky	0	8.250%	0.00000%	0.00000%
Louisiana	347	8.000%	1.07162%	0.08573%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	1,710	9.800%	5.28087%	0.51753%
Mississippi	179	5.000%	0.55279%	0.02764%
Missouri	1,778	6.250%	5.49087%	0.34318%
Montana	2,138	6.750%	6.60264%	0.44568%
Nebraska	1,700	7.810%	5.24999%	0.41002%
Nevada	809	0.000%	2.49838%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	1,611	7.600%	4.97514%	0.37811%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	2,059	10.500%	6.35867%	0.66766%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	1,198	6.000%	3.69970%	0.22198%
Oregon	350	6.600%	1.08088%	0.07134%
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	930	0.000%	2.87205%	0.00000%
Tennessee	17	6.500%	0.05250%	0.00341%
Texas	4,661	0.000%	14.39424%	0.00000%
Utah	436	5.000%	1.34647%	0.06732%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,833	0.000%	5.66073%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	273	7.900%	0.84309%	0.06660%
Wyoming	966	0.000%	2.98323%	0.00000%
Total U.S.	32,381		100.00000%	5.48725%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CNGT Average State Tax Rate for 2002

State	Income			
	Miles CNGT	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	34	6.500%	0.53208%	0.03459%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,389	7.300%	21.73709%	1.58681%
Indiana	81	3.400%	1.26761%	0.04310%
Iowa	605	12.000%	9.46792%	1.13615%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	102	8.250%	1.59624%	0.13169%
Louisiana	253	8.000%	3.95931%	0.31674%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	1,012	0.000%	15.83725%	0.00000%
Minnesota	254	9.800%	3.97496%	0.38955%
Mississippi	843	5.000%	13.19249%	0.65962%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	9	8.500%	0.14085%	0.01197%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	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	153	6.500%	2.39437%	0.15563%
Texas	0	0.000%	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	9.000%	0.00000%	0.00000%
Wisconsin	1,655	7.900%	25.89984%	2.04609%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	6,390		100.00000%	6.51194%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CSXT Average State Tax Rate for 2002

State	Miles CSX	Income		Pct Miles	Pct Miles x Tax Rate
		Tax Rate			
Alabama	1,243	6.500%		5.39895%	0.35093%
Arizona	0	6.968%		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	69	0.000%		0.29970%	0.00000%
Delaware	43	8.700%		0.18677%	0.01625%
Dist. of Columbia	21	9.975%		0.09121%	0.00910%
Florida	1,748	5.500%		7.59241%	0.41758%
Georgia	1,677	6.000%		7.28402%	0.43704%
Idaho	0	7.600%		0.00000%	0.00000%
Illinois	1,049	7.300%		4.55631%	0.33261%
Indiana	1,909	3.400%		8.29171%	0.28192%
Iowa	0	12.000%		0.00000%	0.00000%
Kansas	0	7.350%		0.00000%	0.00000%
Kentucky	1,837	8.250%		7.97898%	0.65827%
Louisiana	43	8.000%		0.18677%	0.01494%
Maine	0	0.000% *		0.00000%	0.00000%
Maryland	565	7.000%		2.45407%	0.17178%
Massachusetts	436	6.500%		1.89376%	0.12309%
Michigan	838	0.000%		3.63984%	0.00000%
Minnesota	0	9.800%		0.00000%	0.00000%
Mississippi	94	5.000%		0.40829%	0.02041%
Missouri	13	6.250%		0.05647%	0.00353%
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	648	0.000%		2.81458%	0.00000%
New Mexico	0	7.600%		0.00000%	0.00000%
New York	1,322	0.000%		5.74208%	0.00000%
North Carolina	1,139	6.900%		4.94723%	0.34136%
North Dakota	0	10.500%		0.00000%	0.00000%
Ohio	2,283	8.500%		9.91617%	0.84287%
Oklahoma	0	6.000%		0.00000%	0.00000%
Oregon	0	6.600%		0.00000%	0.00000%
Pennsylvania	1,141	9.990%		4.95591%	0.49510%
Rhode Island	0	0.000% *		0.00000%	0.00000%
South Carolina	1,302	5.000%		5.65521%	0.28276%
South Dakota	0	0.000%		0.00000%	0.00000%
Tennessee	1,024	6.500%		4.44773%	0.28910%
Texas	0	0.000%		0.00000%	0.00000%
Utah	0	5.000%		0.00000%	0.00000%
Vermont	0	0.000% *		0.00000%	0.00000%
Virginia	1,050	6.000%		4.56066%	0.27364%
Washington	0	0.000%		0.00000%	0.00000%
West Virginia	1,529	9.000%		6.64118%	0.59771%
Wisconsin	0	7.900%		0.00000%	0.00000%
Wyoming	0	0.000%		0.00000%	0.00000%
Total U.S.	23,023			100.00000%	5.96000%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

KCS Average State Tax Rate for 2002

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles KCS	Tax Rate		
Alabama	123	6.500%	3.98833%	0.25924%
Arizona	0	6.968%	0.00000%	0.00000%
Arkansas	217	6.500%	7.03632%	0.45736%
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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	128	7.300%	4.15045%	0.30298%
Indiana	0	3.400%	0.00000%	0.00000%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	18	7.350%	0.58366%	0.04290%
Kentucky	0	8.250%	0.00000%	0.00000%
Louisiana	916	8.000%	29.70169%	2.37613%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	681	5.000%	22.08171%	1.10409%
Missouri	460	6.250%	14.91569%	0.93223%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	157	6.000%	5.09079%	0.30545%
Oregon	0	6.600%	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%	0.16213%	0.01054%
Texas	379	0.000%	12.28923%	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	9.000%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,084		100.00000%	5.79092%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

NS Average State Tax Rate for 2002

State	Income			
	Miles NS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,393	6.500%	6.55314%	0.42595%
Arizona	0	6.968%	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%	0.95498%	0.08308%
Dist. of Columbia	13	9.975%	0.06116%	0.00610%
Florida	149	5.500%	0.70095%	0.03855%
Georgia	1,839	6.000%	8.65127%	0.51908%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,292	7.300%	6.07800%	0.44369%
Indiana	1,543	3.400%	7.25879%	0.24680%
Iowa	44	12.000%	0.20699%	0.02484%
Kansas	2	7.350%	0.00941%	0.00069%
Kentucky	445	8.250%	2.09343%	0.17271%
Louisiana	82	8.000%	0.38576%	0.03086%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	269	7.000%	1.26547%	0.08858%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	643	0.000%	3.02489%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	0.99261%	0.04963%
Missouri	409	6.250%	1.92407%	0.12025%
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	933	0.000%	4.38914%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	928	0.000%	4.36562%	0.00000%
North Carolina	1,441	6.900%	6.77894%	0.46775%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	2,233	8.500%	10.50477%	0.89291%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	2,508	9.990%	11.79847%	1.17867%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	795	5.000%	3.73994%	0.18700%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	896	6.500%	4.21508%	0.27398%
Texas	0	0.000%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	2,144	6.000%	10.08609%	0.60517%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	842	9.000%	3.96105%	0.35649%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	21,257		100.00000%	6.21278%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

SOO Average State Tax Rate for 2002

State	Income			
	Miles SOO	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	356	7.300%	11.03876%	0.80583%
Indiana	291	3.400%	9.02326%	0.30679%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	1	8.250%	0.03101%	0.00256%
Louisiana	0	8.000%	0.00000%	0.00000%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	262	0.000%	8.12403%	0.00000%
Minnesota	1,240	9.800%	38.44961%	3.76806%
Mississippi	0	5.000%	0.00000%	0.00000%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	482	10.500%	14.94574%	1.56930%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	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	6	0.000%	0.18605%	0.00000%
Tennessee	0	6.500%	0.00000%	0.00000%
Texas	0	0.000%	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	9.000%	0.00000%	0.00000%
Wisconsin	587	7.900%	18.20155%	1.43792%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,225		100.00000%	7.89047%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

UP Average State Tax Rate for 2002

State	Income			
	Miles UP	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	664	6.968%	2.00356%	0.13961%
Arkansas	1,342	6.500%	4.04936%	0.26321%
California	3,579	8.840%	10.79931%	0.95466%
Colorado	1,799	4.630%	5.42832%	0.25133%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	876	7.600%	2.64325%	0.20089%
Illinois	2,272	7.300%	6.85556%	0.50046%
Indiana	6	3.400%	0.01810%	0.00062%
Iowa	1,628	12.000%	4.91234%	0.58948%
Kansas	2,355	7.350%	7.10600%	0.52229%
Kentucky	0	8.250%	0.00000%	0.00000%
Louisiana	1,143	8.000%	3.44890%	0.27591%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	695	9.800%	2.09710%	0.20552%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,499	6.250%	4.52310%	0.28269%
Montana	125	6.750%	0.37718%	0.02546%
Nebraska	996	7.810%	3.00534%	0.23472%
Nevada	1,200	0.000%	3.62089%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	561	7.600%	1.69277%	0.12865%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	1,181	6.000%	3.56356%	0.21381%
Oregon	1,097	6.600%	3.31010%	0.21847%
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	16	6.500%	0.04828%	0.00314%
Texas	6,367	0.000%	19.21185%	0.00000%
Utah	1,334	5.000%	4.02523%	0.20126%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	557	0.000%	1.68070%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	969	7.900%	2.92387%	0.23099%
Wyoming	880	0.000%	2.65532%	0.00000%
Total U.S.	33,141		100.00000%	5.44315%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

Summary of Weighted Average State Tax Rates

Railroad	Year	Rate
BNSF	2003	5.471%
CNGT	2003	6.582%
CSXT	2003	6.362%
KCS	2003	5.805%
NS	2003	6.583%
SOO	2003	8.346%
UP	2003	5.405%

State Corporate Tax Rates for 2003

State	Inc. Tax Rate	Comments
Alabama	6.500%	
Arizona	6.968%	
Arkansas	6.500%	
California	8.840%	
Colorado	4.630%	
Connecticut	0.000%	
Delaware	8.700%	
Dist. of Columbia	9.975%	
Florida	5.500%	
Georgia	6.000%	
Idaho	7.600%	
Illinois	7.300%	
Indiana	8.500%	
Iowa	12.000%	
Kansas	7.350%	
Kentucky	8.250%	
Louisiana	8.000%	
Maine	*	No Class I mileage
Maryland	7.000%	
Massachusetts	6.500%	
Michigan	0.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	6.250%	
Montana	6.750%	
Nebraska	7.810%	
Nevada	0.000%	None.
New Hampshire	*	No Class I mileage
New Jersey	0.000%	
New Mexico	7.600%	
New York	0.000%	
North Carolina	6.900%	
North Dakota	10.500%	
Ohio	8.500%	
Oklahoma	6.000%	
Oregon	6.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	0.000%	
Utah	5.000%	
Vermont	*	No Class I mileage
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	9.000%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

Note: There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "*", so rates are not collected here. Tax rates are from the web site of the Tax Foundation, Washington, DC

State Miles Operated - 2003

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	229	41	1,136	123	1,371	0	0	2,900	AL
Arizona	595	0	0	0	0	0	666	1,261	AZ
Arkansas	1,045	0	0	217	0	0	1,345	2,607	AR
California	2,132	0	0	0	0	0	3,453	5,585	CA
Colorado	1,206	0	0	0	0	0	1,702	2,908	CO
Connecticut	0	0	69	0	0	0	0	69	CT
Delaware	0	0	44	0	203	0	0	247	DE
Dist. of Columbia	0	0	21	0	13	0	0	34	DC
Florida	0	0	1,747	0	149	0	0	1,896	FL
Georgia	0	0	1,679	0	1,843	0	0	3,522	GA
Idaho	124	0	0	0	0	0	876	1,000	ID
Illinois	1,440	1,519	1,050	169	1,292	356	2,241	8,067	IL
Indiana	0	80	1,910	0	1,543	291	4	3,828	IN
Iowa	675	605	0	0	44	0	1,525	2,849	IA
Kansas	1,760	0	0	18	2	0	2,312	4,092	KS
Kentucky	13	106	1,739	0	440	1	0	2,299	KY
Louisiana	347	263	43	917	82	0	1,136	2,788	LA
Maine	0	0	0	0	0	0	0	0	ME
Maryland	0	0	566	0	269	0	0	835	MD
Massachusetts	0	0	434	0	0	0	0	434	MA
Michigan (See Note)	0	1,015	832	0	643	262	0	2,752	MI
Minnesota	1,711	265	0	0	0	1,239	691	3,906	MN
Mississippi	179	851	94	681	211	0	0	2,016	MS
Missouri	1,763	0	13	418	409	0	1,484	4,087	MO
Montana	2,185	0	0	0	0	0	125	2,310	MT
Nebraska	1,691	0	0	0	0	0	997	2,688	NE
Nevada	809	0	0	0	0	0	1,200	2,009	NV
New Hampshire	0	0	0	0	0	0	0	0	NH
New Jersey	0	0	648	0	933	0	0	1,581	NJ
New Mexico	1,590	0	0	0	0	0	644	2,234	NM
New York	0	0	1,317	0	928	0	0	2,245	NY
North Carolina	0	0	1,138	0	1,441	0	0	2,579	NC
North Dakota	1,993	0	0	0	0	482	0	2,475	ND
Ohio	0	4	2,273	0	2,233	0	0	4,510	OH
Oklahoma	1,197	0	0	157	0	0	1,182	2,536	OK
Oregon	349	0	0	0	0	0	1,084	1,433	OR
Pennsylvania	0	0	1,058	0	2,508	0	0	3,566	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,302	0	795	0	0	2,097	SC
South Dakota	931	0	0	0	0	6	0	937	SD
Tennessee	17	145	1,023	5	891	0	16	2,097	TN
Texas	4,645	0	0	379	0	0	6,408	11,432	TX
Utah	436	0	0	0	0	0	1,333	1,769	UT
Vermont	0	0	0	0	0	0	0	0	VT
Virginia	0	0	1,050	0	2,134	0	0	3,184	VA
Washington	1,834	0	0	0	0	0	558	2,392	WA
West Virginia	0	0	1,518	0	842	0	0	2,360	WV
Wisconsin	273	1,599	0	0	0	621	969	3,462	WI
Wyoming	966	0	0	0	0	0	880	1,846	WY
Total U.S.	32,135	6,493	22,704	3,084	21,219	3,258	32,831	121,724	

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

BNSF Average State Tax Rate for 2003

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles BNSF	Tax Rate		
Alabama	229	6.500%	0.71262%	0.04632%
Arizona	595	6.968%	1.85156%	0.12902%
Arkansas	1,045	6.500%	3.25191%	0.21137%
California	2,132	8.840%	6.63451%	0.58649%
Colorado	1,206	4.630%	3.75292%	0.17376%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	124	7.600%	0.38587%	0.02933%
Illinois	1,440	7.300%	4.48110%	0.32712%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	675	12.000%	2.10051%	0.25206%
Kansas	1,760	7.350%	5.47689%	0.40255%
Kentucky	13	8.250%	0.04045%	0.00334%
Louisiana	347	8.000%	1.07982%	0.08639%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	1,711	9.800%	5.32441%	0.52179%
Mississippi	179	5.000%	0.55703%	0.02785%
Missouri	1,763	6.250%	5.48623%	0.34289%
Montana	2,185	6.750%	6.79944%	0.45896%
Nebraska	1,691	7.810%	5.26218%	0.41098%
Nevada	809	0.000%	2.51750%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	1,590	7.600%	4.94788%	0.37604%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	1,993	10.500%	6.20196%	0.65121%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	1,197	6.000%	3.72491%	0.22349%
Oregon	349	6.600%	1.08604%	0.07168%
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	931	0.000%	2.89715%	0.00000%
Tennessee	17	6.500%	0.05290%	0.00344%
Texas	4,645	0.000%	14.45464%	0.00000%
Utah	436	5.000%	1.35678%	0.06784%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,834	0.000%	5.70717%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	273	7.900%	0.84954%	0.06711%
Wyoming	966	0.000%	3.00607%	0.00000%
Total U.S.	32,135		100.00000%	5.47102%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CNGT Average State Tax Rate for 2003

State	Income			
	Miles CNGT	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	41	6.500%	0.63145%	0.04104%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,519	7.300%	23.39442%	1.70779%
Indiana	80	8.500%	1.23210%	0.10473%
Iowa	605	12.000%	9.31773%	1.11813%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	106	8.250%	1.63253%	0.13468%
Louisiana	263	8.000%	4.05052%	0.32404%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	1,015	0.000%	15.63222%	0.00000%
Minnesota	265	9.800%	4.08132%	0.39997%
Mississippi	851	5.000%	13.10642%	0.65532%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	4	8.500%	0.06160%	0.00524%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	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	145	6.500%	2.23317%	0.14516%
Texas	0	0.000%	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	9.000%	0.00000%	0.00000%
Wisconsin	1,599	7.900%	24.62652%	1.94550%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	6,493		100.00000%	6.58160%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CSXT Average State Tax Rate for 2003

State	Miles CSX	Income		Pct Miles x Tax Rate
		Tax Rate	Pct Miles	
Alabama	1,136	6.500%	5.00352%	0.32523%
Arizona	0	6.968%	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	69	0.000%	0.30391%	0.00000%
Delaware	44	8.700%	0.19380%	0.01686%
Dist. of Columbia	21	9.975%	0.09249%	0.00923%
Florida	1,747	5.500%	7.69468%	0.42321%
Georgia	1,679	6.000%	7.39517%	0.44371%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,050	7.300%	4.62474%	0.33761%
Indiana	1,910	8.500%	8.41261%	0.71507%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	1,739	8.250%	7.65944%	0.63190%
Louisiana	43	8.000%	0.18939%	0.01515%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	566	7.000%	2.49295%	0.17451%
Massachusetts	434	6.500%	1.91156%	0.12425%
Michigan	832	0.000%	3.66455%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	94	5.000%	0.41402%	0.02070%
Missouri	13	6.250%	0.05726%	0.00358%
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	648	0.000%	2.85412%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	1,317	0.000%	5.80074%	0.00000%
North Carolina	1,138	6.900%	5.01233%	0.34585%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	2,273	8.500%	10.01145%	0.85097%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	1,058	9.990%	4.65997%	0.46553%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	1,302	5.000%	5.73467%	0.28673%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	1,023	6.500%	4.50581%	0.29288%
Texas	0	0.000%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	1,050	6.000%	4.62474%	0.27748%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	1,518	9.000%	6.68605%	0.60174%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	22,704		100.00000%	6.36220%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

KCS Average State Tax Rate for 2003

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles KCS	Tax Rate		
Alabama	123	6.500%	3.98833%	0.25924%
Arizona	0	6.968%	0.00000%	0.00000%
Arkansas	217	6.500%	7.03632%	0.45736%
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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	169	7.300%	5.47990%	0.40003%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	18	7.350%	0.58366%	0.04290%
Kentucky	0	8.250%	0.00000%	0.00000%
Louisiana	917	8.000%	29.73411%	2.37873%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	681	5.000%	22.08171%	1.10409%
Missouri	418	6.250%	13.55383%	0.84711%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	157	6.000%	5.09079%	0.30545%
Oregon	0	6.600%	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%	0.16213%	0.01054%
Texas	379	0.000%	12.28923%	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	9.000%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,084		100.00000%	5.80545%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

NS Average State Tax Rate for 2003

State	Income			
	Miles NS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,371	6.500%	6.46119%	0.41998%
Arizona	0	6.968%	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%	0.95669%	0.08323%
Dist. of Columbia	13	9.975%	0.06127%	0.00611%
Florida	149	5.500%	0.70220%	0.03862%
Georgia	1,843	6.000%	8.68561%	0.52114%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,292	7.300%	6.08888%	0.44449%
Indiana	1,543	8.500%	7.27178%	0.61810%
Iowa	44	12.000%	0.20736%	0.02488%
Kansas	2	7.350%	0.00943%	0.00069%
Kentucky	440	8.250%	2.07361%	0.17107%
Louisiana	82	8.000%	0.38645%	0.03092%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	269	7.000%	1.26773%	0.08874%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	643	0.000%	3.03030%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	0.99439%	0.04972%
Missouri	409	6.250%	1.92752%	0.12047%
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	933	0.000%	4.39700%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	928	0.000%	4.37344%	0.00000%
North Carolina	1,441	6.900%	6.79108%	0.46858%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	2,233	8.500%	10.52359%	0.89450%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	2,508	9.990%	11.81960%	1.18078%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	795	5.000%	3.74664%	0.18733%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	891	6.500%	4.19907%	0.27294%
Texas	0	0.000%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	2,134	6.000%	10.05702%	0.60342%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	842	9.000%	3.96814%	0.35713%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	21,219		100.00000%	6.58286%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

SOO Average State Tax Rate for 2003

State	Miles SOO	Income		Pct Miles	Pct Miles x Tax Rate
		Tax Rate			
Alabama	0	6.500%		0.00000%	0.00000%
Arizona	0	6.968%		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	9.975%		0.00000%	0.00000%
Florida	0	5.500%		0.00000%	0.00000%
Georgia	0	6.000%		0.00000%	0.00000%
Idaho	0	7.600%		0.00000%	0.00000%
Illinois	356	7.300%	10.92695%		0.79767%
Indiana	291	8.500%	8.93186%		0.75921%
Iowa	0	12.000%	0.00000%		0.00000%
Kansas	0	7.350%	0.00000%		0.00000%
Kentucky	1	8.250%	0.03069%		0.00253%
Louisiana	0	8.000%	0.00000%		0.00000%
Maine	0	0.000% *	0.00000%		0.00000%
Maryland	0	7.000%	0.00000%		0.00000%
Massachusetts	0	6.500%	0.00000%		0.00000%
Michigan	262	0.000%	8.04174%		0.00000%
Minnesota	1,239	9.800%	38.02947%		3.72689%
Mississippi	0	5.000%	0.00000%		0.00000%
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	7.600%	0.00000%		0.00000%
New York	0	0.000%	0.00000%		0.00000%
North Carolina	0	6.900%	0.00000%		0.00000%
North Dakota	482	10.500%	14.79435%		1.55341%
Ohio	0	8.500%	0.00000%		0.00000%
Oklahoma	0	6.000%	0.00000%		0.00000%
Oregon	0	6.600%	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	6	0.000%	0.18416%		0.00000%
Tennessee	0	6.500%	0.00000%		0.00000%
Texas	0	0.000%	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	9.000%	0.00000%		0.00000%
Wisconsin	621	7.900%	19.06077%		1.50580%
Wyoming	0	0.000%	0.00000%		0.00000%
Total U.S.	3,258		100.00000%		8.34550%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

UP Average State Tax Rate for 2003

State	Income			
	Miles UP	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	666	6.968%	2.02857%	0.14135%
Arkansas	1,345	6.500%	4.09674%	0.26629%
California	3,453	8.840%	10.51750%	0.92975%
Colorado	1,702	4.630%	5.18412%	0.24002%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	876	7.600%	2.66821%	0.20278%
Illinois	2,241	7.300%	6.82587%	0.49829%
Indiana	4	8.500%	0.01218%	0.00104%
Iowa	1,525	12.000%	4.64500%	0.55740%
Kansas	2,312	7.350%	7.04212%	0.51760%
Kentucky	0	8.250%	0.00000%	0.00000%
Louisiana	1,136	8.000%	3.46014%	0.27681%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	691	9.800%	2.10472%	0.20626%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,484	6.250%	4.52012%	0.28251%
Montana	125	6.750%	0.38074%	0.02570%
Nebraska	997	7.810%	3.03676%	0.23717%
Nevada	1,200	0.000%	3.65508%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	644	7.600%	1.96156%	0.14908%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	10.500%	0.00000%	0.00000%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	1,182	6.000%	3.60026%	0.21602%
Oregon	1,084	6.600%	3.30176%	0.21792%
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	16	6.500%	0.04873%	0.00317%
Texas	6,408	0.000%	19.51814%	0.00000%
Utah	1,333	5.000%	4.06019%	0.20301%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	558	0.000%	1.69961%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	969	7.900%	2.95148%	0.23317%
Wyoming	880	0.000%	2.68039%	0.00000%
Total U.S.	32,831		100.00000%	5.40532%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

Summary of Weighted Average State Tax Rates

Railroad	Year	Rate
BNSF	2004	5.238%
CNGT	2004	6.738%
CSXT	2004	6.312%
KCS	2004	5.839%
NS	2004	6.589%
SOO	2004	7.828%
UP	2004	5.406%

State Corporate Tax Rates for 2004

State	Inc. Tax Rate	Comments
Alabama	6.500%	
Arizona	6.968%	
Arkansas	6.500%	
California	8.840%	
Colorado	4.630%	
Connecticut	0.000%	
Delaware	8.700%	
Dist. of Columbia	9.975%	
Florida	5.500%	
Georgia	6.000%	
Idaho	7.600%	
Illinois	7.300%	
Indiana	8.500%	
Iowa	12.000%	
Kansas	7.350%	
Kentucky	8.250%	
Louisiana	8.000%	
Maine	*	No Class I mileage
Maryland	7.000%	
Massachusetts	6.500%	
Michigan	0.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	6.250%	
Montana	6.750%	
Nebraska	7.810%	
Nevada	0.000%	None.
New Hampshire	*	No Class I mileage
New Jersey	0.000%	
New Mexico	7.600%	
New York	0.000%	
North Carolina	6.900%	
North Dakota	7.000%	
Ohio	8.500%	
Oklahoma	6.000%	
Oregon	6.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	0.000%	
Utah	5.000%	
Vermont	*	No Class I mileage
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	9.000%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

Note: There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "*", so rates are not collected here. Tax rates are from the web site of the Tax Foundation, Washington, DC

State Miles Operated - 2004

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	229	41	1,149	123	1,371	0	0	2,913	AL
Arizona	595	0	0	0	0	0	692	1,287	AZ
Arkansas	1,051	0	0	217	0	0	1,344	2,612	AR
California	2,132	0	0	0	0	0	3,455	5,587	CA
Colorado	1,305	0	0	0	0	0	1,506	2,811	CO
Connecticut	0	0	69	0	0	0	0	69	CT
Delaware	0	0	44	0	203	0	0	247	DE
Dist. of Columbia	0	0	21	0	13	0	0	34	DC
Florida	0	0	1,746	0	149	0	0	1,895	FL
Georgia	0	0	1,635	0	1,843	0	0	3,478	GA
Idaho	124	0	0	0	0	0	869	993	ID
Illinois	1,414	1,519	1,045	186	1,260	356	2,247	8,027	IL
Indiana	0	80	1,715	0	1,543	291	4	3,633	IN
Iowa	675	605	0	0	44	0	1,495	2,819	IA
Kansas	1,767	0	0	18	2	0	2,248	4,035	KS
Kentucky	13	106	1,711	0	431	1	0	2,262	KY
Louisiana	347	263	43	917	82	0	1,142	2,794	LA
Maine	0	0	0	0	0	0	0	0	ME
Maryland	0	0	566	0	269	0	0	835	MD
Massachusetts	0	0	435	0	0	0	0	435	MA
Michigan (See Note)	0	1,016	809	0	644	262	0	2,731	MI
Minnesota	1,711	432	0	0	0	1,239	668	4,050	MN
Mississippi	179	851	94	663	211	0	0	1,998	MS
Missouri	1,780	0	13	418	409	0	1,530	4,150	MO
Montana	2,146	0	0	0	0	0	125	2,271	MT
Nebraska	1,651	0	0	0	0	0	1,075	2,726	NE
Nevada	805	0	0	0	0	0	1,199	2,004	NV
New Hampshire	0	0	0	0	0	0	0	0	NH
New Jersey	0	0	648	0	933	0	0	1,581	NJ
New Mexico	1,360	0	0	0	0	0	643	2,003	NM
New York	0	0	1,309	0	862	0	0	2,171	NY
North Carolina	0	0	1,137	0	1,439	0	0	2,576	NC
North Dakota	1,993	0	0	0	0	482	0	2,475	ND
Ohio	0	7	1,925	0	2,233	0	0	4,165	OH
Oklahoma	1,297	0	0	157	0	0	1,181	2,635	OK
Oregon	386	0	0	0	0	0	1,085	1,471	OR
Pennsylvania	0	155	1,062	0	2,433	0	0	3,650	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,302	0	795	0	0	2,097	SC
South Dakota	930	0	0	0	0	6	0	936	SD
Tennessee	17	145	1,010	5	890	0	16	2,083	TN
Texas	4,824	0	0	368	0	0	6,388	11,580	TX
Utah	433	0	0	0	0	0	1,333	1,766	UT
Vermont	0	0	0	0	0	0	0	0	VT
Virginia	0	0	1,050	0	2,134	0	0	3,184	VA
Washington	1,632	0	0	0	0	0	558	2,190	WA
West Virginia	0	0	1,478	0	842	0	0	2,320	WV
Wisconsin	273	1,602	0	0	0	614	932	3,421	WI
Wyoming	966	0	0	0	0	0	881	1,847	WY
Total U.S.	32,035	6,822	22,016	3,072	21,035	3,251	32,616	120,847	

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

BNSF Average State Tax Rate for 2004

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles BNSF	Tax Rate		
Alabama	229	6.500%	0.71484%	0.04646%
Arizona	595	6.968%	1.85734%	0.12942%
Arkansas	1,051	6.500%	3.28079%	0.21325%
California	2,132	8.840%	6.65522%	0.58832%
Colorado	1,305	4.630%	4.07367%	0.18861%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	124	7.600%	0.38708%	0.02942%
Illinois	1,414	7.300%	4.41392%	0.32222%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	675	12.000%	2.10707%	0.25285%
Kansas	1,767	7.350%	5.51584%	0.40541%
Kentucky	13	8.250%	0.04058%	0.00335%
Louisiana	347	8.000%	1.08319%	0.08666%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	1,711	9.800%	5.34103%	0.52342%
Mississippi	179	5.000%	0.55876%	0.02794%
Missouri	1,780	6.250%	5.55642%	0.34728%
Montana	2,146	6.750%	6.69892%	0.45218%
Nebraska	1,651	7.810%	5.15374%	0.40251%
Nevada	805	0.000%	2.51288%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	1,360	7.600%	4.24536%	0.32265%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	1,993	7.000%	6.22132%	0.43549%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	1,297	6.000%	4.04870%	0.24292%
Oregon	386	6.600%	1.20493%	0.07953%
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	930	0.000%	2.90307%	0.00000%
Tennessee	17	6.500%	0.05307%	0.00345%
Texas	4,824	0.000%	15.05853%	0.00000%
Utah	433	5.000%	1.35165%	0.06758%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,632	0.000%	5.09443%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	273	7.900%	0.85219%	0.06732%
Wyoming	966	0.000%	3.01545%	0.00000%
Total U.S.	32,035		100.00000%	5.23823%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CNGT Average State Tax Rate for 2004

State	Income			
	Miles CNGT	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	41	6.500%	0.60100%	0.03906%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,519	7.300%	22.26620%	1.62543%
Indiana	80	8.500%	1.17268%	0.09968%
Iowa	605	12.000%	8.86837%	1.06420%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	106	8.250%	1.55380%	0.12819%
Louisiana	263	8.000%	3.85517%	0.30841%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	1,016	0.000%	14.89299%	0.00000%
Minnesota	432	9.800%	6.33245%	0.62058%
Mississippi	851	5.000%	12.47435%	0.62372%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	7	8.500%	0.10261%	0.00872%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	155	9.990%	2.27206%	0.22698%
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	145	6.500%	2.12548%	0.13816%
Texas	0	0.000%	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	9.000%	0.00000%	0.00000%
Wisconsin	1,602	7.900%	23.48285%	1.85515%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	6,822		100.00000%	6.73828%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CSXT Average State Tax Rate for 2004

State	Miles CSX	Income		Pct Miles x Tax Rate
		Tax Rate	Pct Miles	
Alabama	1,149	6.500%	5.21893%	0.33923%
Arizona	0	6.968%	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	69	0.000%	0.31341%	0.00000%
Delaware	44	8.700%	0.19985%	0.01739%
Dist. of Columbia	21	9.975%	0.09539%	0.00951%
Florida	1,746	5.500%	7.93060%	0.43618%
Georgia	1,635	6.000%	7.42642%	0.44559%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,045	7.300%	4.74655%	0.34650%
Indiana	1,715	8.500%	7.78979%	0.66213%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	1,711	8.250%	7.77162%	0.64116%
Louisiana	43	8.000%	0.19531%	0.01563%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	566	7.000%	2.57086%	0.17996%
Massachusetts	435	6.500%	1.97584%	0.12843%
Michigan	809	0.000%	3.67460%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	94	5.000%	0.42696%	0.02135%
Missouri	13	6.250%	0.05905%	0.00369%
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	648	0.000%	2.94331%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	1,309	0.000%	5.94568%	0.00000%
North Carolina	1,137	6.900%	5.16443%	0.35635%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	1,925	8.500%	8.74364%	0.74321%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	1,062	9.990%	4.82376%	0.48189%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	1,302	5.000%	5.91388%	0.29569%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	1,010	6.500%	4.58757%	0.29819%
Texas	0	0.000%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	1,050	6.000%	4.76926%	0.28616%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	1,478	9.000%	6.71330%	0.60420%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	22,016		100.00000%	6.31243%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

KCS Average State Tax Rate for 2004

State	Income			
	Miles KCS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	123	6.500%	4.00391%	0.26025%
Arizona	0	6.968%	0.00000%	0.00000%
Arkansas	217	6.500%	7.06380%	0.45915%
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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	186	7.300%	6.05469%	0.44199%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	18	7.350%	0.58594%	0.04307%
Kentucky	0	8.250%	0.00000%	0.00000%
Louisiana	917	8.000%	29.85026%	2.38802%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	663	5.000%	21.58203%	1.07910%
Missouri	418	6.250%	13.60677%	0.85042%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	157	6.000%	5.11068%	0.30664%
Oregon	0	6.600%	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%	0.16276%	0.01058%
Texas	368	0.000%	11.97917%	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	9.000%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,072		100.00000%	5.83923%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

NS Average State Tax Rate for 2004

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles NS	Tax Rate		
Alabama	1,371	6.500%	6.51771%	0.42365%
Arizona	0	6.968%	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%	0.96506%	0.08396%
Dist. of Columbia	13	9.975%	0.06180%	0.00616%
Florida	149	5.500%	0.70834%	0.03896%
Georgia	1,843	6.000%	8.76159%	0.52570%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,260	7.300%	5.99002%	0.43727%
Indiana	1,543	8.500%	7.33539%	0.62351%
Iowa	44	12.000%	0.20918%	0.02510%
Kansas	2	7.350%	0.00951%	0.00070%
Kentucky	431	8.250%	2.04897%	0.16904%
Louisiana	82	8.000%	0.38983%	0.03119%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	269	7.000%	1.27882%	0.08952%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	644	0.000%	3.06156%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	1.00309%	0.05015%
Missouri	409	6.250%	1.94438%	0.12152%
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	933	0.000%	4.43546%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	862	0.000%	4.09793%	0.00000%
North Carolina	1,439	6.900%	6.84098%	0.47203%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	2,233	8.500%	10.61564%	0.90233%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	2,433	9.990%	11.56644%	1.15549%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	795	5.000%	3.77942%	0.18897%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	890	6.500%	4.23104%	0.27502%
Texas	0	0.000%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	2,134	6.000%	10.14500%	0.60870%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	842	9.000%	4.00285%	0.36026%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	21,035		100.00000%	6.58922%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

SOO Average State Tax Rate for 2004

State	Miles SOO	Income		Pct Miles x Tax Rate
		Tax Rate	Pct Miles	
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	356	7.300%	10.95048%	0.79938%
Indiana	291	8.500%	8.95109%	0.76084%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	1	8.250%	0.03076%	0.00254%
Louisiana	0	8.000%	0.00000%	0.00000%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	262	0.000%	8.05906%	0.00000%
Minnesota	1,239	9.800%	38.11135%	3.73491%
Mississippi	0	5.000%	0.00000%	0.00000%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	482	7.000%	14.82621%	1.03783%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	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	6	0.000%	0.18456%	0.00000%
Tennessee	0	6.500%	0.00000%	0.00000%
Texas	0	0.000%	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	9.000%	0.00000%	0.00000%
Wisconsin	614	7.900%	18.88650%	1.49203%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,251		100.00000%	7.82755%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

UP Average State Tax Rate for 2004

State	Income			
	Miles UP	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	692	6.968%	2.12166%	0.14784%
Arkansas	1,344	6.500%	4.12068%	0.26784%
California	3,455	8.840%	10.59296%	0.93642%
Colorado	1,506	4.630%	4.61737%	0.21378%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	869	7.600%	2.66434%	0.20249%
Illinois	2,247	7.300%	6.88926%	0.50292%
Indiana	4	8.500%	0.01226%	0.00104%
Iowa	1,495	12.000%	4.58364%	0.55004%
Kansas	2,248	7.350%	6.89232%	0.50659%
Kentucky	0	8.250%	0.00000%	0.00000%
Louisiana	1,142	8.000%	3.50135%	0.28011%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	668	9.800%	2.04807%	0.20071%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,530	6.250%	4.69095%	0.29318%
Montana	125	6.750%	0.38325%	0.02587%
Nebraska	1,075	7.810%	3.29593%	0.25741%
Nevada	1,199	0.000%	3.67611%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	643	7.600%	1.97143%	0.14983%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	0	8.500%	0.00000%	0.00000%
Oklahoma	1,181	6.000%	3.62092%	0.21726%
Oregon	1,085	6.600%	3.32659%	0.21955%
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	16	6.500%	0.04906%	0.00319%
Texas	6,388	0.000%	19.58548%	0.00000%
Utah	1,333	5.000%	4.08695%	0.20435%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	558	0.000%	1.71082%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	932	7.900%	2.85749%	0.22574%
Wyoming	881	0.000%	2.70113%	0.00000%
Total U.S.	32,616		100.00000%	5.40615%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

Summary of Weighted Average State Tax Rates

Railroad	Year	Rate
BNSF	2005	5.196%
CNGT	2005	6.703%
CSXT	2005	6.101%
KCS	2005	4.728%
NS	2005	6.376%
SOO	2005	7.635%
UP	2005	5.393%

State Corporate Tax Rates for 2005

State	Inc. Tax Rate	Comments
Alabama	6.500%	
Arizona	6.968%	
Arkansas	6.500%	
California	8.840%	
Colorado	4.630%	
Connecticut	0.000%	
Delaware	8.700%	
Dist. of Columbia	9.975%	
Florida	5.500%	
Georgia	6.000%	
Idaho	7.600%	
Illinois	7.300%	
Indiana	8.500%	
Iowa	12.000%	
Kansas	7.350%	
Kentucky	7.000%	
Louisiana	8.000%	
Maine	*	No Class I mileage
Maryland	7.000%	
Massachusetts	6.500%	
Michigan	0.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	6.250%	
Montana	6.750%	
Nebraska	7.810%	
Nevada	0.000%	None.
New Hampshire	*	No Class I mileage
New Jersey	0.000%	
New Mexico	7.600%	
New York	0.000%	
North Carolina	6.900%	
North Dakota	7.000%	
Ohio	6.800%	
Oklahoma	6.000%	
Oregon	6.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	0.000%	
Utah	5.000%	
Vermont	*	No Class I mileage
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	9.000%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

Note: There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "*", so rates are not collected here. Tax rates are from the web site of the Tax Foundation, Washington, DC

State Miles Operated - 2005

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	244	41	1,028	0	1,371	0	0	2,684	AL
Arizona	595	0	0	0	0	0	692	1,287	AZ
Arkansas	1,052	0	0	162	0	0	1,336	2,550	AR
California	2,130	0	0	0	0	0	3,358	5,488	CA
Colorado	1,400	0	0	0	0	0	1,530	2,930	CO
Connecticut	0	0	69	0	0	0	0	69	CT
Delaware	0	0	44	0	203	0	0	247	DE
Dist. of Columbia	0	0	21	0	13	0	0	34	DC
Florida	0	0	1,653	0	149	0	0	1,802	FL
Georgia	0	0	1,626	0	1,800	0	0	3,426	GA
Idaho	125	0	0	0	0	0	867	992	ID
Illinois	1,414	1,518	957	182	1,260	387	2,237	7,955	IL
Indiana	0	80	1,637	0	1,543	402	4	3,666	IN
Iowa	675	605	0	0	44	0	1,480	2,804	IA
Kansas	1,753	0	0	18	2	0	2,213	3,986	KS
Kentucky	13	106	1,710	0	431	1	0	2,261	KY
Louisiana	348	263	43	737	81	0	1,142	2,614	LA
Maine	0	0	0	0	0	0	0	0	ME
Maryland	0	0	567	0	269	0	0	836	MD
Massachusetts	0	0	435	0	0	0	0	435	MA
Michigan (See Note)	0	1,016	567	0	644	352	0	2,579	MI
Minnesota	1,693	435	0	0	0	1,240	668	4,036	MN
Mississippi	179	851	94	631	211	0	0	1,966	MS
Missouri	1,764	0	13	418	409	0	1,530	4,134	MO
Montana	1,983	0	0	0	0	0	125	2,108	MT
Nebraska	1,634	0	0	0	0	0	1,075	2,709	NE
Nevada	805	0	0	0	0	0	1,200	2,005	NV
New Hampshire	0	0	0	0	0	0	0	0	NH
New Jersey	0	0	648	0	933	0	0	1,581	NJ
New Mexico	1,394	0	0	0	0	0	643	2,037	NM
New York	0	0	1,310	0	862	0	0	2,172	NY
North Carolina	0	0	1,137	0	1,431	0	0	2,568	NC
North Dakota	1,923	0	0	0	0	482	0	2,405	ND
Ohio	0	7	1,914	0	2,233	29	0	4,183	OH
Oklahoma	1,293	0	0	151	0	0	1,182	2,626	OK
Oregon	386	0	0	0	0	0	1,065	1,451	OR
Pennsylvania	0	155	1,062	0	2,388	0	0	3,605	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,297	0	783	0	0	2,080	SC
South Dakota	926	0	0	0	0	6	0	932	SD
Tennessee	17	145	1,010	5	890	0	16	2,083	TN
Texas	4,995	0	0	893	0	0	6,377	12,265	TX
Utah	433	0	0	0	0	0	1,330	1,763	UT
Vermont	0	0	0	0	0	0	0	0	VT
Virginia	0	0	1,051	0	2,100	0	0	3,151	VA
Washington	1,621	0	0	0	0	0	548	2,169	WA
West Virginia	0	0	1,327	0	833	0	0	2,160	WV
Wisconsin	273	1,514	0	0	0	612	932	3,331	WI
Wyoming	971	0	0	0	0	0	876	1,847	WY
Total U.S.	32,039	6,736	21,220	3,197	20,883	3,511	32,426	120,012	

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

BNSF Average State Tax Rate for 2005

State	Income			
	Miles BNSF	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	244	6.500%	0.76157%	0.04950%
Arizona	595	6.968%	1.85711%	0.12940%
Arkansas	1,052	6.500%	3.28350%	0.21343%
California	2,130	8.840%	6.64815%	0.58770%
Colorado	1,400	4.630%	4.36967%	0.20232%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	125	7.600%	0.39015%	0.02965%
Illinois	1,414	7.300%	4.41337%	0.32218%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	675	12.000%	2.10681%	0.25282%
Kansas	1,753	7.350%	5.47146%	0.40215%
Kentucky	13	7.000%	0.04058%	0.00284%
Louisiana	348	8.000%	1.08618%	0.08689%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	1,693	9.800%	5.28418%	0.51785%
Mississippi	179	5.000%	0.55869%	0.02793%
Missouri	1,764	6.250%	5.50579%	0.34411%
Montana	1,983	6.750%	6.18933%	0.41778%
Nebraska	1,634	7.810%	5.10003%	0.39831%
Nevada	805	0.000%	2.51256%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	1,394	7.600%	4.35095%	0.33067%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	1,923	7.000%	6.00206%	0.42014%
Ohio	0	6.800%	0.00000%	0.00000%
Oklahoma	1,293	6.000%	4.03571%	0.24214%
Oregon	386	6.600%	1.20478%	0.07952%
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	926	0.000%	2.89023%	0.00000%
Tennessee	17	6.500%	0.05306%	0.00345%
Texas	4,995	0.000%	15.59037%	0.00000%
Utah	433	5.000%	1.35148%	0.06757%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,621	0.000%	5.05946%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	273	7.900%	0.85209%	0.06731%
Wyoming	971	0.000%	3.03068%	0.00000%
Total U.S.	32,039		100.00000%	5.19568%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CNGT Average State Tax Rate for 2005

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles CNGT	Tax Rate		
Alabama	41	6.500%	0.60867%	0.03956%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,518	7.300%	22.53563%	1.64510%
Indiana	80	8.500%	1.18765%	0.10095%
Iowa	605	12.000%	8.98159%	1.07779%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	106	7.000%	1.57363%	0.11015%
Louisiana	263	8.000%	3.90439%	0.31235%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	1,016	0.000%	15.08314%	0.00000%
Minnesota	435	9.800%	6.45784%	0.63287%
Mississippi	851	5.000%	12.63361%	0.63168%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	7	6.800%	0.10392%	0.00707%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	155	9.990%	2.30107%	0.22988%
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	145	6.500%	2.15261%	0.13992%
Texas	0	0.000%	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	9.000%	0.00000%	0.00000%
Wisconsin	1,514	7.900%	22.47625%	1.77562%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	6,736		100.00000%	6.70295%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CSXT Average State Tax Rate for 2005

State	Miles CSX	Income		Pct Miles	Pct Miles x Tax Rate
		Tax Rate			
Alabama	1,028	6.500%		4.84449%	0.31489%
Arizona	0	6.968%		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	69	0.000%		0.32516%	0.00000%
Delaware	44	8.700%		0.20735%	0.01804%
Dist. of Columbia	21	9.975%		0.09896%	0.00987%
Florida	1,653	5.500%		7.78982%	0.42844%
Georgia	1,626	6.000%		7.66258%	0.45975%
Idaho	0	7.600%		0.00000%	0.00000%
Illinois	957	7.300%		4.50990%	0.32922%
Indiana	1,637	8.500%		7.71442%	0.65573%
Iowa	0	12.000%		0.00000%	0.00000%
Kansas	0	7.350%		0.00000%	0.00000%
Kentucky	1,710	7.000%		8.05844%	0.56409%
Louisiana	43	8.000%		0.20264%	0.01621%
Maine	0	0.000% *		0.00000%	0.00000%
Maryland	567	7.000%		2.67201%	0.18704%
Massachusetts	435	6.500%		2.04995%	0.13325%
Michigan	567	0.000%		2.67201%	0.00000%
Minnesota	0	9.800%		0.00000%	0.00000%
Mississippi	94	5.000%		0.44298%	0.02215%
Missouri	13	6.250%		0.06126%	0.00383%
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	648	0.000%		3.05372%	0.00000%
New Mexico	0	7.600%		0.00000%	0.00000%
New York	1,310	0.000%		6.17342%	0.00000%
North Carolina	1,137	6.900%		5.35815%	0.36971%
North Dakota	0	7.000%		0.00000%	0.00000%
Ohio	1,914	6.800%		9.01979%	0.61335%
Oklahoma	0	6.000%		0.00000%	0.00000%
Oregon	0	6.600%		0.00000%	0.00000%
Pennsylvania	1,062	9.990%		5.00471%	0.49997%
Rhode Island	0	0.000% *		0.00000%	0.00000%
South Carolina	1,297	5.000%		6.11216%	0.30561%
South Dakota	0	0.000%		0.00000%	0.00000%
Tennessee	1,010	6.500%		4.75966%	0.30938%
Texas	0	0.000%		0.00000%	0.00000%
Utah	0	5.000%		0.00000%	0.00000%
Vermont	0	0.000% *		0.00000%	0.00000%
Virginia	1,051	6.000%		4.95287%	0.29717%
Washington	0	0.000%		0.00000%	0.00000%
West Virginia	1,327	9.000%		6.25353%	0.56282%
Wisconsin	0	7.900%		0.00000%	0.00000%
Wyoming	0	0.000%		0.00000%	0.00000%
Total U.S.	21,220			100.00000%	6.10052%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

KCS Average State Tax Rate for 2005

State	Income			
	Miles KCS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	0.00000%	0.00000%
Arkansas	162	6.500%	5.06725%	0.32937%
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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	182	7.300%	5.69284%	0.41558%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	18	7.350%	0.56303%	0.04138%
Kentucky	0	7.000%	0.00000%	0.00000%
Louisiana	737	8.000%	23.05286%	1.84423%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	631	5.000%	19.73725%	0.98686%
Missouri	418	6.250%	13.07476%	0.81717%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	0	6.800%	0.00000%	0.00000%
Oklahoma	151	6.000%	4.72318%	0.28339%
Oregon	0	6.600%	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%	0.15640%	0.01017%
Texas	893	0.000%	27.93244%	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	9.000%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,197		100.00000%	4.72815%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

NS Average State Tax Rate for 2005

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles NS	Tax Rate		
Alabama	1,371	6.500%	6.56515%	0.42673%
Arizona	0	6.968%	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%	0.97208%	0.08457%
Dist. of Columbia	13	9.975%	0.06225%	0.00621%
Florida	149	5.500%	0.71350%	0.03924%
Georgia	1,800	6.000%	8.61945%	0.51717%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,260	7.300%	6.03362%	0.44045%
Indiana	1,543	8.500%	7.38879%	0.62805%
Iowa	44	12.000%	0.21070%	0.02528%
Kansas	2	7.350%	0.00958%	0.00070%
Kentucky	431	7.000%	2.06388%	0.14447%
Louisiana	81	8.000%	0.38788%	0.03103%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	269	7.000%	1.28813%	0.09017%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	644	0.000%	3.08385%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	1.01039%	0.05052%
Missouri	409	6.250%	1.95853%	0.12241%
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	933	0.000%	4.46775%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	862	0.000%	4.12776%	0.00000%
North Carolina	1,431	6.900%	6.85246%	0.47282%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	2,233	6.800%	10.69291%	0.72712%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	2,388	9.990%	11.43514%	1.14237%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	783	5.000%	3.74946%	0.18747%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	890	6.500%	4.26184%	0.27702%
Texas	0	0.000%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	2,100	6.000%	10.05603%	0.60336%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	833	9.000%	3.98889%	0.35900%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	20,883		100.00000%	6.37617%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

SOO Average State Tax Rate for 2005

State	Miles SOO	Income		Pct Miles x Tax Rate
		Tax Rate	Pct Miles	
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	387	7.300%	11.02250%	0.80464%
Indiana	402	8.500%	11.44973%	0.97323%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	1	7.000%	0.02848%	0.00199%
Louisiana	0	8.000%	0.00000%	0.00000%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	352	0.000%	10.02563%	0.00000%
Minnesota	1,240	9.800%	35.31757%	3.46112%
Mississippi	0	5.000%	0.00000%	0.00000%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	482	7.000%	13.72828%	0.96098%
Ohio	29	6.800%	0.82598%	0.05617%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	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	6	0.000%	0.17089%	0.00000%
Tennessee	0	6.500%	0.00000%	0.00000%
Texas	0	0.000%	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	9.000%	0.00000%	0.00000%
Wisconsin	612	7.900%	17.43093%	1.37704%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,511		100.00000%	7.63518%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

UP Average State Tax Rate for 2005

State	Income			
	Miles UP	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	692	6.968%	2.13409%	0.14870%
Arkansas	1,336	6.500%	4.12015%	0.26781%
California	3,358	8.840%	10.35589%	0.91546%
Colorado	1,530	4.630%	4.71844%	0.21846%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	867	7.600%	2.67378%	0.20321%
Illinois	2,237	7.300%	6.89878%	0.50361%
Indiana	4	8.500%	0.01234%	0.00105%
Iowa	1,480	12.000%	4.56424%	0.54771%
Kansas	2,213	7.350%	6.82477%	0.50162%
Kentucky	0	7.000%	0.00000%	0.00000%
Louisiana	1,142	8.000%	3.52187%	0.28175%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	668	9.800%	2.06008%	0.20189%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,530	6.250%	4.71844%	0.29490%
Montana	125	6.750%	0.38549%	0.02602%
Nebraska	1,075	7.810%	3.31524%	0.25892%
Nevada	1,200	0.000%	3.70073%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	643	7.600%	1.98298%	0.15071%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	0	6.800%	0.00000%	0.00000%
Oklahoma	1,182	6.000%	3.64522%	0.21871%
Oregon	1,065	6.600%	3.28440%	0.21677%
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	16	6.500%	0.04934%	0.00321%
Texas	6,377	0.000%	19.66632%	0.00000%
Utah	1,330	5.000%	4.10165%	0.20508%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	548	0.000%	1.69000%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	932	7.900%	2.87424%	0.22706%
Wyoming	876	0.000%	2.70154%	0.00000%
Total U.S.	32,426		100.00000%	5.39266%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

Summary of Weighted Average State Tax Rates

Railroad	Year	Rate
BNSF	2006	5.183%
CNGT	2006	6.701%
CSXT	2006	5.941%
KCS	2006	5.992%
NS	2006	6.194%
SOO	2006	7.591%
UP	2006	6.275%

State Corporate Tax Rates for 2006

State	Inc.Tax Rate	Comments
Alabama	6.500%	
Arizona	6.968%	
Arkansas	6.500%	
California	8.840%	
Colorado	4.630%	
Connecticut	0.000%	
Delaware	8.700%	
Dist. of Columbia	9.975%	
Florida	5.500%	
Georgia	6.000%	
Idaho	7.600%	
Illinois	7.300%	
Indiana	8.500%	
Iowa	12.000%	
Kansas	7.350%	
Kentucky	7.000%	
Louisiana	8.000%	
Maine	*	No Class I mileage
Maryland	7.000%	
Massachusetts	6.500%	
Michigan	0.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	6.250%	
Montana	6.750%	
Nebraska	7.810%	
Nevada	0.000%	None.
New Hampshire	*	No Class I mileage
New Jersey	0.000%	
New Mexico	7.600%	
New York	0.000%	
North Carolina	6.900%	
North Dakota	7.000%	
Ohio	5.100%	
Oklahoma	6.000%	
Oregon	6.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	4.500%	Except use 0 for BNSF.
Utah	5.000%	
Vermont	*	No Class I mileage
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	9.000%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

Note: There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "*", so rates are not collected here.
Tax rates are from the web site of the Tax Foundation, Washington, DC

State Miles Operated - 2006

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	244	41	1,028	0	1,371	0	0	2,684	AL
Arizona	595	0	0	0	0	0	686	1,281	AZ
Arkansas	1,047	0	0	162	0	0	1,332	2,541	AR
California	2,130	0	0	0	0	0	3,358	5,488	CA
Colorado	1,400	0	0	0	0	0	1,524	2,924	CO
Connecticut	0	0	69	0	0	0	0	69	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	1,652	0	149	0	0	1,801	FL
Georgia	0	0	1,621	0	1,800	0	0	3,421	GA
Idaho	123	0	0	0	0	0	849	972	ID
Illinois	1,461	1,519	924	182	1,260	363	2,232	7,941	IL
Indiana	0	80	1,626	0	1,541	197	4	3,448	IN
Iowa	673	605	0	0	44	0	1,446	2,768	IA
Kansas	1,748	0	0	18	2	0	2,209	3,977	KS
Kentucky	13	106	1,642	0	431	0	12	2,204	KY
Louisiana	348	263	43	737	81	0	1,141	2,613	LA
Maine	0	0	0	0	0	0	0	0	ME
Maryland	0	0	559	0	269	0	0	828	MD
Massachusetts	0	0	434	0	0	0	0	434	MA
Michigan (See Note)	0	1,016	569	0	644	342	0	2,571	MI
Minnesota	1,692	435	0	0	0	1,240	668	4,035	MN
Mississippi	191	851	94	610	211	0	0	1,957	MS
Missouri	1,764	0	13	418	409	0	1,553	4,157	MO
Montana	1,942	0	0	0	0	0	125	2,067	MT
Nebraska	1,529	0	0	0	0	0	1,074	2,603	NE
Nevada	805	0	0	0	0	0	1,199	2,004	NV
New Hampshire	0	0	0	0	0	0	0	0	NH
New Jersey	0	0	648	0	933	0	0	1,581	NJ
New Mexico	1,394	0	0	0	0	0	643	2,037	NM
New York	0	0	1,292	0	862	0	0	2,154	NY
North Carolina	0	0	1,121	0	1,431	0	0	2,552	NC
North Dakota	1,791	0	0	0	0	482	0	2,273	ND
Ohio	0	7	1,918	0	2,233	30	0	4,188	OH
Oklahoma	1,293	0	0	151	0	0	1,181	2,625	OK
Oregon	386	0	0	0	0	0	1,064	1,450	OR
Pennsylvania	0	155	1,055	0	2,388	0	0	3,598	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,261	0	783	0	0	2,044	SC
South Dakota	926	0	0	0	0	6	0	932	SD
Tennessee	17	145	1,010	5	849	0	18	2,044	TN
Texas	4,975	0	0	893	0	0	6,351	12,219	TX
Utah	433	0	0	0	0	0	1,329	1,762	UT
Vermont	0	0	0	0	0	0	0	0	VT
Virginia	0	0	1,047	0	2,100	0	0	3,147	VA
Washington	1,621	0	0	0	0	0	533	2,154	WA
West Virginia	0	0	1,312	0	833	0	0	2,145	WV
Wisconsin	273	1,514	0	0	0	607	932	3,326	WI
Wyoming	971	0	0	0	0	0	876	1,847	WY
Total U.S.	31,785	6,737	21,002	3,176	20,840	3,267	32,339	119,146	

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

BNSF Average State Tax Rate for 2006

State	Income		Pct Miles	Pct Miles x Tax Rate	
	Miles BNSF	Tax Rate			
Alabama	244	6.500%	0.76766%	0.04990%	
Arizona	595	6.968%	1.87195%	0.13044%	
Arkansas	1,047	6.500%	3.29401%	0.21411%	
California	2,130	8.840%	6.70127%	0.59239%	
Colorado	1,400	4.630%	4.40459%	0.20393%	
Connecticut	0	0.000%	0.00000%	0.00000%	
Delaware	0	8.700%	0.00000%	0.00000%	
Dist. of Columbia	0	9.975%	0.00000%	0.00000%	
Florida	0	5.500%	0.00000%	0.00000%	
Georgia	0	6.000%	0.00000%	0.00000%	
Idaho	123	7.600%	0.38697%	0.02941%	
Illinois	1,461	7.300%	4.59651%	0.33555%	
Indiana	0	8.500%	0.00000%	0.00000%	
Iowa	673	12.000%	2.11735%	0.25408%	
Kansas	1,748	7.350%	5.49945%	0.40421%	
Kentucky	13	7.000%	0.04090%	0.00286%	
Louisiana	348	8.000%	1.09486%	0.08759%	
Maine	0	0.000% *	0.00000%	0.00000%	
Maryland	0	7.000%	0.00000%	0.00000%	
Massachusetts	0	6.500%	0.00000%	0.00000%	
Michigan	0	0.000%	0.00000%	0.00000%	
Minnesota	1,692	9.800%	5.32327%	0.52168%	
Mississippi	191	5.000%	0.60091%	0.03005%	
Missouri	1,764	6.250%	5.54979%	0.34686%	
Montana	1,942	6.750%	6.10980%	0.41241%	
Nebraska	1,529	7.810%	4.81045%	0.37570%	
Nevada	805	0.000%	2.53264%	0.00000%	
New Hampshire	0	0.000% *	0.00000%	0.00000%	
New Jersey	0	0.000%	0.00000%	0.00000%	
New Mexico	1,394	7.600%	4.38572%	0.33331%	
New York	0	0.000%	0.00000%	0.00000%	
North Carolina	0	6.900%	0.00000%	0.00000%	
North Dakota	1,791	7.000%	5.63473%	0.39443%	
Ohio	0	5.100%	0.00000%	0.00000%	
Oklahoma	1,293	6.000%	4.06796%	0.24408%	
Oregon	386	6.600%	1.21441%	0.08015%	
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	926	0.000%	2.91332%	0.00000%	
Tennessee	17	6.500%	0.05348%	0.00348%	
Texas	4,975	0.000%	15.65204%	0.00000%	Recorded in Operating Expenses
Utah	433	5.000%	1.36228%	0.06811%	
Vermont	0	0.000% *	0.00000%	0.00000%	
Virginia	0	6.000%	0.00000%	0.00000%	
Washington	1,621	0.000%	5.09989%	0.00000%	
West Virginia	0	9.000%	0.00000%	0.00000%	
Wisconsin	273	7.900%	0.85890%	0.06785%	
Wyoming	971	0.000%	3.05490%	0.00000%	
Total U.S.	31,785		100.00000%	5.18258%	

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CNGT Average State Tax Rate for 2006

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles CNGT	Tax Rate		
Alabama	41	6.500%	0.60858%	0.03956%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,519	7.300%	22.54713%	1.64594%
Indiana	80	8.500%	1.18747%	0.10094%
Iowa	605	12.000%	8.98026%	1.07763%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	106	7.000%	1.57340%	0.11014%
Louisiana	263	8.000%	3.90381%	0.31231%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	1,016	0.000%	15.08090%	0.00000%
Minnesota	435	9.800%	6.45688%	0.63277%
Mississippi	851	5.000%	12.63174%	0.63159%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	7	5.100%	0.10390%	0.00530%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	155	9.990%	2.30073%	0.22984%
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	145	6.500%	2.15229%	0.13990%
Texas	0	4.500%	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	9.000%	0.00000%	0.00000%
Wisconsin	1,514	7.900%	22.47291%	1.77536%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	6,737		100.00000%	6.70127%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

CSXT Average State Tax Rate for 2006

State	Miles CSX	Income		Pct Miles	Pct Miles x Tax Rate
		Tax Rate	Pct		
Alabama	1,028	6.500%	4.89477%	0.31816%	
Arizona	0	6.968%	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	69	0.000%	0.32854%	0.00000%	
Delaware	44	8.700%	0.20950%	0.01823%	
Dist. of Columbia	20	9.975%	0.09523%	0.00950%	
Florida	1,652	5.500%	7.86592%	0.43263%	
Georgia	1,621	6.000%	7.71831%	0.46310%	
Idaho	0	7.600%	0.00000%	0.00000%	
Illinois	924	7.300%	4.39958%	0.32117%	
Indiana	1,626	8.500%	7.74212%	0.65808%	
Iowa	0	12.000%	0.00000%	0.00000%	
Kansas	0	7.350%	0.00000%	0.00000%	
Kentucky	1,642	7.000%	7.81830%	0.54728%	
Louisiana	43	8.000%	0.20474%	0.01638%	
Maine	0	0.000% *	0.00000%	0.00000%	
Maryland	559	7.000%	2.66165%	0.18632%	
Massachusetts	434	6.500%	2.06647%	0.13432%	
Michigan	569	0.000%	2.70927%	0.00000%	
Minnesota	0	9.800%	0.00000%	0.00000%	
Mississippi	94	5.000%	0.44758%	0.02238%	
Missouri	13	6.250%	0.06190%	0.00387%	
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	648	0.000%	3.08542%	0.00000%	
New Mexico	0	7.600%	0.00000%	0.00000%	
New York	1,292	0.000%	6.15180%	0.00000%	
North Carolina	1,121	6.900%	5.33759%	0.36829%	
North Dakota	0	7.000%	0.00000%	0.00000%	
Ohio	1,918	5.100%	9.13246%	0.46576%	
Oklahoma	0	6.000%	0.00000%	0.00000%	
Oregon	0	6.600%	0.00000%	0.00000%	
Pennsylvania	1,055	9.990%	5.02333%	0.50183%	
Rhode Island	0	0.000% *	0.00000%	0.00000%	
South Carolina	1,261	5.000%	6.00419%	0.30021%	
South Dakota	0	0.000%	0.00000%	0.00000%	
Tennessee	1,010	6.500%	4.80907%	0.31259%	
Texas	0	4.500%	0.00000%	0.00000%	
Utah	0	5.000%	0.00000%	0.00000%	
Vermont	0	0.000% *	0.00000%	0.00000%	
Virginia	1,047	6.000%	4.98524%	0.29911%	
Washington	0	0.000%	0.00000%	0.00000%	
West Virginia	1,312	9.000%	6.24702%	0.56223%	
Wisconsin	0	7.900%	0.00000%	0.00000%	
Wyoming	0	0.000%	0.00000%	0.00000%	
Total U.S.	21,002		100.00000%	5.94143%	

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

KCS Average State Tax Rate for 2006

State	Income			
	Miles KCS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	0.00000%	0.00000%
Arkansas	162	6.500%	5.10076%	0.33155%
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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	182	7.300%	5.73048%	0.41832%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	18	7.350%	0.56675%	0.04166%
Kentucky	0	7.000%	0.00000%	0.00000%
Louisiana	737	8.000%	23.20529%	1.85642%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	610	5.000%	19.20655%	0.96033%
Missouri	418	6.250%	13.16121%	0.82258%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	0	5.100%	0.00000%	0.00000%
Oklahoma	151	6.000%	4.75441%	0.28526%
Oregon	0	6.600%	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%	0.15743%	0.01023%
Texas	893	4.500%	28.11713%	1.26527%
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	9.000%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,176		100.00000%	5.99162%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

NS Average State Tax Rate for 2006

State	Income			
	Miles NS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,371	6.500%	6.57869%	0.42762%
Arizona	0	6.968%	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%	0.97409%	0.08475%
Dist. of Columbia	13	9.975%	0.06238%	0.00622%
Florida	149	5.500%	0.71497%	0.03932%
Georgia	1,800	6.000%	8.63724%	0.51823%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,260	7.300%	6.04607%	0.44136%
Indiana	1,541	8.500%	7.39443%	0.62853%
Iowa	44	12.000%	0.21113%	0.02534%
Kansas	2	7.350%	0.00960%	0.00071%
Kentucky	431	7.000%	2.06814%	0.14477%
Louisiana	81	8.000%	0.38868%	0.03109%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	269	7.000%	1.29079%	0.09036%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	644	0.000%	3.09021%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	1.01248%	0.05062%
Missouri	409	6.250%	1.96257%	0.12266%
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	933	0.000%	4.47697%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	862	0.000%	4.13628%	0.00000%
North Carolina	1,431	6.900%	6.86660%	0.47380%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	2,233	5.100%	10.71497%	0.54646%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	2,388	9.990%	11.45873%	1.14473%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	783	5.000%	3.75720%	0.18786%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	849	6.500%	4.07390%	0.26480%
Texas	0	4.500%	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	2,100	6.000%	10.07678%	0.60461%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	833	9.000%	3.99712%	0.35974%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	20,840		100.00000%	6.19357%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

SOO Average State Tax Rate for 2006

State	Miles SOO	Income		Pct Miles x Tax Rate
		Tax Rate	Pct Miles	
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	363	7.300%	11.11111%	0.81111%
Indiana	197	8.500%	6.03000%	0.51255%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	0	7.000%	0.00000%	0.00000%
Louisiana	0	8.000%	0.00000%	0.00000%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	342	0.000%	10.46832%	0.00000%
Minnesota	1,240	9.800%	37.95531%	3.71962%
Mississippi	0	5.000%	0.00000%	0.00000%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	482	7.000%	14.75360%	1.03275%
Ohio	30	5.100%	0.91827%	0.04683%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	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	6	0.000%	0.18365%	0.00000%
Tennessee	0	6.500%	0.00000%	0.00000%
Texas	0	4.500%	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	9.000%	0.00000%	0.00000%
Wisconsin	607	7.900%	18.57974%	1.46780%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,267		100.00000%	7.59066%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

UP Average State Tax Rate for 2006

State	Income			
	Miles UP	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	686	6.968%	2.12128%	0.14781%
Arkansas	1,332	6.500%	4.11887%	0.26773%
California	3,358	8.840%	10.38375%	0.91792%
Colorado	1,524	4.630%	4.71258%	0.21819%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	849	7.600%	2.62531%	0.19952%
Illinois	2,232	7.300%	6.90188%	0.50384%
Indiana	4	8.500%	0.01237%	0.00105%
Iowa	1,446	12.000%	4.47138%	0.53657%
Kansas	2,209	7.350%	6.83076%	0.50206%
Kentucky	12	7.000%	0.03711%	0.00260%
Louisiana	1,141	8.000%	3.52825%	0.28226%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	668	9.800%	2.06562%	0.20243%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,553	6.250%	4.80225%	0.30014%
Montana	125	6.750%	0.38653%	0.02609%
Nebraska	1,074	7.810%	3.32107%	0.25938%
Nevada	1,199	0.000%	3.70760%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	643	7.600%	1.98831%	0.15111%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	7.000%	0.00000%	0.00000%
Ohio	0	5.100%	0.00000%	0.00000%
Oklahoma	1,181	6.000%	3.65194%	0.21912%
Oregon	1,064	6.600%	3.29015%	0.21715%
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	18	6.500%	0.05566%	0.00362%
Texas	6,351	4.500%	19.63883%	0.88375%
Utah	1,329	5.000%	4.10959%	0.20548%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	533	0.000%	1.64816%	0.00000%
West Virginia	0	9.000%	0.00000%	0.00000%
Wisconsin	932	7.900%	2.88197%	0.22768%
Wyoming	876	0.000%	2.70880%	0.00000%
Total U.S.	32,339		100.00000%	6.27548%

There is no Class I railroad mileage in Alaska or Hawaii.

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

No rounding until final number.

Summary of Weighted Average State Tax Rates

Railroad	Year	Rate
BNSF	2007	5.650%
CNGT	2007	6.684%
CSX	2007	5.702%
KCS	2007	6.494%
NS	2007	5.986%
SOO	2007	7.501%
UP	2007	6.163%

Summary of Weighted Average State Tax Rates

Railroad	Year	Rate
BNSF	2007	5.650%
CNGT	2007	6.684%
CSXT	2007	5.702%
KCS	2007	6.494%
NS	2007	5.986%
SOO	2007	7.501%
UP	2007	6.163%

State Corporate Tax Rates for 2007

State	Inc.Tax Rate	Comments
Alabama	6.500%	
Arizona	6.968%	
Arkansas	6.500%	
California	8.840%	
Colorado	4.630%	
Connecticut	0.000%	
Delaware	8.700%	
Dist. of Columbia	9.975%	
Florida	5.500%	
Georgia	6.000%	
Idaho	7.600%	
Illinois	7.300%	
Indiana	8.500%	
Iowa	12.000%	
Kansas	7.350%	
Kentucky	6.000%	
Louisiana	8.000%	
Maine	*	No Class I mileage
Maryland	7.000%	
Massachusetts	6.500%	
Michigan	0.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	6.250%	
Montana	6.750%	
Nebraska	7.810%	
Nevada	0.000%	None.
New Hampshire	*	No Class I mileage
New Jersey	0.000%	
New Mexico	7.600%	
New York	0.000%	
North Carolina	6.900%	
North Dakota	6.500%	
Ohio	3.400%	
Oklahoma	6.000%	
Oregon	6.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	*	70 % of Operating Revenue taxed at 1%
Utah	5.000%	
Vermont	*	No Class I mileage
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	8.750%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

Note: There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "*", so rates are not collected here.
Tax rates are from the web site of the Tax Foundation, Washington, DC

State Miles Operated - 2007

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	244	41	1,014	0	1,371	0	0	2,670	AL
Arizona	595	0	0	0	0	0	686	1,281	AZ
Arkansas	1,047	0	0	162	0	0	1,332	2,541	AR
California	2,130	0	0	0	0	0	3,312	5,442	CA
Colorado	1,399	0	0	0	0	0	1,523	2,922	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	1,621	0	1,800	0	0	3,421	GA
Idaho	123	0	0	0	0	0	849	972	ID
Illinois	1,552	1,518	924	182	1,260	363	2,237	8,036	IL
Indiana	0	81	1,693	0	1,541	197	4	3,516	IN
Iowa	673	605	0	0	44	0	1,439	2,761	IA
Kansas	1,709	0	0	18	2	0	2,208	3,937	KS
Kentucky	99	107	1,644	0	431	0	12	2,293	KY
Louisiana	348	263	43	737	81	0	1,141	2,613	LA
Maine	0	0	0	0	0	0	0	0	ME
Maryland	0	0	559	0	269	0	0	828	MD
Massachusetts	0	0	434	0	0	0	0	434	MA
Michigan	0	1,016	569	0	644	342	0	2,571	MI
Minnesota	1,686	435	0	0	0	1,240	665	4,026	MN
Mississippi	179	851	94	610	211	0	0	1,945	MS
Missouri	1,759	0	13	394	409	0	1,528	4,103	MO
Montana	1,927	0	0	0	0	0	125	2,052	MT
Nebraska	1,534	0	0	0	0	0	1,071	2,605	NE
Nevada	805	0	0	0	0	0	1,194	1,999	NV
New Hampshire	0	0	0	0	0	0	0	0	NH
New Jersey	0	0	648	0	933	0	0	1,581	NJ
New Mexico	1,394	0	0	0	0	0	643	2,037	NM
New York	0	0	1,292	0	791	0	0	2,083	NY
North Carolina	0	0	1,121	0	1,301	0	0	2,422	NC
North Dakota	1,732	0	0	0	0	482	0	2,214	ND
Ohio	0	7	1,912	0	2,233	30	0	4,182	OH
Oklahoma	1,412	0	0	151	0	0	1,175	2,738	OK
Oregon	386	0	0	0	0	0	1,054	1,440	OR
Pennsylvania	0	155	1,055	0	2,339	0	0	3,549	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,266	0	783	0	0	2,049	SC
South Dakota	926	0	0	0	0	6	0	932	SD
Tennessee	144	145	1,010	5	848	0	18	2,170	TN
Texas	4,940	0	0	892	0	0	6,344	12,176	TX
Utah	433	0	0	0	0	0	1,302	1,735	UT
Vermont	0	0	0	0	0	0	0	0	VT
Virginia	0	0	1,047	0	2,100	0	0	3,147	VA
Washington	1,679	0	0	0	0	0	532	2,211	WA
West Virginia	0	0	1,312	0	833	0	0	2,145	WV
Wisconsin	273	1,514	0	0	0	607	932	3,326	WI
Wyoming	966	0	0	0	0	0	879	1,845	WY
Total U.S.	32,094	6,738	21,054	3,151	20,589	3,267	32,205	119,098	

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

Data from Annual Report Form R-1

Total Railway Operating Revenues Schedule 210, Line 13, Column (b)

Year	RR	Sched	Line	ColB
2007	BNSF	210	13	15,909,200.00
2007	CNGT	210	13	2,257,887.00
2007	CSXT	210	13	9,039,079.00
2007	KCS	210	13	925,926.00
2007	NS	210	13	9,432,399.00
2007	SOO	210	13	785,960.00
2007	UP	210	13	16,249,053.00

Income (Loss) from continuing operations (before income taxes) Schedule 210, Line 46, Column (b)

Year	RR	Sched	Line	ColB
2007	BNSF	210	46	3,509,311.00
2007	CNGT	210	46	675,516.00
2007	CSXT	210	46	1,600,811.00
2007	KCS	210	46	103,191.00
2007	NS	210	46	1,916,142.00
2007	SOO	210	46	219,146.00
2007	UP	210	46	2,881,305.00

BNSF Average State Tax Rate for 2007

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles BNSF	Tax Rate		
Alabama	244	6.500%	0.76027%	0.04942%
Arizona	595	6.968%	1.85393%	0.12918%
Arkansas	1,047	6.500%	3.26229%	0.21205%
California	2,130	8.840%	6.63675%	0.58669%
Colorado	1,399	4.630%	4.35907%	0.20182%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	123	7.600%	0.38325%	0.02913%
Illinois	1,552	7.300%	4.83579%	0.35301%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	673	12.000%	2.09697%	0.25164%
Kansas	1,709	7.350%	5.32498%	0.39139%
Kentucky	99	6.000%	0.30847%	0.01851%
Louisiana	348	8.000%	1.08431%	0.08675%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	1,686	9.800%	5.25332%	0.51483%
Mississippi	179	5.000%	0.55774%	0.02789%
Missouri	1,759	6.250%	5.48078%	0.34255%
Montana	1,927	6.750%	6.00424%	0.40529%
Nebraska	1,534	7.810%	4.77971%	0.37330%
Nevada	805	0.000%	2.50826%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	1,394	7.600%	4.34349%	0.33011%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	1,732	6.500%	5.39665%	0.35078%
Ohio	0	3.400%	0.00000%	0.00000%
Oklahoma	1,412	6.000%	4.39958%	0.26397%
Oregon	386	6.600%	1.20272%	0.07938%
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	926	0.000%	2.88527%	0.00000%
Tennessee	144	6.500%	0.44868%	0.02916%
Texas	4,940	3.173% *	15.39229%	0.48846%
Utah	433	5.000%	1.34916%	0.06746%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,679	0.000%	5.23151%	0.00000%
West Virginia	0	8.750%	0.00000%	0.00000%
Wisconsin	273	7.900%	0.85063%	0.06720%
Wyoming	966	0.000%	3.00991%	0.00000%
Total U.S.	32,094		100.00000%	5.6499%

There is no Class I railroad mileage in Alaska, Hawaii, Maine, New Hampshire, Rhode Island, and Vermont. 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. AAR and railroads have reviewed Tax Foundation numbers and made corrections if necessary. Rate for Texas is calculated, and may vary by railroad. No rounding until final number.

Calculated Tax Rates

BNSF Tax Rate for Texas for 2007

Corporate Activities Tax

Operating Revenue	15,909,200	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	3,509,311	from R-1 Schedule 210 Line 46
Taxable Receipts	11,136,440	70% of Operating Revenue
Tax Rate	1.000%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	111,364	Tax Rate x Taxable Receipts
Effective Tax Rate	3.173%	State Taxes divided by Taxable Earnings

Notes

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.

CNGT Average State Tax Rate for 2007

State	Income			
	Miles CNGT	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	41	6.500%	0.60849%	0.03955%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,518	7.300%	22.52894%	1.64461%
Indiana	81	8.500%	1.20214%	0.10218%
Iowa	605	12.000%	8.97893%	1.07747%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	107	6.000%	1.58801%	0.09528%
Louisiana	263	8.000%	3.90324%	0.31226%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	1,016	0.000%	15.07866%	0.00000%
Minnesota	435	9.800%	6.45592%	0.63268%
Mississippi	851	5.000%	12.62986%	0.63149%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	6.500%	0.00000%	0.00000%
Ohio	7	3.400%	0.10389%	0.00353%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	155	9.990%	2.30039%	0.22981%
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	145	6.500%	2.15197%	0.13988%
Texas	0	2.340% *	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	8.750%	0.00000%	0.00000%
Wisconsin	1,514	7.900%	22.46958%	1.77510%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	6,738		100.00000%	6.68385%

There is no Class I railroad mileage in Alaska, Hawaii, Maine, New Hampshire, Rhode Island, and Vermont. 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. AAR and railroads have reviewed Tax Foundation numbers and made corrections if necessary. Rate for Texas is calculated, and may vary by railroad. No rounding until final number.

CSXT Average State Tax Rate for 2007

State	Income			
	Miles CSX	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,014	6.500%	4.81619%	0.31305%
Arizona	0	6.968%	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%	0.32298%	0.00000%
Delaware	44	8.700%	0.20899%	0.01818%
Dist. of Columbia	20	9.975%	0.09499%	0.00948%
Florida	1,651	5.500%	7.84174%	0.43130%
Georgia	1,621	6.000%	7.69925%	0.46195%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	924	7.300%	4.38871%	0.32038%
Indiana	1,693	8.500%	8.04123%	0.68350%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	0.00000%	0.00000%
Kentucky	1,644	6.000%	7.80849%	0.46851%
Louisiana	43	8.000%	0.20424%	0.01634%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	559	7.000%	2.65508%	0.18586%
Massachusetts	434	6.500%	2.06137%	0.13399%
Michigan	569	0.000%	2.70257%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	94	5.000%	0.44647%	0.02232%
Missouri	13	6.250%	0.06175%	0.00386%
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	648	0.000%	3.07780%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	1,292	0.000%	6.13660%	0.00000%
North Carolina	1,121	6.900%	5.32440%	0.36738%
North Dakota	0	6.500%	0.00000%	0.00000%
Ohio	1,912	3.400%	9.08141%	0.30877%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	1,055	9.990%	5.01092%	0.50059%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	1,266	5.000%	6.01311%	0.30066%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	1,010	6.500%	4.79719%	0.31182%
Texas	0	3.953% *	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	1,047	6.000%	4.97293%	0.29838%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	1,312	8.750%	6.23159%	0.54526%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	21,054		100.00000%	5.70157%

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KCS Average State Tax Rate for 2007

State	Income			
	Miles KCS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	0.00000%	0.00000%
Arkansas	162	6.500%	5.14123%	0.33418%
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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	182	7.300%	5.77594%	0.42164%
Indiana	0	8.500%	0.00000%	0.00000%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	18	7.350%	0.57125%	0.04199%
Kentucky	0	6.000%	0.00000%	0.00000%
Louisiana	737	8.000%	23.38940%	1.87115%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	610	5.000%	19.35893%	0.96795%
Missouri	394	6.250%	12.50397%	0.78150%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	6.500%	0.00000%	0.00000%
Ohio	0	3.400%	0.00000%	0.00000%
Oklahoma	151	6.000%	4.79213%	0.28753%
Oregon	0	6.600%	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%	0.15868%	0.01031%
Texas	892	6.281% *	28.30847%	1.77807%
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	8.750%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,151		100.00000%	6.49432%

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Calculated Tax Rates

KCS Tax Rate for Texas for 2007

Corporate Activities Tax

Operating Revenue	925,926	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	103,191	from R-1 Schedule 210 Line 46
Taxable Receipts	648,148	70% of Operating Revenue
Tax Rate	1.000%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	6,481	Tax Rate x Taxable Receipts
Effective Tax Rate	6.281%	State Taxes divided by Taxable Earnings

Notes

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.

NS Average State Tax Rate for 2007

State	Income		Pct Miles	Pct Miles x Tax Rate
	Miles NS	Tax Rate		
Alabama	1,371	6.500%	6.65890%	0.43283%
Arizona	0	6.968%	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%	0.98596%	0.08578%
Dist. of Columbia	13	9.975%	0.06314%	0.00630%
Florida	149	5.500%	0.72369%	0.03980%
Georgia	1,800	6.000%	8.74253%	0.52455%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	1,260	7.300%	6.11977%	0.44674%
Indiana	1,541	8.500%	7.48458%	0.63619%
Iowa	44	12.000%	0.21371%	0.02564%
Kansas	2	7.350%	0.00971%	0.00071%
Kentucky	431	6.000%	2.09335%	0.12560%
Louisiana	81	8.000%	0.39341%	0.03147%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	269	7.000%	1.30652%	0.09146%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	644	0.000%	3.12788%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	1.02482%	0.05124%
Missouri	409	6.250%	1.98650%	0.12416%
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	933	0.000%	4.53155%	0.00000%
New Mexico	0	7.600%	0.00000%	0.00000%
New York	791	0.000%	3.84186%	0.00000%
North Carolina	1,301	6.900%	6.31891%	0.43600%
North Dakota	0	6.500%	0.00000%	0.00000%
Ohio	2,233	3.400%	10.84560%	0.36875%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	0.00000%	0.00000%
Pennsylvania	2,339	9.990%	11.36044%	1.13491%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	783	5.000%	3.80300%	0.19015%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	848	6.500%	4.11870%	0.26772%
Texas	0	3.446% *	0.00000%	0.00000%
Utah	0	5.000%	0.00000%	0.00000%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	2,100	6.000%	10.19962%	0.61198%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	833	8.750%	4.04585%	0.35401%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	20,589		100.00000%	5.98600%

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SOO Average State Tax Rate for 2007

State	Income			
	Miles SOO	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	6.968%	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	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	0	7.600%	0.00000%	0.00000%
Illinois	363	7.300%	11.11111%	0.81111%
Indiana	197	8.500%	6.03000%	0.51255%
Iowa	0	12.000%	0.00000%	0.00000%
Kansas	0	7.350%	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	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	342	0.000%	10.46832%	0.00000%
Minnesota	1,240	9.800%	37.95531%	3.71962%
Mississippi	0	5.000%	0.00000%	0.00000%
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	7.600%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	482	6.500%	14.75360%	0.95898%
Ohio	30	3.400%	0.91827%	0.03122%
Oklahoma	0	6.000%	0.00000%	0.00000%
Oregon	0	6.600%	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	6	0.000%	0.18365%	0.00000%
Tennessee	0	6.500%	0.00000%	0.00000%
Texas	0	2.511% *	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	8.750%	0.00000%	0.00000%
Wisconsin	607	7.900%	18.57974%	1.46780%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,267		100.00000%	7.50129%

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UP Average State Tax Rate for 2007

State	Income			
	Miles UP	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	686	6.968%	2.13010%	0.14843%
Arkansas	1,332	6.500%	4.13600%	0.26884%
California	3,312	8.840%	10.28412%	0.90912%
Colorado	1,523	4.630%	4.72908%	0.21896%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	9.975%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	6.000%	0.00000%	0.00000%
Idaho	849	7.600%	2.63624%	0.20035%
Illinois	2,237	7.300%	6.94613%	0.50707%
Indiana	4	8.500%	0.01242%	0.00106%
Iowa	1,439	12.000%	4.46825%	0.53619%
Kansas	2,208	7.350%	6.85608%	0.50392%
Kentucky	12	6.000%	0.03726%	0.00224%
Louisiana	1,141	8.000%	3.54293%	0.28343%
Maine	0	0.000% *	0.00000%	0.00000%
Maryland	0	7.000%	0.00000%	0.00000%
Massachusetts	0	6.500%	0.00000%	0.00000%
Michigan	0	0.000%	0.00000%	0.00000%
Minnesota	665	9.800%	2.06490%	0.20236%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,528	6.250%	4.74460%	0.29654%
Montana	125	6.750%	0.38814%	0.02620%
Nebraska	1,071	7.810%	3.32557%	0.25973%
Nevada	1,194	0.000%	3.70750%	0.00000%
New Hampshire	0	0.000% *	0.00000%	0.00000%
New Jersey	0	0.000%	0.00000%	0.00000%
New Mexico	643	7.600%	1.99658%	0.15174%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	6.900%	0.00000%	0.00000%
North Dakota	0	6.500%	0.00000%	0.00000%
Ohio	0	3.400%	0.00000%	0.00000%
Oklahoma	1,175	6.000%	3.64850%	0.21891%
Oregon	1,054	6.600%	3.27278%	0.21600%
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	18	6.500%	0.05589%	0.00363%
Texas	6,344	3.948% *	19.69880%	0.77764%
Utah	1,302	5.000%	4.04285%	0.20214%
Vermont	0	0.000% *	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	532	0.000%	1.65192%	0.00000%
West Virginia	0	8.750%	0.00000%	0.00000%
Wisconsin	932	7.900%	2.89396%	0.22862%
Wyoming	879	0.000%	2.72939%	0.00000%
Total U.S.	32,205		100.00000%	6.16311%

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Calculated Tax Rates

UP Tax Rate for Texas for 2007

Corporate Activities Tax

Operating Revenue	16,249,053	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	2,881,305	from R-1 Schedule 210 Line 46
Taxable Receipts	11,374,337	70% of Operating Revenue
Tax Rate	1.000%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	113,743	Tax Rate x Taxable Receipts
Effective Tax Rate	3.948%	State Taxes divided by Taxable Earnings

Notes

This calculation assumes that the ratio of NIBT to Operating Revenue will be the same in every state.