

**450. ANALYSIS OF TAXES**

(Dollars in thousands)

**AMENDED****A. Railway Taxes**

Line No.	Cross Check	Kind of Tax	Amount	Line No.
1		Other than U.S. Government Taxes	91,486	1
		U.S. Government Taxes		
		Income Taxes:		
2		Normal Tax & Surtax	29,964	2
3		Excess Profits	-	3
4	*	Total - Income Taxes (ln. 2 + 3)	29,964	4
5		Railroad Retirement	86,234	5
6		Hospital Insurance	8,981	6
7		Supplemental Annuities	-	7
8		Unemployment Insurance	3,133	8
9		All Other United States Taxes	140,687	9
10		Total - U.S. Government Taxes	268,999	10
11		Total - Railway Taxes	360,485	11

**B. Adjustments to Federal Income Taxes**

- In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other (Specify)," including state and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under "Other (Specify)."
- Indicate in column (b) the beginning of year totals of Accounts 714, 744, 762 and 786 applicable to each particular item in column (a).
- Indicate in column (c) the net changes in Accounts 714, 744, 762 and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.
- Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or loss carry-back.
- The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year.
- Indicate in column (e) the cumulative total of columns (b), (c) and (d). The total of column (e) must agree with the total of Accounts 714, 744, 762, and 786.

Line No.	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments <sup>(1)</sup> (d)	End of year balance (e)	Line No.
1	Accelerated depreciation, Sec. 167 IRC: Guideline lives pursuant to Rev. Proc. 62-21.					1
2	Accelerated amortization of facilities, Sec. 168 IRC					2
3	Accelerated amortization of rolling stock, Sec. 184 IRC					3
4	Amortization of rights of way, Sec. 185 IRC					4
5						5
6	Other (Specify)					6
7	Property depreciation & basis difference	2,984,561	129,328	31,522	3,145,411	7
8	Reserve for workforce reduction	-	-	-	-	8
9	Postretirement benefits	(83,428)	(1,642)	(1,483)	(86,553)	9
10	Claims, accruals & other reserves	(103,495)	15,714	-	(87,781)	10
11	Loss & Credit Carryforwards	(33,057)	22,267	-	(10,790)	11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19	TOTALS	2,764,581	165,667	30,039	2,960,287	19

(1) In 2010, the investments in Great Lakes Fleet Inc., IC Railmarine Terminal Company and Wisconsin Central International Inc. that were previously accounted for on an equity basis are now presented on a fully consolidated basis. Also included is an adjustment on the tax provision pursuant to other comprehensive income.