



*SURFACE TRANSPORTATION BOARD  
Office of Economics  
Washington, DC 20423*

**PRESCRIPTION OF DEPRECIATION RATES**  
*for*  
**KANSAS CITY SOUTHERN RAILWAY COMPANY**  
**EQUIPMENT PROPERTY**  
**KCS-EQ-19**

*Rates Effective: January 1, 2019*

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Kansas City Southern Railway Company (KCS) has submitted depreciation rates for its **equipment property**. Life and salvage estimates supporting these rates were also provided and have been given appropriate consideration.

The depreciation rates prescribed herein replace any rates previously prescribed for the subject property. Beginning on the effective date of this prescription, the railroad is prohibited from using any rates other than those prescribed herein. As stated in *49 U.S.C. 11143*, a rail carrier may not:

- (1) charge to operating expenses a depreciation charge on a class of property other than that prescribed by the Board;
- (2) charge another rate of depreciation; or
- (3) include other depreciation charges in operating expenses.

**IT IS ORDERED:**

- (1) Kansas City Southern Railway Company (KCS) shall account for depreciation charges by applying to the ledger value of **equipment property**, owned and used in its operations, the annual depreciation rates shown herein.
- (2) The rates shall be effective **January 1, 2019**, or until further order of the Board.

<b>KANSAS CITY SOUTHERN RAILWAY COMPANY</b>	
<b>Equipment Property Depreciation Rates</b>	
<b>ACCOUNT</b>	<b>DEPRECIATION RATES</b>
<b><u>KCS</u></b>	
<b>52 Locomotives</b>	
Legacy - Hulk	2.86
Legacy - Components	8.00
New - Hulk	2.00
New - Components	8.00
<b>53 Freight Train Cars</b>	
Boxcar - 50'	2.88
Boxcar - 60'	2.18
Gondola	3.04
Open Hopper	3.20
Covered Hopper	1.94
Flat Car	2.33
Tank Car	1.84
Auto Racks	2.29
Auto Max	2.29
EOT Devices	6.67
<b>57 Work Equipment - Business Cars/Mow Equip.</b>	1.85
<b>58 Miscellaneous Equipment</b>	
Trucks	8.17
Other	7.54
<b>59 Computers</b>	
3-year	33.33
5-year	20.00
7-year	14.29
<b><u>ST&amp;T</u></b>	
<b>58 Miscellaneous Equipment – Other</b>	7.54
<b><u>TEX MEX</u></b>	
<b>53 Freight Train Cars</b>	
Gondolas	3.04
Covered Hoppers	1.94
<b>58 Miscellaneous Equipment</b>	
Trucks	8.17
Other	7.54
<b>59 Computers – 7 year</b>	14.29

Decided August 6, 2019 by the Surface Transportation Board's Accounting Board members Ramirez, Staton, Dusenberry.