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June 1, 2023

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

This version dated June 1, 2023, of annual EP 682 filing has been modified to correct R-1 data previously stated in the May 30, 2023 submission.



John T. Gray
Senior Vice President - Policy & Economics

June 1, 2023

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

Re: Ex Parte No. 682 (Sub-No. 14), Annual Submission of State Tax Information for Use in the Revenue Shortfall Allocation Method (2022)

Dear Ms. Brown:

This submission by the Association of American Railroads (AAR) is the AAR's calculation of the 2022 weighted average state tax rate for each Class I railroad, filed pursuant to 49 C.F.R. § 1135.2, as adopted by the Board in Ex Parte No. 682, *Annual Submission of State Tax Information for Use in the Revenue Shortfall Allocation Method*, served February 26, 2010. The methodology used to calculate each weighted average state tax rate is the same as what was used in the AAR's prior year calculation.

Weighted Average State Tax Rates			
<u>Railroad</u>	<u>2022</u>	<u>2021</u>	Percentage Point <u>Change</u>
BNSF Railway Company	4.960%	5.068%	-0.108%
CSX Transportation, Inc.	5.242%	5.010%	0.232%
Grand Trunk Corporation	7.906%	7.904%	0.002%
The Kansas City Southern Rwy	4.897%	5.164%	-0.267%
Norfolk Southern Combined	5.620%	5.671%	-0.051%
Soo Line Corporation	7.802%	7.827%	-0.025%
Union Pacific Railroad Company	5.337%	5.451%	-0.114%

Page 2

All calculations are included in the AAR's submission. Workpapers consist of copies of Schedules 702 and 210 from the railroads' Annual Report Form R-1. Railroads have reviewed the calculations. A copy of the workpapers underlying this submission are included in the AAR's filing. Questions should be directed to me or Kiara Williams (202 639-2327) of this office.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Gray", with a long horizontal flourish extending to the right.

John T. Gray

Attachments

**Before the
Surface Transportation Board**

Ex Parte No. 682

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

**2022
Weighted Average State Tax Rates**

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

June 1, 2023

Table of Contents

Subject	Page
Introduction	1
State Mileages Operated for 2022	2
State Corporate Tax Rates Used for 2022	3
Results of Calculations for 2022	4
Appendices	
A State Corporate Income Tax Rates from Tax Foundation	
B List of Adjustments to Tax Foundation Rates	
C List of Tax Rates that Differ from 2021	
D Additional Tax Rate Information from States	
E Summary of Additional Data Used in Calculations from Annual Report Form R-1	
F Tax Rate Calculation for Texas	
G Tax Rate Calculation for New Jersey	
H Railroad Tax Rate Calculations	

Introduction

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

The methodology used by the AAR to calculate weighted average state tax rates is the same as was used since the calculation for 2008. Beginning with 2017, a new appendix was added for New Jersey, and the method for calculating its tax rate is similar to that for Texas. The AAR's 2008 weighted average state tax rate calculations were adopted by the Surface Transportation Board in its Ex Parte No. 646 (Sub-No. 2), Simplified Standards for Rail Rate Cases – Taxes in Revenue Shortfall Allocation Method (served January 22, 2010). The AAR's calculation submitted herein is for 2022.

Sources

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

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

Notes

Arkansas, Colorado, Idaho, Indiana, Louisiana, Nebraska, Oklahoma, and Utah have lower income tax rates in 2022. Florida has a higher income tax rate in 2022.

The average tax rates for five Class I railroads (BNSF, KCS, NS, CP's Soo Line Corporation, and UP) decreased in 2022 from 2021. CSXT has a higher average tax rate for 2022, while CNGT remained relatively flat. CSXT has an increase in operating mileage in Maine, Massachusetts, and New Hampshire due to the Pan Am acquisition, which increased the average tax rate for 2022. CNGT and CP's Soo Line Corporation still have higher average tax rates than the other railroads because 38 to 54 percent of their U.S. mileage is in Minnesota, Iowa, and Illinois – states with income tax rates among the highest in the nation.

State Miles Operated for 2022

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	231	22	1,009	44	1,304	0	0	2,610	AL
Arizona	659	0	0	0	0	0	691	1,350	AZ
Arkansas	1,056	0	0	162	0	0	1,324	2,542	AR
California	2,087	0	0	0	0	0	3,362	5,449	CA
Colorado	1,338	0	0	0	0	0	1,504	2,842	CO
Connecticut	0	0	62	0	0	0	0	62	CT
Delaware	0	0	42	0	82	0	0	124	DE
Dist. of Columbia	0	0	18	0	19	0	0	37	DC
Florida	0	0	1,187	0	148	0	0	1,335	FL
Georgia	0	0	1,533	0	1,706	0	0	3,239	GA
Idaho	133	0	0	0	0	0	873	1,006	ID
Illinois	1,538	1,275	700	186	1,261	385	2,384	7,729	IL
Indiana	0	103	1,477	0	1,440	154	19	3,193	IN
Iowa	659	573	0	0	43	673	1,430	3,378	IA
Kansas	1,583	0	0	18	2	0	2,199	3,802	KS
Kentucky	98	98	1,580	0	429	0	12	2,217	KY
Louisiana	346	227	43	750	76	0	1,140	2,582	LA
Maine	0	0	432	0	0	174	0	606	ME*
Maryland	0	0	522	0	259	0	0	781	MD
Massachusetts	0	0	327	0	0	0	0	327	MA*
Michigan	0	793	483	0	489	80	0	1,845	MI
Minnesota	1,711	378	0	0	0	1,702	644	4,435	MN
Mississippi	179	574	94	602	211	0	0	1,660	MS
Missouri	1,606	0	0	409	409	196	1,541	4,161	MO
Montana	2,620	0	0	0	0	0	125	2,745	MT
Nebraska	1,582	0	0	0	0	0	1,098	2,680	NE
Nevada	798	0	0	0	0	0	1,193	1,991	NV
New Hampshire	0	0	100	0	0	0	0	100	NH*
New Jersey	0	0	624	0	893	0	0	1,517	NJ
New Mexico	1,636	0	0	0	0	0	618	2,254	NM
New York	0	0	1,130	0	840	414	0	2,384	NY
North Carolina	0	0	1,072	0	1,121	0	0	2,193	NC
North Dakota	1,633	0	0	0	0	530	0	2,163	ND
Ohio	0	4	1,750	0	1,905	30	0	3,689	OH
Oklahoma	1,287	0	0	147	0	0	1,240	2,674	OK
Oregon	414	0	0	0	0	0	1,073	1,487	OR
Pennsylvania	0	154	1,057	0	2,410	0	0	3,621	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,275	0	762	0	0	2,037	SC
South Dakota	895	0	0	0	0	112	0	1,007	SD
Tennessee	137	157	968	5	718	0	17	2,002	TN
Texas	5,389	0	0	939	0	0	6,447	12,775	TX
Utah	437	0	0	0	0	0	1,267	1,704	UT
Vermont	0	0	0	0	0	21	0	21	VT
Virginia	0	0	1,020	0	1,990	0	0	3,010	VA
Washington	1,450	0	0	0	0	0	540	1,990	WA
West Virginia	0	0	1,253	0	618	0	0	1,871	WV
Wisconsin	250	1,021	0	0	0	618	919	2,808	WI
Wyoming	965	0	0	0	0	0	874	1,839	WY
Total U.S.	32,717	5,379	19,758	3,262	19,135	5,089	32,534	117,874	
Canada	116	0	72	0	2	0	0	190	
Grand Total	32,833	5,379	19,830	3,262	19,137	5,089	32,534	118,064	

Note: There is no Class I railroad mileage in Alaska, Hawaii, or Rhode Island.

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

CSX's acquisition of Pan Am indicate a mileage increase for Maine, Massachusetts, and New Hampshire which are marked with an "*".

State Tax Rates Used for 2022

State	Inc.Tax Rate	Comments
Alabama	6.500%	
Arizona	4.900%	
Arkansas	5.900%	***Lower for 2022
California	8.840%	
Colorado	4.400%	***Lower for 2022
Connecticut	0.000%	Sole railroad reports in operating expense, so tax rate changed to 0.
Delaware	8.700%	
Dist. of Columbia	8.250%	
Florida	5.500%	***Higher for 2022
Georgia	5.750%	
Idaho	6.000%	***Lower for 2022
Illinois	9.500%	7.0% + Replacement Tax of 2.5%
Indiana	4.900%	*** Lower for 2022
Iowa	9.800%	
Kansas	7.000%	4% plus 3.0% surtax
Kentucky	5.000%	
Louisiana	7.500%	***Lower for 2022
Maine	8.930%	
Maryland	8.250%	
Massachusetts	8.000%	
Michigan	6.000%	
Minnesota	9.800%	
Mississippi	5.000%	
Missouri	4.000%	
Montana	6.750%	7.0% if Water's Edge election (no Class I railroads have elected this)
Nebraska	7.500%	***Lower for 2022
Nevada	0.000%	None.
New Hampshire	7.600%	Class I mileage added due to Pan Am Acquisition
New Jersey	*	10% of NROI allocated, RR began reporting as income tax 2017
New Mexico	5.900%	
New York	0.000%	Reported in operating expense, rate changed to zero.
North Carolina	2.500%	
North Dakota	4.310%	Water's Edge Election add 3.5% pt. (1 RR uses Water's Edge)
Ohio	0.000%	Income tax fully phased out and replaced with a franchise fee.
Oklahoma	4.000%	***Lower for 2022
Oregon	7.600%	
Pennsylvania	9.990%	
Rhode Island	*	No Class I mileage
South Carolina	5.000%	
South Dakota	0.000%	None.
Tennessee	6.500%	
Texas	*	Calculated using 70% of Operating Revenue taxed at 0.75%
Utah	4.850%	***Lower for 2022
Vermont	8.500%	
Virginia	6.000%	
Washington	0.000%	None.
West Virginia	6.500%	
Wisconsin	7.900%	
Wyoming	0.000%	None.

Notes:

There is no Class I railroad mileage in Alaska, Hawaii, or states marked with an "*" (except TX & NJ).

Tax rates are from the web site of the Tax Foundation, Washington, DC, and have been verified with state tax forms.

Adjustments to the Tax Foundation's list of rates have been made by the AAR when necessary. See Appendix B.

**** in comments notes that tax rate is changed from prior year.

Results of Calculations for 2022

Average State Corporate Income Tax Rate

Railroad	2022	2021	Difference
BNSF	4.960 %	5.068 %	-0.108 % Pts.
CSX	5.242	5.010	0.232
CNGT	7.906	7.904	0.002
KCS	4.897	5.164	-0.267
NS	5.620	5.671	-0.051
SOO	7.802	7.827	-0.025
UP	5.337	5.451	-0.114

State Tax Rates for 2022 from the Tax Foundation

State Corporate Income Tax Rates as of July 1, 2022

State	Rates	Brackets
Alabama	6.5%	> \$0
Alaska	0.0%	> \$0
	2.0%	> \$25,000
	3.0%	> \$49,000
	4.0%	> \$74,000
	5.0%	> \$99,000
	6.0%	> \$124,000
	7.0%	> \$148,000
	8.0%	> \$173,000
	9.0%	> \$198,000
	9.4%	> \$222,000
Arizona	4.9%	> \$0
Arkansas	1.0%	> \$0
	2.0%	> \$3,000
	3.0%	> \$6,000
	5.0%	> \$11,000
	5.9%	> \$25,000
California	8.84%	> \$0
Colorado	4.55%	> \$0
Connecticut (a)	7.50%	> \$0
Delaware (b)	8.7%	> \$0
Florida	5.5%	> \$0
Georgia (c)	5.75%	> \$0
Hawaii	4.4%	> \$0
	5.4%	> \$25,000
	6.4%	> \$100,000
Idaho	6.0%	> \$0
Illinois. (d)	9.5%	> \$0
Indiana	4.9%	> \$0
Iowa	5.5%	> \$0
	9.0%	> \$100,000
	9.8%	> \$250,000
Kansas	4.0%	> \$0
	7.0%	> \$50,000
Kentucky	5.0%	> \$0
Louisiana	3.5%	> \$0
	5.5%	> \$50,000
	7.5%	> \$150,000
Maine	3.50%	> \$0
	7.93%	> \$350,000
	8.33%	> \$1,050,000
	8.93%	> \$3,500,000
Maryland	8.25%	> \$0
Massachusetts	8.0%	> \$0
Michigan	6.0%	> \$0
Minnesota	9.8%	> \$0
Mississippi (e)	4.0%	> \$5,000
	5.0%	> \$10,000
Missouri	4.0%	> \$0
Montana	6.75%	> \$0
Nebraska	5.58%	> \$0
	7.50%	> \$100,000
Nevada	(b)	
New Hampshire	7.6%	> \$0

State Tax Rates for 2022 from the Tax Foundation

State Corporate Income Tax Rates as of July 1, 2022

State	Rates	Brackets
New Jersey (f)	6.5%	> \$0
	7.5%	> \$50,000
	9.0%	> \$100,000
	11.5%	> \$1,000,000
New Mexico	4.8%	> \$0
	5.9%	> \$500,000
New York	6.50%	> \$0
	7.25%	> \$5,000,000
North Carolina	2.5%	> \$0
North Dakota	1.41%	> \$0
	3.55%	> \$25,000
	4.31%	> \$50,000
Ohio	(b)	
Oklahoma	4.0%	> \$0
Oregon (a)	6.6%	> \$0
	7.6%	> \$1,000,000
Pennsylvania	9.99%	> \$0
Rhode Island	7.0%	> \$0
South Carolina	5.0%	> \$0
South Dakota	None	
Tennessee (b)	6.5%	> \$0
Texas	(b)	
Utah	4.85%	> \$0
Vermont	6.0%	> \$0
	7.0%	> \$10,000
	8.5%	> \$25,000
Virginia	6.0%	> \$0
Washington	(b)	
West Virginia	6.5%	> \$0
Wisconsin	7.9%	> \$0
Wyoming	None	
Washington, D.C.	8.25%	> \$0

(a) Connecticut charges a 10% surtax on a business's tax liability if it has gross proceeds of \$100 million or more, or if it files as part of a combined unitary group. This surtax was recently extended and is scheduled to expire on January 1, 2023.

(b) Nevada, Ohio, Texas, and Washington do not have a corporate income tax but do have a gross receipts tax with rates not strictly comparable to corporate income tax rates. Delaware, Oregon, and Tennessee have gross receipts taxes in addition to corporate income taxes, as do several states like Pennsylvania, Virginia, and West Virginia, which permit gross receipts taxes at the local (but not state) level.

(c) Georgia's corporate income tax rate will revert to 6% on January 1, 2026.

(d) Illinois' rate includes two separate corporate income taxes, one at a 7% rate and one at a 2.5% rate.

(e) Mississippi finished phasing out its 3 percent bracket at the start of 2022.

(f) In New Jersey, the rates indicated apply to a corporation's entire net income rather than just income over the threshold. A temporary and retroactive surcharge is in effect from 2020 to 2023, bringing the rate to 11.5% for businesses with income over \$1 million.

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

Sources: Tax Foundation; state tax statutes, forms, and instructions; Bloomberg Tax.

List of Adjustments to Tax Foundation Rates

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

	State Tax Rate		Comment
	Tax Foundation	Railroad	
Colorado	4.550%	4.400%	Note 2 - Out of Date
Connecticut	7.500%	none	Note 1 - Franchise Fee
New Jersey	11.500%	Varies	Note 6 - New Jersey
New York	7.250%	none	Note 1 - Franchise Fee
North Dakota	4.310%	7.810%	Note 4 - Water's Edge Surcharge
Texas	blank	Varies	Note 5 - Texas

Note 1 - Franchise Fees

Some state taxes, for example franchise taxes, are not reported as income taxes by the railroads per requirements of Generally Accepted Accounting Practices (GAAP). Instead, those taxes are treated as franchise fees or similar items, and are reported as operating expenses in Schedule 410, Line 615, of Annual Report Form R-1. In those cases, state income tax rates reported by the Tax Foundation have been changed to zero. The states where this occurs are Connecticut and New York. The same two states were changed to zero for 2008 through 2020.

Note 2 - Out of Date

The Tax Foundation was still reporting the previous year's rate, which is now changed, for Colorado.

Note 4 - Water's Edge Surcharge

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

Note 5 - Texas (see also Appendix F)

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

Note 6 - New Jersey (see also Appendix G)

For New Jersey, railroads pay a franchise tax that is 10 percent of the NJ portion of Net Railway Operating Income. Beginning 2017, railroads began recording this in income taxes instead of operating expenses. A carrier-specific tax rate is calculated in Appendix G using the assumption that the ratio of NROI to NIBT is the same for all states (similar to the TX calculation).

List of Tax Rates that Differ from 2021

Listed herein are tax rates, as found on page 3 of this year's report, that differ from the prior year (2021). Refer to Appendix D for tax information from the appropriate state.

	State Tax Rate		Comment
	2022	2021	
Arkansas	5.9000%	6.2000%	Lower rate for 2022
Colorado	4.4000%	4.5500%	Lower rate for 2022
Florida	5.5000%	3.5350%	Higher rate for 2022
Idaho	6.0000%	6.5000%	Lower rate for 2022
Indiana	4.9000%	5.0750%	Rate lowered effective July 2021
Louisiana	7.5000%	8.0000%	Lower rate for 2022
Nebraska	7.5000%	7.8100%	Lower rate for 2022
Oklahoma	4.0000%	6.0000%	Lower rate for 2022
Utah	4.8500%	4.950%	Lower rate for 2022
New Hampshire	7.6000%	*	Added tax rate (Pan Am addition)
New Jersey	See note 6 in Appendix B		Varies each year by railroad
Texas	See note 5 in Appendix B		Varies each year by railroad

Additional Tax Rate Information from States

State	Item	Number of Pages
Arkansas	Arkansas 2022 C Corporation Income Tax	1
Colorado	Colorado Form 112 Page 2	1
Florida	Florida Dept. of Revenue web page	1
Idaho	Idaho Form 41 Page 2	1
Indiana	Indiana IT-20 Income Tax Booklet Page 6	1
Louisiana	Louisiana Declaration of Estimated Tax Page 2	1
Nebraska	Nebraska Corp Tax Instructions	1
Oklahoma	Oklahoma Corp Tax Packet	1
Utah	Utah TC-20 Tax Instructions	1
New Jersey	Applicable Statute	1
Texas	2022 Texas Franchise Tax Report Page 3	1

NOTE: The following is a brief description of Acts affecting Arkansas Corporation Income Tax and is not intended to replace a careful reading of each Act in its entirety.

Tax rate and other important changes

Act 822 of 2019 amends Arkansas Code Annotated 26-51-205 to reduce the maximum corporation income tax rate to 6.2% for all taxable income that exceeds \$100,000 for tax years beginning on or after January 1, 2021. For tax years beginning on or after January 1, 2022, the maximum tax rate shall be 5.9% for all income exceeding \$25,000. The maximum tax rate for tax years beginning before January 1, 2021 is 6.5% for income exceeding \$100,000. Act 822 amends Arkansas Code Annotated 26-51-427 to allow net operating losses occurring in tax years beginning on or after January 1, 2020 to carry forward for 8 tax years and losses occurring in tax years beginning on or after January 1, 2021 to carry forward 10 years. Net operating losses that occur in tax years beginning before January 1, 2020 carry forward 5 tax years.

Acts 1 and 2 of the Third Extraordinary Session of 2021 amended Arkansas Code Annotated 26-51-205 to reduce the maximum corporation income tax rate to 5.3% for all taxable income exceeding \$25,000 for tax years beginning on or after January 1, 2023. The maximum income tax rate for corporations will remain 5.9% for all taxable income exceeding \$25,000 for tax years beginning on or after January 1, 2022 and beginning before January 1, 2023.

Acts 1 and 2 also amended Arkansas Code Annotated 26-51-428 to adopt Internal Revenue Code Section 179 as in effect on January 1, 2022 for tax years beginning on or after January 1, 2022. The adoption of Internal Code Section 179 will result in the Arkansas Section 179 deduction being raised from \$25,000 per year to \$1,080,000 for tax years beginning in 2022 and for the dollar-for-dollar phaseout being raised from \$200,000 to \$2,700,000. The lower limits will remain in place for years beginning prior to 2022, including any carryforward of Section 179 that could not be claimed in earlier years. Please refer to the line item instructions for Depreciation and the instructions for Form AR1100REC for further details.



220112 29999

DR 0112 (11/28/22)
COLORADO DEPARTMENT OF REVENUE
Tax.Colorado.gov
 Page 2 of 4

Form 112

Name	Account Number
6. Other additions, submit explanation • 6	00
7. Sum of lines 3 through 6 7	00
Subtractions	
8. Exempt federal interest • 8	00
9. Excludable foreign source income • 9	00
10. Colorado Marijuana Business Deduction • 10	00
11. Other subtractions, explanation required below • 11	00
Explain:	
12. Sum of lines 8 through 11 12	00
Taxable Income	
13. Modified federal taxable income, subtract line 12 from line 7 13	00
14. Colorado taxable income before net operating loss deduction • 14	00
15. Colorado net operating loss deduction: (see instructions)	
(a) Colorado net operating losses carried forward from tax years beginning before January 1, 2018 • 15(a)	00
(b) Subtract line 15(a) from line 14, if zero skip to 15(d) 15(b)	00
(c) Colorado net operating losses carried forward from tax years beginning on or after January 1, 2018 • 15(c)	00
(d) Colorado net operating loss deduction, sum of (a) and (c) 15(d)	00
16. Carryforward deduction from Income Tax Year 2021, subtractions from HB21-1002 (see instructions) • 16	00
17. Colorado taxable income, subtract the sum of lines 15(d) and 16 from line 14 17	00
18. Tax, 4.4% of the amount on line 17 • 18	00
Credits	
19. Sum of nonrefundable credits from line 27, form DR 0112CR (the sum of lines 19, 20, and 21 cannot exceed tax on line 18.) You must submit the DR 0112CR with your return. • 19	00
20. Non-refundable Enterprise Zone credits used – as calculated, or from the DR 1366 line 85 (the sum of lines 19, 20, and 21 cannot exceed tax on line 18). You must submit the DR 1366 with your return. • 20	00
21. Strategic capital tax credit from DR 1330 line 8b, the sum of lines 19, 20, and 21 cannot exceed line 18, you must submit the DR 1330 with your return. • 21	00
22. Net tax, sum of lines 19, 20, and 21. Subtract that sum from line 18. 22	00
23. Recapture of prior year credits • 23	00

Florida Corporate Income/Franchise Tax Return

F-1120

R. 01/23

Rule 12C-1.051, F.A.C.

Effective 01/23

Page 1 of 6



Name
Address
City/State/ZIP

Use black ink. Example A - Handwritten Example B - Typed

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9

For calendar year or tax year
beginning _____,
ending _____
Year end date _____

Check here if any changes have been made to
name or address

DOR use
only

Federal Employer Identification Number (FEIN)

Computation of Florida Net Income Tax

		US Dollars	Cents
1. Federal taxable income (see instructions). Attach pages 1-6 of federal return	Check here if negative	1.	
2. State income taxes deducted in computing federal taxable income (attach schedule)	Check here if negative	2.	
3. Additions to federal taxable income (from Schedule I)	Check here if negative	3.	
4. Total of Lines 1, 2, and 3.	Check here if negative	4.	
5. Subtractions from federal taxable income (from Schedule II)	Check here if negative	5.	
6. Adjusted federal income (Line 4 minus Line 5)	Check here if negative	6.	
7. Florida portion of adjusted federal income (see instructions)	Check here if negative	7.	
8. Nonbusiness income allocated to Florida (from Schedule R)	Check here if negative	8.	
9. Florida exemption		9.	
10. Florida net income (Line 7 plus Line 8 minus Line 9)		10.	
11. Tax due: 5.5% of Line 10.		11.	
12. Credits against the tax (from Schedule V)		12.	
13. Total corporate income/franchise tax due (Line 11 minus Line 12)		13.	

Payment Coupon for Florida Corporate Income Tax Return

Do not detach coupon.

F-1120

R. 01/23

To ensure proper credit to your account, enclose your check with tax return when mailing.

YEAR
ENDING M M D D Y Y

If 6/30 year end, return is due 1st day of the 4th month after the close of the taxable year,
otherwise return is due 1st day of the 5th month after the close of the taxable year.

Enter name and address, if not pre-addressed:

Name
Address
City/St
ZIP

	US DOLLARS	CENTS
Total amount due from Line 17		
Total credit from Line 18		
Total refund from Line 19		
FEIN Enter FEIN if not pre-addressed		

F-1120

32. Net business income subject to apportionment. Enter the amount from line 31	32	
33. Corporations with all activity in Idaho enter 100%. Multistate/multinational corporations complete and include Form 42; enter the apportionment factor from Form 42, Part I, line 21	33	%
34. Net business income apportioned to Idaho. Multiply line 32 by the percent on line 33	34	
35. Income allocated to Idaho. See instructions	35	
36. Idaho net operating loss carryover ■ carryback ■ Enter total	36	
37. Idaho taxable income. Add lines 34 and 35, then subtract line 36	37	
38. Idaho income tax. Multiply line 37 by 6%. Minimum \$20 for each corporation. See instructions.	38	

Credits

39. Credit for contributions to Idaho educational entities	39	
40. Credit for contributions to Idaho youth and rehabilitation facilities	40	
41. Total business income tax credits from Form 44, Part I, line 10. Include Form 44	41	
42. Total credits. Add lines 39 through 41	42	
43. Subtract line 42 from line 38. If line 42 is greater than line 38, enter zero	43	

Other Taxes

44. Permanent building fund tax. Enter \$10. Combined reports include \$10 for each corporation operating or authorized to do business in Idaho	44	
45. Total tax from recapture of income tax credits from Form 44, Part II, line 6. Include Form 44	45	
46. Fuels tax due. Include Form 75	46	
47. Sales/use tax due on untaxed purchases (online, mail order, and other)	47	
48. Tax from recapture of qualified investment exemption (QIE). Include Form 49ER	48	
49. Total tax. Add lines 43 through 48	49	
50. Underpayment interest. Include Form 41ESR	50	
51. Donation to Opportunity Scholarship Program	51	
52. Add lines 49 through 51	52	

Payments and Other Credits

53. Estimated tax payments. If made under other EINs, provide EINs, amounts, and rollforwards	53	
54. Tax paid by ABE on the corporation's behalf	54	
55. Special fuels tax refund Gasoline tax refund Include Form 75	55	
56. Tax reimbursement incentive credit ■ Claim of Right credit ■ Include certificate	56	
57. Total payments and other credits. Add lines 53 through 56	57	

Refund or Payment Due

58. Tax due. If line 52 is more than line 57, subtract line 57 from line 52	58	
59. Penalty ■ Interest from the due date ■ Enter total	59	
60. Nonrefundable credit from a prior year return. See Form 44 instructions	60	
61. Total Due. Add lines 58 and 59, then subtract line 60	61	
62. Overpayment. If line 52 is less than line 57, subtract line 52 from line 57	62	
63. Refund ■ Apply to 2023 ■ See instructions.		

Amended Return Only. Complete this section to determine your tax due or refund.

64. Total due (line 61) or overpayment (line 62) on this return	64	
65. Refund from original return plus additional refunds	65	
66. Tax paid with original return plus additional tax paid	66	
67. Amended tax due or refund. Add lines 64 and 65, then subtract line 66	67	

- ☐ Within 180 days of receiving this return, the Idaho State Tax Commission may discuss this return with the paid preparer identified below.
Under penalties of perjury, I declare that to the best of my knowledge and belief this return is true, correct, and complete. See instructions.

Sign Here	Signature of officer	Date
	Title	Phone number
Paid preparer's signature		Preparer's EIN, SSN, or PTIN
Address		Phone number



0 2 2 2 0 2 9 5

of Indiana must file an Application for Certificate of Authority of a Foreign Limited Liability Company to do business in Indiana, similar to what foreign corporations file. If the LLC qualifies under IRS guidelines to be treated as an association taxable as a corporation, it must file Form IT-20.

Note B. A limited liability partnership (LLP) can be classified for federal income tax purposes as a partnership, a corporation, or an entity disregarded as an entity separate from its owner by applying the rules in federal regulation section 26 CFR 301.7701-3. The income of an LLP is taxed in the same way as a general partnership's income is taxed.

An LLP can be formed under state law by filing Articles of Registration of a Limited Liability Partnership with the Secretary of State. An LLP based outside of Indiana must file a Certificate of Authority or Notice of Foreign Limited Liability Partnership to do business in Indiana, similar to what foreign corporations file.

Note C. A limited partnership (LP) must have at least one general partner and one limited partner. The income is generally taxed in the same manner as a general partnership's income. An LP can be classified for federal income tax purposes as a partnership, a corporation, or an entity disregarded as an entity separate from its owner by applying the rules in federal regulation section 26 CFR 301.7701-3. The LP can be formed under state law by filing a Certificate of Limited Partnership with the Secretary of State. An LP based outside of Indiana must file a Certificate of Authority or Application of registration to do business in Indiana, similar to what foreign corporations file.

General Filing Requirements for Form IT-20

What to Enclose with a State Corporate Return

To complete a state income tax return, enclose copies of pages 1 through 5 of the completed U.S. Corporation Income Tax Return (Form 1120) or the comparable federal return being filed. The federal Schedule M-3 and any confirmation of an extension of time to file the return must also be included.

Electronic Filing Requirements

If a corporation has more than \$1,000,000 in gross income for the taxable year, the corporation generally is required to file the return (or, if applicable, an amended return) through Modernized e-File (MeF) using certified software. Certain exceptions to the electronic filing requirement apply; see Income Tax Information Bulletin #12 available at www.in.gov/dor/files/reference/ib12.pdf for more information on exceptions.

Adjusted Gross Income Tax

The Indiana AGIT is generally calculated using federal taxable income from federal Form 1120 or a comparable return and making Indiana modifications as required by IC 6-3-1-3.5(b). If there is income from sources both within and outside Indiana, use the apportionment and allocation formula on Form IT-20 Schedule E to determine the AGI that's attributed to Indiana.

The corporate AGI tax rate is 4.9%

Extensions for Filing Return

DOR accepts the federal extension of time application (Form 7004) or the federal electronic extension. If already approved for a federal extension of time application (Form 7004) or the federal electronic extension, it is not necessary to contact DOR before filing the annual return. Returns postmarked within one month after the last date indicated on the federal extension are considered timely filed. If a corporation does not need a federal extension of time but needs one for filing a state return, an extension request and prepayment of 90% can be submitted via INTIME, DOR's e-services portal at intime.dor.in.gov, or by submitting a letter requesting an extension prior to the annual return's due date.

To request an Indiana extension of time to file by letter, contact:

Indiana Department of Revenue
Corporate Income Tax
Tax Administration
P.O. Box 7206
Indianapolis, IN 46207-7206

An extension of time granted under IC 6-8.1-6-1 waives the late payment penalty for the extension period on the balance of tax due, if at least 90% of the tax due is paid by the original due date and the remaining balance, plus interest, is paid in full by the extended due date. Use DOR's e-services portal, INTIME, at intime.dor.in.gov and Form IT-6 to make an extension payment for the taxable year. See Income Tax Information Bulletin #15 at www.in.gov/dor/files/reference/ib15.pdf for more details. Any tax paid after the original due date must include interest.

Interest on the balance of tax due must be included with the return when it is filed. Interest is computed from the original due date until the date of payment. Each October DOR establishes the interest rate for the next calendar year. See Departmental Notice #3 available at www.in.gov/dor/files/dn03.pdf for interest rates.

If a valid extension of time or a federal extension to file is approved, please check the box for question V on the front of the return. If applicable, enclose a copy of the federal extension of time with the state return.

Accounting Methods and Taxable Year

Use the same method of accounting for the AGIT that was used for federal income tax purposes. The taxable year for the AGIT must also be the same as the accounting period used for federal income tax purposes. If the standard apportionment provisions do not fairly reflect Indiana income, DOR must be petitioned for permission to use an alternative method. For an overview of corporate taxation, see Income Tax Information Bulletin #12 available at www.in.gov/dor/files/reference/ib12.pdf.

Consolidated Reporting

Under the Adjusted Gross Income Tax Act, affiliated corporations have the privilege of electing to file a consolidated return. This is provided in IRC Section 1502 for those affiliates as defined in IRC Section 1504. The Indiana consolidated return must include any member of the affiliated group under IRC Section 1504 having income or loss attributable to Indiana during the year.

Worksheet for Estimating Corporation Income Tax

1. Estimated taxable income1.

00

IMPORTANT! Act 396 of the 2021 Regular Legislative Session has reduced the income tax rates as shown below and has repealed the Federal income tax deduction.

2. Estimated income tax liability:

a. First \$50,000 of net income 2a.

b. Next \$100,000 2b.

c. Excess over \$150,000 2c.

d. Total income (Add Column 1, Lines 2a through 2c and enter here)
The total should be the same as Line 1 above. 2d.

e. Total tax (Add Column 2, Lines 2a through 2c and enter total here) 2e.

3. Less estimated credits allowable against the tax and credits carried forward from 20213.

4. Balance (Subtract Line 3 from Line 2e)4.

5. Amount of installments (Divide Line 4 by number of installments due)

Enter here and in "Amount of Payment" box on voucher5.

Column 1		Column 2
Net income in each bracket	Rate	Tax
	x 3.5% =	00
	x 5.5% =	00
	x 7.5% =	00
		00
		00
		00
		00
		00
		00

Worksheet for Amending Estimated Income Tax

1. Amended estimated tax1.

2. Less estimated credits allowable against the tax and credits carried forward from 20212.

3. Balance (Subtract Line 2 from Line 1)3.

4. Less previous estimated tax payments made for this year4.

5. Unpaid balance (Subtract Line 4 from Line 3)5.

6. Amount of installments (Divide Line 5 by number of installments due)

Enter here and in "Amount of Payment" box on voucher6.

	00
	00
	00
	00
	00
	00
	00

How to use the Declaration Voucher

1. Fill out the worksheet above to figure your estimated tax for 2022.

2. Verify your account number, name, and address on the voucher and make any necessary corrections to your account at latap.revenue.louisiana.gov.

3. If the year end differs from the prior year, check the box at the top of the voucher. List the appropriate fiscal year ending in the space provided.

4. Enter the amount shown on Line 5 of the worksheet in the "Amount of Payment" box on the voucher.

5. Detach the voucher at the perforation and attach check or money order. Fill in Record of Estimated Tax Payment schedule below.

6. Insert voucher and payment into the pre-addressed envelope, and mail. For each later installment, you only need to complete the "Amount of Payment" box on the voucher, attach payment, and mail. However, if you must amend your estimate:

a. Fill out the Worksheet for Amending Estimated Income Tax above.

b. Complete the "Amount of Payment" box on the voucher.

c. Detach at the perforation and mail with the required payment. For each later installment, complete the "Amount of Payment" box on the voucher, attach payment, and mail.

Record of Estimated Tax Payments

Voucher number	Date	Amount	Total amount paid to date
1			
2			
3			
4			
Total			

2022 Nebraska Corporation Income Tax Return

Instructions

What's New

Credit for Nebraska School District and Community College Property Taxes (LB873 - Operative July 21, 2022). The Nebraska Property Tax Incentive Act provides refundable credits to any taxpayer who paid school district and community college property taxes. To claim the credits, a taxpayer must complete and submit a Nebraska Property Tax Credit, Form PTC.

Nebraska Higher Blend Tax Credit Act (LB 1261 - Operative July 21, 2022). This Act allows a refundable credit to retail dealers who stored, dispensed, and sold ethanol blends of gasoline of E-15 or higher at Nebraska retail motor vehicle sites during the prior calendar year. For calendar year 2022, the total credits are limited to \$2 million dollars. To receive credits, an application must be submitted to the Nebraska Department of Revenue (DOR) each year. Applications will be considered by the DOR in the order received. New applications will not be accepted after December 31, 2026.

Corporate Tax Rate Change (LB 432). For the 2022 taxable year the corporate tax rate for Nebraska taxable income in excess of \$100,000 is reduced from 7.81% to 7.50%. The corporate rate for the first \$100,000 of Nebraska taxable income remains 5.58%.

Important Information for All Filers

Purpose. The instructions in this booklet provide guidance in completing the most common Nebraska corporation income tax forms and schedules. This booklet is intended to be useful to the greatest number of taxpayers. Nothing in these instructions supersedes, alters, or otherwise changes any provisions of the Nebraska tax code, regulations, rulings, or court decisions.

We encourage the preparer of any [Corporation Income Tax Return, Form 1120N](#), to review applicable Nebraska law regarding any issue that may have a material effect on this return. Nebraska law and other useful information may be found at revenue.nebraska.gov.

Income Subject to Nebraska Taxation. Nebraska income tax applies to the portion of the corporate taxpayer's taxable income derived from or attributable to sources within Nebraska. A corporate taxpayer that is subject to tax in another state must apportion its income, unless approval has been granted by the Tax Commissioner for an alternative method prior to filing the return.

If a corporate taxpayer engaged in business in Nebraska is not subject to tax in another state, its entire taxable income must be reported to Nebraska.

Combined Return. When a group of corporations conducts a unitary business, a single combined return must be filed reporting the income of the entire group. A unitary group engaged in business within and without Nebraska will determine its Nebraska income using a single factor, sales only, apportionment formula. See the [Nebraska Schedule I — Apportionment for Multistate Business](#) instructions for additional information.

Enter All Amounts as Whole Dollars. Do not include cents on the return or schedules. Do not change the pre-printed zeros in the cents column of the [Form 1120N](#) or [schedules](#). Round any amount from 50 cents to 99 cents to the next higher dollar. Round any amount less than 50 cents to the next lower dollar.

Penalties and Interest. Either or both may be imposed under the following conditions:

- ◆ Failing to file a return and pay the tax due on or before the due date;
- ◆ Failing to pay the tax due on or before the due date;
- ◆ Failing to file an amended Nebraska income tax return when required;
- ◆ Preparing or filing a fraudulent income tax return; or
- ◆ Understating income on an income tax return.

2022 OKLAHOMA CORPORATION TAX PACKET

Line 8 - Oklahoma Accrued Tax

Oklahoma accrued tax is computed by dividing line 7 (Oklahoma Net Income before Oklahoma Income Tax) by 26.

When filing a consolidated return, complete Form 512-TI. The accrual of Oklahoma state income tax must be made after the combination of the income and loss from all companies included in the combination. The accrued tax cannot be less than zero.

When credits are allowed, the accrual of Oklahoma tax will not be allowed on the amount of Oklahoma taxable income that is covered by the credit. Tax accrual is allowed on the amount of income for which tax is actually paid. The following example shows how the accrual should be calculated. A schedule, like the example, should be provided and submitted with Form 512.

Computation of Tax Accrual When Tax Credits Are Allowable

1. Oklahoma income before tax accrual	100,000
2. Allowable Oklahoma credits	3,000

Computation of accrued tax allowed

A. Oklahoma income (line 1 above)	100,000
B. Line 2 above divided by 4%	75,000
C. Subtract line B from line A	25,000
D. Divide line C by 26	962
(If line D is less than zero, enter "0")	
3. Subtract line D from line 1 above	99,038

(Enter line 3 above on Page 1, line 1 of your Oklahoma Corporation Income Tax Form 512)

Total tax due	3,962
Tax accrual allowed	962
Tax credit allowed	3,000

PAGES ONE AND TWO - SECTION ONE: INCOME TAX

Line 2 - Tax

The income tax rate is 4%.

Recapture of Oklahoma Affordable Housing Tax Credit

If under IRC Section 42 a portion of any federal low-income housing credits taken on a qualified project is required to be recaptured during the first 10 years after a project is placed in service, the taxpayer claiming Oklahoma Affordable Housing Tax Credits with respect to such project shall also be required to recapture a portion of such credits. The amount of Oklahoma Affordable Housing Tax Credits subject to recapture is proportionally equal to the amount of federal low-income housing credits subject to recapture. Add the recaptured credit to the Oklahoma income tax and enter a "1" in the box.

Making an Oklahoma Installment Payment Pursuant to IRC Section 965(h)

If a taxpayer elected to make installment payments of tax due pursuant to the provisions of subsection (h) of Section 965 of the IRC, such election may also apply to the payment of Oklahoma income tax, attributable to the income upon which such installment payments are based. Add the installment payment to the Oklahoma income tax and enter a "2" in the box. **Provide** a schedule of the tax computation. 68 OS Sec. 2368(K)

Line 3 - Other Credits

The amount of other credits as claimed on Form 511-CR should be entered on this line. Enter in the box the number that corresponds with the credit to which you are entitled. Enter "99" if entitled to more than one credit. See below for a list of the credits available on Form 511-CR.

If you are claiming any of the credits on Form 511-CR, **provide** the form, and any applicable forms or schedules, with your Form 512 return.

Form 511-CR can be obtained from our website at tax.ok.gov.

Tax credits transferred or allocated must be reported on OTC Form 569. Failure to file Form 569 will result in the affected credits being denied by the OTC pursuant to 68 OS Sec. 2357.1A-2.

- Oklahoma Investment/New Jobs Credit

Provide Form 506.

68 OS Sec. 2357.4 and Rule 710:50-15-74.

General Instructions and Information

What's New

- **Utah Tax Rate:** The 2022 Utah Legislature passed SB 59, lowering the state corporate income tax rate from 4.95 percent to 4.85 percent.
- **Payroll Protection Program Loan Addback:** In certain situations, you must add to your income the amount of PPP grants or loans forgiven in 2022. See page 14.
- **Business Income:** The 2022 Utah Legislature passed HB 268, modifying the definition of business income and allowing a taxpayer to elect to treat all income from the sales of intangible property as business income. See pages 6 and 17.

Reminders

- **Market Sourcing of Revenues from Performance of Services by Multi-state Taxpayers:** Corporations performing a service both in and outside of Utah must calculate the sales factor numerator on Schedule J by considering the service income to be in Utah if the buyer receives a greater benefit of the service in Utah than in any other state. See *Schedule J – Apportionment Schedule* on page 19.
- **Foreign Operating Company Changes:** A foreign operating company must have a minimum of at least \$1,000,000 in payroll located outside the United States and at least \$2,000,000 in property located outside the United States. In addition, income generated from transactions between members of the unitary group, or from intangible property or an asset held for investment does not qualify for the 50 percent foreign operating company income exclusion on Schedule C. See pages 4 and 14.
- **Method of Apportioning Income:** To determine if you qualify as an optional apportionment taxpayer or a sales factor weighted taxpayer, see *Schedule J – Apportionment Schedule* on page 19.

Electronic Filing

Utah corporation returns may be filed electronically under a joint program between the Internal Revenue Service and the Utah State Tax Commission.

The federal and state information is submitted at the same time and the IRS extracts its federal data and forwards the state data to the Tax Commission. No papers need to be mailed to the agencies when filing electronically.

Check with your software provider to see if they offer electronic corporation filing.

Learn more about filing your corporation return electronically at tax.utah.gov/developers/mef.

Identification Numbers

The corporation's federal Employer Identification Number (EIN) is the Utah identification number. The Utah Department of Commerce also issues a registration number upon incorporation or qualification in Utah. Enter both the EIN and Utah Incorporation/Qualification number in the proper fields. These numbers are used for identification of the corporate tax return.

Corporation Changes

Report corporation changes (e.g., name change, physical and/or mailing address changes, merger, or ceasing to do business in Utah) in writing to:

UT Division of Corporations and Commercial Code
Department of Commerce
160 E 300 S, 2nd Floor
PO Box 146705
Salt Lake City, UT 84114-6705

and submit form TC-69C to:

Master Records
Utah State Tax Commission
210 N 1950 W
Salt Lake City, UT 84134-3215

Dissolution or Withdrawal

Corporations that cease to do business in Utah must either dissolve or withdraw the corporation.

Corporations incorporated in Utah must file *Articles of Dissolution* with the Department of Commerce.

Corporations incorporated outside of Utah (foreign corporations) must obtain a *Certificate of Tax Clearance* from the Tax Commission before withdrawing from Utah. Foreign corporations must file an *Application for Withdrawal* with the Department of Commerce.

To request a *Certificate of Tax Clearance*, email the Tax Commission at taxmaster@utah.gov, or call 801-297-2200 or 1-800-662-4335. We will send you an *Application for Tax Clearance to Withdraw a Foreign Corporation* to complete and return.

Dissolving and withdrawing corporations must also close their other Utah tax accounts (sales, withholding, etc.). To close related tax accounts, send a completed TC-69C, *Notice of Change for a Business and/or Tax Account*, to the attention of Master Records at the Tax Commission address above.

Rounding Off to Whole Dollars

Round off cents to the nearest whole dollar. Round down if cents are under 50 cents; round up if cents are 50 cents and above. **Do not enter cents on the return.**

Negative Numbers

When reporting losses or other negative numbers, do not use parentheses. Always indicate a negative number with a minus sign (-).

Liability for Filing and Paying

Tax Forms

The Tax Commission does not mail forms for filing corporate taxes. Get forms at tax.utah.gov/forms or by calling the Forms Hotline at 801-297-6700 or 1-800-662-4335, ext. 6700.

Note: See *What to Attach and What to Keep* on page 3 for what federal information you must include with your Utah return.

2022 New Jersey Revised Statutes

Title 54 - Taxation

Section 54:29A-13 - Franchise excise

Universal Citation: [NJ Rev Stat § 54:29A-13 \(2022\)](#)

54:29A-13. Franchise excise

An annual franchise tax is hereby levied upon all railroads operating within this State, which shall be assessed at the rate of 10% upon the net railway operating income of the preceding year, computed and allocated in the manner hereinafter provided, of each system and of each railroad not part of a system, provided, however, that the minimum franchise tax payable by any taxpayer shall be \$100 as to taxpayers having total railway operating revenues of the preceding year allocated under section 14 not in excess of \$1 million and \$4,000 as to all other taxpayers.

L.1941, c. 291, p. 777, s. 13. Amended by L.1948, c. 40, p. 116, s. 5; L.1964, c. 251, s. 5, eff. Jan. 1, 1966.

Report (Form 05-163) annually to affirm that the entity qualifies as a passive entity. A passive entity is not required to file a Public Information Report (Form 05-102) or Ownership Information Report (Form 05-167).

A passive entity cannot be included as an affiliate of a combined group. LLCs cannot qualify as passive, even if filing as a partnership for federal income tax purposes.

A partnership or trust that qualifies as a passive entity for the period upon which the franchise tax report is based, and is not registered and is not required to be registered with the SOS or Comptroller's office, will not be required to register or file a franchise tax report with the Comptroller's office.

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

New Veteran-Owned Businesses

ENTITIES MUST BE PRE-QUALIFIED

New veteran-owned businesses are not subject to franchise tax for an initial five-year period. To be considered a new veteran-owned business, an entity must meet the following qualifications as verified by the Comptroller's office:

- be an entity formed or organized in Texas on or after Jan. 1, 2016, and before Jan. 1, 2020; or on or after Jan. 1, 2022, and before Jan. 1, 2026.
- be 100% owned by a natural person (or persons), each of whom was honorably discharged from a branch of the United States armed services; and
- provide a letter from the Texas Veterans Commission (TVC) verifying the honorable discharge of each owner.

A taxable entity that is verified as a new veteran-owned business must file a No Tax Due Report (Form 05-163) for each reporting period the franchise tax is not imposed on the taxable entity. However, the new veteran-owned business is not required to file a Public or Ownership Information Report.

A new veteran-owned business cannot file as a member of a combined group or as part of a tiered partnership.

The Comptroller's office must be notified if the ownership of the new veteran-owned business changes at any point during the initial five-year period. If during the initial five-year period a new veteran-owned business no longer meets the above criteria, it will become subject to the franchise tax.

For the verification process and additional information please visit the Comptroller's website at www.comptroller.texas.gov/taxes/franchise/veteran-business.php.

If you are a veteran and your entity was formed prior to January 1, 2016 or after December 31, 2019, please contact the Texas Veterans Commission for other resources that may be available to you at 800-252-8387 or www.tvc.texas.gov/entrepreneurs/.

Disregarded Entities

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

Margin

Unless a taxable entity qualifies and chooses to file using the EZ computation or No Tax Due Report, the tax base is the taxable entity's margin and is computed in one of the following ways:

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

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

Tax Rates

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

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

Qualifying retailers and wholesalers are entities that are primarily engaged in retail or wholesale trade. Retail trade means the activities described in Division G of the 1987 Standard Industrial Classification (SIC) Manual; apparel rental activities classified in Industry 5999 or 7299 of the SIC Manual; activities classified as SIC Industry Group 753 (Automotive Repair Shops); activities involving the rental or leasing of tools, party and event supplies, and furniture under SIC Code 7359; heavy construction equipment rental or leasing activities under SIC Code 7353; and rental-purchase agreement activities regulated by Chapter 92, Business & Commerce Code. Wholesale trade means the activities described in Division F of the 1987 SIC Manual. (The 1987 SIC Manual is available online at www.osha.gov/pls/imis/sicsearch.html.)

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

- 1) the total revenue from its activities in retail or wholesale trade is greater than the total revenue from its activities in trades other than the retail and wholesale trades;
- 2) except for eating and drinking places as described in Major

Summary of Additional Data Used in Calculations from Annual Report Form R-1 (\$000)

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

Year	RR	Sched	Line	Column (b)
2022	BNSF	210	13	\$25,609,516
2022	CNGT	210	13	4,177,089
2022	CSX	210	13	13,534,467
2022	KCS	210	13	1,804,049
2022	NS	210	13	12,744,614
2022	SOO	210	13	1,799,593
2022	UP	210	13	24,875,174
Total				\$84,544,502

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

Year	RR	Sched	Line	Column (b)
2022	BNSF	210	46	\$9,862,391
2022	CNGT	210	46	823,814
2022	CSX	210	46	5,710,520
2022	KCS	210	46	456,619
2022	NS	210	46	4,701,354
2022	SOO	210	46	579,858
2022	UP	210	46	10,178,570
Total				\$32,313,126

Net Railway Operating Income Schedule 210, Line 71, Col. (b)

Year	RR	Sched	Line	Column (b)
2022	BNSF	210	71	\$6,231,491
2022	CNGT	210	71	1,069,723
2022	CSX	210	71	3,633,590
2022	KCS	210	71	444,597
2022	NS	210	71	3,321,667
2022	SOO	210	71	515,204
2022	UP	210	71	7,295,205
Total				\$22,511,477

BNSF Tax Rate Calculation for Texas for 2022

Corporate Activities Tax

Miles in Texas = 5389 (info only)

Operating Revenue	\$25,609,516	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$9,862,391	from R-1 Schedule 210 Line 46
Taxable Receipts	17,926,661	70.0% of Operating Revenue
 Tax Rate	 0.750%	 Texas Margins Tax on 70% of Gross Receipts
State Taxes	134,450	Tax Rate x Taxable Receipts
 Effective Tax Rate	 1.363%	 State Taxes divided by Net Income Before Tax

Notes

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

CNGT Tax Rate Calculation for Texas for 2022

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$4,177,089	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$823,814	from R-1 Schedule 210 Line 46
Taxable Receipts	2,923,962	70.0% of Operating Revenue
 Tax Rate	 0.750%	 Texas Margins Tax on 70% of Gross Receipts
State Taxes	21,930	Tax Rate x Taxable Receipts
 Effective Tax Rate	 2.662%	 State Taxes divided by Net Income Before Tax

Notes

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

CSX Tax Rate Calculation for Texas for 2022

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$13,534,467	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$5,710,520	from R-1 Schedule 210 Line 46
Taxable Receipts	9,474,127	70.0% of Operating Revenue
 Tax Rate	 0.750%	 Texas Margins Tax on 70% of Gross Receipts
State Taxes	71,056	Tax Rate x Taxable Receipts
 Effective Tax Rate	 1.244%	 State Taxes divided by Net Income Before Tax

Notes

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

KCS Tax Rate Calculation for Texas for 2022

Corporate Activities Tax

Miles in Texas = 939 (info only)

Operating Revenue	\$1,804,049	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$456,619	from R-1 Schedule 210 Line 46
Taxable Receipts	1,262,834	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	9,471	Tax Rate x Taxable Receipts
Effective Tax Rate	2.074%	State Taxes divided by Net Income Before Tax

Notes

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

NS Tax Rate Calculation for Texas for 2022

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$12,744,614	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$4,701,354	from R-1 Schedule 210 Line 46
Taxable Receipts	8,921,230	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	66,909	Tax Rate x Taxable Receipts
Effective Tax Rate	1.423%	State Taxes divided by Net Income Before Tax

Notes

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

SOO Tax Rate Calculation for Texas for 2022

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$1,799,593	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$579,858	from R-1 Schedule 210 Line 46
Taxable Receipts	1,259,715	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	9,448	Tax Rate x Taxable Receipts
Effective Tax Rate	1.629%	State Taxes divided by Net Income Before Tax

Notes

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

UP Tax Rate Calculation for Texas for 2022

Corporate Activities Tax

Miles in Texas = 6447 (info only)

Operating Revenue	\$24,875,174	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$10,178,570	from R-1 Schedule 210 Line 46
Taxable Receipts	17,412,622	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	130,595	Tax Rate x Taxable Receipts
Effective Tax Rate	1.283%	State Taxes divided by Net Income Before Tax

Notes

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

All dollar amounts are in thousands.

BNSF Tax Rate Calculation for New Jersey for 2022

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$6,231,491	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$9,862,391	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$623,149	Tax Rate x NROI	
Effective Tax Rate	6.318%	State Taxes divided by Net Income Before Tax	

Notes

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

CNGT Tax Rate Calculation for New Jersey for 2022

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$1,069,723	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$823,814	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$106,972	Tax Rate x NROI	
Effective Tax Rate	12.985%	State Taxes divided by Net Income Before Tax	

Notes

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

CSX Tax Rate Calculation for New Jersey for 2022

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 624 (info only)
Net Railway Op. Inc.	\$3,633,590	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$5,710,520	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$363,359	Tax Rate x NROI	
Effective Tax Rate	6.363%	State Taxes divided by Net Income Before Tax	

Notes

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

KCS Tax Rate Calculation for New Jersey for 2022

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$444,597	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$456,619	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$44,460	Tax Rate x NROI	
Effective Tax Rate	9.737%	State Taxes divided by Net Income Before Tax	

Notes

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

NS Tax Rate Calculation for New Jersey for 2022

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 893 (info only)
Net Railway Op. Inc.	\$3,321,667	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$4,701,354	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$332,167	Tax Rate x NROI	
Effective Tax Rate	7.065%	State Taxes divided by Net Income Before Tax	

Notes

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

SOO Tax Rate Calculation for New Jersey for 2022

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$515,204	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$579,858	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$51,520	Tax Rate x NROI	
Effective Tax Rate	8.885%	State Taxes divided by Net Income Before Tax	

Notes

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

UP Tax Rate Calculation for New Jersey for 2022

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$7,295,205	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$10,178,570	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$729,521	Tax Rate x NROI	
Effective Tax Rate	7.167%	State Taxes divided by Net Income Before Tax	

Notes

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

All dollar amounts are in thousands.

BNSF Average State Tax Rate for 2022

State	Income			
	Miles BNSF	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	231	6.500%	0.70605%	0.04589%
Arizona	659	4.900%	2.01424%	0.09870%
Arkansas	1,056	5.900%	3.22768%	0.19043%
California	2,087	8.840%	6.37895%	0.56390%
Colorado	1,338	4.400%	4.08962%	0.17994%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	8.250%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	5.750%	0.00000%	0.00000%
Idaho	133	6.000%	0.40652%	0.02439%
Illinois	1,538	9.500%	4.70092%	0.44659%
Indiana	0	4.900%	0.00000%	0.00000%
Iowa	659	9.800%	2.01424%	0.19740%
Kansas	1,583	7.000%	4.83846%	0.33869%
Kentucky	98	5.000%	0.29954%	0.01498%
Louisiana	346	7.500%	1.05755%	0.07932%
Maine	0	8.930%	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	0	6.000%	0.00000%	0.00000%
Minnesota	1,711	9.800%	5.22970%	0.51251%
Mississippi	179	5.000%	0.54712%	0.02736%
Missouri	1,606	4.000%	4.90876%	0.19635%
Montana	2,620	6.750%	8.00807%	0.54054%
Nebraska	1,582	7.500%	4.83541%	0.36266%
Nevada	798	0.000%	2.43910%	0.00000%
New Hampshire	0	7.600%	0.00000%	0.00000%
New Jersey	0	6.318%	0.00000%	0.00000%
New Mexico	1,636	5.900%	5.00046%	0.29503%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	2.500%	0.00000%	0.00000%
North Dakota	1,633	4.310%	4.99129%	0.21512%
Ohio	0	0.000%	0.00000%	0.00000%
Oklahoma	1,287	4.000%	3.93373%	0.15735%
Oregon	414	7.600%	1.26540%	0.09617%
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	895	0.000%	2.73558%	0.00000%
Tennessee	137	6.500%	0.41874%	0.02722%
Texas	5,389	1.363%	16.47156%	0.22455%
Utah	437	4.850%	1.33570%	0.06478%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,450	0.000%	4.43195%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	250	7.900%	0.76413%	0.06037%
Wyoming	965	0.000%	2.94954%	0.00000%
Total U.S.	32,717		100.00000%	4.96023%

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

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

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

Rates for Texas and New Jersey are calculated, and may vary by railroad.

No rounding until final number.

CNGT Average State Tax Rate for 2022
(CN's Grand Trunk Corporation)

State	Income			
	Miles CNGT	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	22	6.500%	0.40900%	0.02658%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	0	5.900%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.400%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	8.250%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	5.750%	0.00000%	0.00000%
Idaho	0	6.000%	0.00000%	0.00000%
Illinois	1,275	9.500%	23.70329%	2.25181%
Indiana	103	4.900%	1.91485%	0.09383%
Iowa	573	9.800%	10.65254%	1.04395%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	98	5.000%	1.82190%	0.09109%
Louisiana	227	7.500%	4.22012%	0.31651%
Maine	0	8.930%	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	793	6.000%	14.74252%	0.88455%
Minnesota	378	9.800%	7.02733%	0.68868%
Mississippi	574	5.000%	10.67113%	0.53356%
Missouri	0	4.000%	0.00000%	0.00000%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.500%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.600%	0.00000%	0.00000%
New Jersey	0	12.985%	0.00000%	0.00000%
New Mexico	0	5.900%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	2.500%	0.00000%	0.00000%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	4	0.000%	0.07436%	0.00000%
Oklahoma	0	4.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	154	9.990%	2.86299%	0.28601%
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	157	6.500%	2.91876%	0.18972%
Texas	0	2.662%	0.00000%	0.00000%
Utah	0	4.850%	0.00000%	0.00000%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	1,021	7.900%	18.98122%	1.49952%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	5,379		100.00000%	7.90581%

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Rates for Texas and New Jersey are calculated, and may vary by railroad.

No rounding until final number.

CSX Average State Tax Rate for 2022

State	Income			
	Miles CSX	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,009	6.500%	5.10679%	0.33194%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	0	5.900%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.400%	0.00000%	0.00000%
Connecticut	62	0.000%	0.31380%	0.00000%
Delaware	42	8.700%	0.21257%	0.01849%
Dist. of Columbia	18	8.250%	0.09110%	0.00752%
Florida	1,187	5.500%	6.00769%	0.33042%
Georgia	1,533	5.750%	7.75888%	0.44614%
Idaho	0	6.000%	0.00000%	0.00000%
Illinois	700	9.500%	3.54287%	0.33657%
Indiana	1,477	4.900%	7.47545%	0.36630%
Iowa	0	9.800%	0.00000%	0.00000%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	1,580	5.000%	7.99676%	0.39984%
Louisiana	43	7.500%	0.21763%	0.01632%
Maine	432	8.930%	2.18646%	0.19525%
Maryland	522	8.250%	2.64197%	0.21796%
Massachusetts	327	8.000%	1.65503%	0.13240%
Michigan	483	6.000%	2.44458%	0.14667%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	94	5.000%	0.47576%	0.02379%
Missouri	0	4.000%	0.00000%	0.00000%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.500%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	100	7.600%	0.50612%	0.03847%
New Jersey	624	6.363%	3.15821%	0.20096%
New Mexico	0	5.900%	0.00000%	0.00000%
New York	1,130	0.000%	5.71920%	0.00000%
North Carolina	1,072	2.500%	5.42565%	0.13564%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	1,750	0.000%	8.85717%	0.00000%
Oklahoma	0	4.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	1,057	9.990%	5.34973%	0.53444%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	1,275	5.000%	6.45308%	0.32265%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	968	6.500%	4.89928%	0.31845%
Texas	0	1.244%	0.00000%	0.00000%
Utah	0	4.850%	0.00000%	0.00000%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	1,020	6.000%	5.16247%	0.30975%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	1,253	6.500%	6.34173%	0.41221%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	19,758		100.00000%	5.24219%

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

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

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

Rates for Texas and New Jersey are calculated, and may vary by railroad.

CSX's acquisition of Pan Am indicate a mileage increase for Maine, Massachusetts, and New Hampshire.

No rounding until final number.

KCS Average State Tax Rate for 2022

State	Income			
	Miles KCS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	44	6.500%	1.34887%	0.08768%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	162	5.900%	4.96628%	0.29301%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.400%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	8.250%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	5.750%	0.00000%	0.00000%
Idaho	0	6.000%	0.00000%	0.00000%
Illinois	186	9.500%	5.70202%	0.54169%
Indiana	0	4.900%	0.00000%	0.00000%
Iowa	0	9.800%	0.00000%	0.00000%
Kansas	18	7.000%	0.55181%	0.03863%
Kentucky	0	5.000%	0.00000%	0.00000%
Louisiana	750	7.500%	22.99203%	1.72440%
Maine	0	8.930%	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	0	6.000%	0.00000%	0.00000%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	602	5.000%	18.45494%	0.92275%
Missouri	409	4.000%	12.53832%	0.50153%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.500%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.600%	0.00000%	0.00000%
New Jersey	0	9.737%	0.00000%	0.00000%
New Mexico	0	5.900%	0.00000%	0.00000%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	2.500%	0.00000%	0.00000%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	0	0.000%	0.00000%	0.00000%
Oklahoma	147	4.000%	4.50644%	0.18026%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	0	9.990%	0.00000%	0.00000%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	0	5.000%	0.00000%	0.00000%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	5	6.500%	0.15328%	0.00996%
Texas	939	2.074%	28.78602%	0.59708%
Utah	0	4.850%	0.00000%	0.00000%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	3,262		100.00000%	4.89699%

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

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

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

Rates for Texas and New Jersey are calculated, and may vary by railroad.

No rounding until final number.

NS Average State Tax Rate for 2022

State	Income			
	Miles NS	Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,304	6.500%	6.81474%	0.44296%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	0	5.900%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.400%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	82	8.700%	0.42853%	0.03728%
Dist. of Columbia	19	8.250%	0.09929%	0.00819%
Florida	148	5.500%	0.77345%	0.04254%
Georgia	1,706	5.750%	8.91560%	0.51265%
Idaho	0	6.000%	0.00000%	0.00000%
Illinois	1,261	9.500%	6.59002%	0.62605%
Indiana	1,440	4.900%	7.52548%	0.36875%
Iowa	43	9.800%	0.22472%	0.02202%
Kansas	2	7.000%	0.01045%	0.00073%
Kentucky	429	5.000%	2.24196%	0.11210%
Louisiana	76	7.500%	0.39718%	0.02979%
Maine	0	8.930%	0.00000%	0.00000%
Maryland	259	8.250%	1.35354%	0.11167%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	489	6.000%	2.55553%	0.15333%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	211	5.000%	1.10269%	0.05513%
Missouri	409	4.000%	2.13744%	0.08550%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.500%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.600%	0.00000%	0.00000%
New Jersey	893	7.065%	4.66684%	0.32973%
New Mexico	0	5.900%	0.00000%	0.00000%
New York	840	0.000%	4.38986%	0.00000%
North Carolina	1,121	2.500%	5.85837%	0.14646%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	1,905	0.000%	9.95558%	0.00000%
Oklahoma	0	4.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	2,410	9.990%	12.59472%	1.25821%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	762	5.000%	3.98223%	0.19911%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	718	6.500%	3.75229%	0.24390%
Texas	0	1.423%	0.00000%	0.00000%
Utah	0	4.850%	0.00000%	0.00000%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	1,990	6.000%	10.39979%	0.62399%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	618	6.500%	3.22968%	0.20993%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	19,135		100.00000%	5.62002%

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

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

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

Rates for Texas and New Jersey are calculated, and may vary by railroad.

No rounding until final number.

SOO Average State Tax Rate for 2022
(Canadian Pacific's Soo Line Corporation)

State	Miles SOO	Income		
		Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	0	5.900%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.400%	0.00000%	0.00000%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	8.250%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	5.750%	0.00000%	0.00000%
Idaho	0	6.000%	0.00000%	0.00000%
Illinois	385	9.500%	7.56534%	0.71871%
Indiana	154	4.900%	3.02613%	0.14828%
Iowa	673	9.800%	13.22460%	1.29601%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	0	5.000%	0.00000%	0.00000%
Louisiana	0	7.500%	0.00000%	0.00000%
Maine	174	8.930%	3.41914%	0.30533%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	80	6.000%	1.57202%	0.09432%
Minnesota	1,702	9.800%	33.44468%	3.27758%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	196	4.000%	3.85144%	0.15406%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.500%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.600%	0.00000%	0.00000%
New Jersey	0	8.885%	0.00000%	0.00000%
New Mexico	0	5.900%	0.00000%	0.00000%
New York	414	0.000%	8.13519%	0.00000%
North Carolina	0	2.500%	0.00000%	0.00000%
North Dakota	530	7.810% +	10.41462%	0.81338%
Ohio	30	0.000%	0.58951%	0.00000%
Oklahoma	0	4.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	0	9.990%	0.00000%	0.00000%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	0	5.000%	0.00000%	0.00000%
South Dakota	112	0.000%	2.20083%	0.00000%
Tennessee	0	6.500%	0.00000%	0.00000%
Texas	0	1.629%	0.00000%	0.00000%
Utah	0	4.850%	0.00000%	0.00000%
Vermont	21	8.500%	0.41265%	0.03508%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	618	7.900%	12.14384%	0.95936%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	5,089		100.00000%	7.80211%

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

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

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Rates for Texas and New Jersey are calculated, and may vary by railroad.

No rounding until final number.

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

UP Average State Tax Rate for 2022

State	Miles UP	Income		
		Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	0	6.500%	0.00000%	0.00000%
Arizona	691	4.900%	2.12393%	0.10407%
Arkansas	1,324	5.900%	4.06959%	0.24011%
California	3,362	8.840%	10.33380%	0.91351%
Colorado	1,504	4.400%	4.62286%	0.20341%
Connecticut	0	0.000%	0.00000%	0.00000%
Delaware	0	8.700%	0.00000%	0.00000%
Dist. of Columbia	0	8.250%	0.00000%	0.00000%
Florida	0	5.500%	0.00000%	0.00000%
Georgia	0	5.750%	0.00000%	0.00000%
Idaho	873	6.000%	2.68335%	0.16100%
Illinois	2,384	9.500%	7.32772%	0.69613%
Indiana	19	4.900%	0.05840%	0.00286%
Iowa	1,430	9.800%	4.39540%	0.43075%
Kansas	2,199	7.000%	6.75908%	0.47314%
Kentucky	12	5.000%	0.03688%	0.00184%
Louisiana	1,140	7.500%	3.50403%	0.26280%
Maine	0	8.930%	0.00000%	0.00000%
Maryland	0	8.250%	0.00000%	0.00000%
Massachusetts	0	8.000%	0.00000%	0.00000%
Michigan	0	6.000%	0.00000%	0.00000%
Minnesota	644	9.800%	1.97947%	0.19399%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,541	4.000%	4.73658%	0.18946%
Montana	125	6.750%	0.38421%	0.02593%
Nebraska	1,098	7.500%	3.37493%	0.25312%
Nevada	1,193	0.000%	3.66693%	0.00000%
New Hampshire	0	7.600%	0.00000%	0.00000%
New Jersey	0	7.167%	0.00000%	0.00000%
New Mexico	618	5.900%	1.89955%	0.11207%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	2.500%	0.00000%	0.00000%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	0	0.000%	0.00000%	0.00000%
Oklahoma	1,240	4.000%	3.81140%	0.15246%
Oregon	1,073	7.600%	3.29809%	0.25065%
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	17	6.500%	0.05225%	0.00340%
Texas	6,447	1.283%	19.81619%	0.25425%
Utah	1,267	4.850%	3.89439%	0.18888%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	540	0.000%	1.65980%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	919	7.900%	2.82474%	0.22315%
Wyoming	874	0.000%	2.68642%	0.00000%
Total U.S.	32,534		100.00000%	5.33699%

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No rounding until final number.

**Workpapers Sent to Surface Transportation Board
for 2022 State Tax Rate Calculations**

June 1, 2023

1. Schedule 702 from 2022 Annual Report Form R-1 (7 pages)
2. Schedule 210 from 2022 Annual Report Form R-1 (14 pages)

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 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)	
	1		Alabama	105				126	231	16	1
	2		Arizona	592				67	659		2
	3		Arkansas	190				866	1,056		3
	4		British Columbia	22				25	47	16	4
	5		California	913				1,174	2,087	5	5
	6		Colorado	798		14		526	1,338		6
	7		Idaho	133					133		7
	8		Illinois	1,151			2	385	1,538		8
	9		Iowa	594		26	4	35	659		9
	10		Kansas	1,138				445	1,583		10
	11		Kentucky				13	85	98		11
	12		Louisiana	240				106	346		12
	13		Manitoba		4			65	69		13
	14		Minnesota	1,489				222	1,711	9	14
	15		Mississippi	166				13	179		15
	16		Missouri	1,424				182	1,606	37	16
	17		Montana	2,584				36	2,620	125	17
	18		Nebraska	1,481				101	1,582		18
	19		Nevada					798	798		19
	20		New Mexico	1,125				511	1,636	86	20
	21		North Dakota	1,553				80	1,633	360	21
	22		Oklahoma	957				330	1,287		22
	23		Oregon	226				188	414	110	23
	24		Saskatchewan								24
	25		South Dakota	864			2	29	895		25
	26		Tennessee	16				121	137		26
	27		Texas	2,596			10	2,783	5,389		27
	28		Utah					437	437		28
	29		Washington	1,335				115	1,450	98	29
	30		Wisconsin	245				5	250		30
	31		Wyoming	960				5	965		31
	32		Total Mileage (Single Track)	22,897	4	40	31	9,861	32,833	862	32

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

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

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of propri- etary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned not operated by respondent (h)	New line constructed during year (i)	
1											1
2		ALABAMA	22	-	-	-	-	22			2
3											3
4		ILLINOIS	1,228	-	-	-	47	1,275			4
5											5
6		INDIANA	102	-	-	-	1	103			6
7											7
8		IOWA	573	-	-	-	-	573			8
9											9
10		KENTUCKY	85	13	-	-	-	98			10
11											11
12		LOUISIANA	227	-	-	-	-	227			12
13											13
14		MICHIGAN	785	1	7	-	-	793			14
15											15
16		MINNESOTA	378	-	-	-	-	378			16
17											17
18		MISSISSIPPI	574	-	-	-	-	574			18
19											19
20		OHIO	4	-	-	-	-	4			20
21											21
22		PENNSYLVANIA	154	-	-	-	-	154			22
23											23
24		TENNESSEE	157	-	-	-	-	157			24
25											25
26		WISCONSIN	976	-	-	-	45	1,021			26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	5,265	14	7	-	93	5,379			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	898				111	1,009	116	-	1
2		Canada - Ontario	-	18			4	22	7	-	2
3		Canada - Quebec	-	13	31		6	50	12	-	3
4		Connecticut	-				62	62	4	-	4
5		Delaware	21				21	42		-	5
6		District Of Columbia	17			-	1	18	9	-	6
7		Florida	982			61	144	1,187	51	-	7
8		Georgia	1,339		118	1	75	1,533	94	-	8
9		Illinois	354	-	55		291	700	128	-	9
10		Indiana	1,101	-	12		364	1,477	376	-	10
11		Kentucky	1,514	17	-	-	49	1,580	57	-	11
12		Louisiana	35				8	43		-	12
13		Maine	348				84	432		-	13
14		Maryland	423	7	5		87	522	11	-	14
15		Massachusetts	157		-	8	162	327	27	-	15
16		Michigan	337				146	483	139	-	16
17		Mississippi	74				20	94		-	17
18		Missouri					-	-	11	-	18
19		New Hampshire	100					100		-	19
20		New Jersey	43				581	624	6	-	20
21		New York	672		195		263	1,130	149	-	21
22		North Carolina	1,013			7	52	1,072	6	-	22
23		Ohio	1,150		139	-	461	1,750	222	-	23
24		Pennsylvania	417	42	22	8	568	1,057	57	-	24
25		South Carolina	1,214		44		17	1,275	7	-	25
26		Tennessee	812		15	4	137	968	42	-	26
27		Virginia	734	30	0	0	256	1020	14	-	27
28		West Virginia	992	20	16		225	1253	134	-	28
29											29
30											30
31											31
32		Total Mileage (Single Track)	14,747	147	652	89	4,195	19,830	1,679	-	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 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	389	-	-	-	20	409	3	-	1
2											2
3		Kansas	18	-	-	-	-	18	-	-	3
4											4
5		Arkansas	157	-	-	-	5	162	59	-	5
6											6
7		Oklahoma	146	-	-	-	1	147	6	-	7
8											8
9		Louisiana	685	-	-	-	65	750	173	-	9
10											10
11		Texas	590	-	-	-	349	939	-	-	11
12											12
13		Tennessee	5	-	-	-	-	5	-	-	13
14											14
15		Mississippi	466	-	-	-	136	602	170	-	15
16											16
17		Alabama	-	-	-	-	44	44	56	-	17
18											18
19		Illinois	165	-	-	-	21	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)	2,621	-	-	-	641	3,262	467	-	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	1,212				92	1,304	89		1
2		Canada					2	2			2
3		Delaware	36				46	82	94		3
4		District of Columbia					19	19			4
5		Florida	95				53	148			5
6		Georgia	1,697				9	1,706	381		6
7		Illinois	847				414	1,261	63		7
8		Indiana	1,172		2		266	1,440	36		8
9		Iowa	5			1	37	43	41		9
10		Kansas					2	2			10
11		Kentucky	154		212		63	429			11
12		Louisiana	72				4	76			12
13		Maryland	59				200	259	37		13
14		Michigan	116				373	489	157		14
15		Mississippi	209				2	211			15
16		Missouri	344				65	409			16
17		New Jersey	86				807	893	28		17
18		New York	546				294	840	227		18
19		North Carolina	757				364	1,121	333		19
20		Ohio	1,506		10		389	1,905	361		20
21		Pennsylvania	1,764			5	641	2,410	193		21
22		South Carolina	658				104	762	37		22
23		Tennessee	536		136		46	718	144		23
24		Virginia	1,855				135	1,990	155		24
25		West Virginia	586				32	618	233		25
26											26
27											27
28											28
29											29
30											30
31											31
32		Total Mileage (Single Track)	14,312		360	6	4,459	19,137	2,609		32

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

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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		Illinois	155	0	0	0	230	385	0	0	1
2		Indiana	0	0	0	0	154	154	0	0	2
3		Iowa	650	0	0	0	23	673	0	0	3
4		Maine	174	0	0	0	0	174	0	0	4
5		Michigan	0	0	0	0	80	80	0	0	5
6		Minnesota	1,132	0	0	0	570	1,702	111	0	6
7		Missouri	150	0	0	0	46	196	0	0	7
8		Montana	0	0	0	0	0	0	57	0	8
9		New York	213	0	0	0	201	414	0	0	10
10		North Dakota	501	0	0	0	29	530	576	0	11
11		Ohio	0	0	0	0	30	30	0	0	12
12		South Dakota	6	0	0	0	106	112	0	0	13
13		Vermont	21	0	0	0	0	21	0	0	14
14		Wisconsin	296	0	0	0	322	618	0	0	15
15											16
16											18
17											19
18											20
19											21
20											22
21											23
22											24
23											25
24											26
25											27
26											28
27											29
28											30
29											31
30		Total Mileage (single track)	3,298	0	0	0	1,791	5,089	744	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 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		Arizona	691	-	-	-	-	691	-	-	1
2		Arkansas	1,314	-	5	-	5	1,324	149	-	2
3		California	2,810	-	-	-	552	3,362	648	-	3
4		Colorado	1,152	-	-	-	352	1,504	171	-	4
5		Idaho	868	-	-	-	5	873	41	-	5
6		Illinois	1,534	19	4	-	827	2,384	10	-	6
7		Indiana	-	-	-	-	19	19	-	-	7
8		Iowa	1,278	-	-	-	152	1,430	6	-	8
9		Kansas	1,565	-	-	-	634	2,199	313	-	9
10		Kentucky	-	-	-	-	12	12	-	-	10
11		Louisiana	1,086	-	-	-	54	1,140	29	-	11
12		Minnesota	418	-	-	-	226	644	16	-	12
13		Missouri	973	-	-	-	568	1,541	360	-	13
14		Montana	125	-	-	-	-	125	52	-	14
15		Nebraska	1,005	-	-	-	93	1,098	254	-	15
16		Nevada	1,193	-	-	-	-	1,193	-	-	16
17		New Mexico	535	-	-	-	83	618	-	-	17
18		Oklahoma	513	-	307	-	420	1,240	73	-	18
19		Oregon	868	-	-	-	205	1,073	396	-	19
20		Tennessee	9	-	-	-	8	17	-	-	20
21		Texas	5,189	-	-	-	1,258	6,447	226	-	21
22		Utah	1,247	-	-	-	20	1,267	61	-	22
23		Washington	271	-	-	-	269	540	86	-	23
24		Wisconsin	584	-	-	-	335	919	107	-	24
25		Wyoming	874	-	-	-	-	874	-	-	25
26											26
27											27
28											28
29											29
30											30
31											31
32		Total Mileage (Single Track)	26,102	19	316	-	6,097	32,534	2,998	-	32

210. RESULTS OF OPERATIONS

(Dollars in thousands)

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

5. Cross-checks:

Schedule 210

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

Schedule 210

= Line 62, col (b)
 = Line 63, col (b)
 = Line 64, col (b)

Schedule 410

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

= Line 620, col (h)
 = Line 620, col (f)
 = Line 620, col (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	1,694,260	1,483,520	1,694,260	0	1
2		(102) Passenger	0	0	0	0	2
3		(103) Passenger-Related	0	0	0	0	3
4		(104) Switching	9,170	11,015	9,170	0	4
5		(105) Water Transfers	0	0	0	0	5
6		(106) Demurrage	92,489	77,631	92,489	0	6
7		(110) Incidental	2,822	2,604	2,822	0	7
8		(121) Joint Facility-Credit	0	0	0	0	8
9		(122) Joint Facility-Debit	0	0	0	0	9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	1,798,741	1,574,770	1,798,741	0	10
11		(502) Railway operating revenues-Transfers from Government Authorities	0	0	0	0	11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities	852	849	852	0	12
13		TOTAL RAILWAY OPERATING REVENUES (\$ less applicable tax of \$)	1,799,593	1,575,619	1,799,593	0	13
14		(531) Railway operating expenses	1,158,012	970,660	1,158,012	0	14
15		Net revenue from railway operations	641,581	604,959	641,581	0	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	0	0			16
17		(510) Miscellaneous rent income	21,043	19,926			17
18		(512) Separately operated properties-Profit	0	0			18
19		(513) Dividend Income (cost method)	0	0			19
20		(514) Interest Income	1,442	4,357			20
21		(516) Income from sinking and other funds	0	0			21
22		(517) Release of premiums on funded debt	0	0			22
23		(518) Reimbursements received under contracts and agreements	0	0			23
24		(519) Miscellaneous income	7,721	42,368			24
25		Income from affiliated companies: 519 a. Dividends (equity method)	7,840	7,840			25
26		b. Equity in undistributed earnings (losses)	701	3,786			26
27		TOTAL OTHER INCOME (lines 16-26)	38,747	78,277			27
28		TOTAL INCOME (lines 15, 27)	680,328	683,236			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	0	0			29
30		(544) Miscellaneous taxes	0	0			30
31		(545) Separately operated properties-loss	0	0			31
32		(549) Maintenance of investment organization	0	0			32
33		(550) Income Transferred under contracts and agreements	0	0			33
34		(551) Miscellaneous income charges	3,193	5,979			34
35		(553) Uncollectible accounts	0	0			35
36		TOTAL MISCELLANEOUS DEDUCTIONS	3,193	5,979			36
37		Income available for fixed charges	677,135	677,257			37

See additional notes to financial statements on pages 7-15

210. RESULTS OF OPERATIONS - Continued					
(Dollars in thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
38		(546) Interest on funded long-term debt:			
		(a) Fixed interest not in default	97,258	82,504	38
39		(b) Interest in default	0	0	39
40		(547) Interest on unfunded debt	19	13	40
41		(548) Amortization of discount on funded debt	0	0	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	97,277	82,517	42
43		Income after fixed charges (lines 37 minus line 42)	579,858	594,740	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt:			
		(c) Contingent interest	0	0	44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit	0	0	45
46		Income (loss) from continuing operations (before income taxes)	579,858	594,740	46
PROVISIONS FOR INCOME TAXES					
47		(556) Income taxes on ordinary income:			
		(a) Federal income taxes	92,596	81,321	47
48		(b) State income taxes	21,265	15,849	48
49		(c) Other income taxes	409	352	49
50		(557) Provision for deferred taxes	12,187	31,473	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	126,457	128,995	51
52		Income from continuing operations (line 46 minus line 51)	453,401	465,745	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments			
		(less applicable income taxes of \$)	0	0	53
54		(562) Gain or loss on disposal of discontinued segments			
		(less applicable income taxes of \$)	0	0	54
55		Income before extraordinary items (lines 52 through 54)	453,401	465,745	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (net)	0	0	56
57		(590) Income taxes on extraordinary items	0	0	57
58		(591) Provision for deferred taxes-Extraordinary items	0	0	58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	0	0	59
60		(592) Cumulative effect of changes in accounting principles			
		(\$ less applicable tax of \$)	0	0	60
61		Net income (loss) (lines 55 + 59 + 60)	453,401	465,745	61
62		Less: Net Income attributable to noncontrolling interest	0	0	62
63		Net income attributable to reporting railroad (lines 61 + 62)	453,401	465,745	63
64		Basic Earnings Per Share	216	222	64
65		Diluted Earnings Per Share	216	222	65
66		Reconciliation of net railway operating income (NROI)			
		Net revenues from railway operations	641,581	604,959	66
67		(556) Income taxes on ordinary income (-)	114,270	97,522	67
68		(557) Provision for deferred income taxes (-)	12,187	31,473	68
69		Income from lease of road and equipment (-)	0	0	69
70		Rent for leased roads and equipment (+)	80	84	70
71		Net railway operating income (loss)	515,204	476,048	71
See additional notes to financial statements on pages 7-15					

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

Cross-Checks

Schedule 210

Schedule 210

Line 15, col b

= Line 66, col b

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

Lines 47,48,49 col b

= Line 67, col b

Line 50, col b

= Line 68, col b

3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

Line 14, col b

Schedule 410

= Line 620, col h

Line 14, col d

= Line 620, col f

4. All contra entries should be shown in parenthesis.

Line 14, col e

= Line 620, col g

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		(a)	(b)	(c)			
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	24,898,570	22,274,140	24,898,570		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	51,342	53,904	51,342		4
5		(105) Water transfers					5
6		(106) Demurrage	209,759	207,476	209,759		6
7		(110) Incidental	437,616	364,053	437,616		7
8		(121) Joint facility - credit	12,229	13,622	12,229		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	25,609,516	22,913,195	25,609,516		10
11		(502) Railway operating revenues - transfers from government authorities					11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	25,609,516	22,913,195	25,609,516		13
14	*	(531) Railway operating expenses	17,102,565	14,262,647	17,102,565		14
15	*	Net revenue from railway operations	8,506,951	8,650,548	8,506,951		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income					17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)	400	400			19
20		(514) Interest income	1,190,306	433,483			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	155,639	209,192			24
25		Income from affiliated companies: 519					
26		a. Dividends (equity method)	9,000	8,000			25
27		b. Equity in undistributed earnings (losses)	37,055	38,298			26
28		TOTAL OTHER INCOME (lines 16-26)	1,392,400	689,373			27
29		TOTAL INCOME (lines 15, 27)	9,899,351	9,339,921			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations					29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	27,837	16,834			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	27,837	16,834			36
37		Income available for fixed charges	9,871,514	9,323,087			37

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

Cross - Checks

Schedule 210

Line 15, col b

Lines 47, 48, 49 col b

Line 50, col b

Schedule 210

= Line 66, col b

= Line 67, col b

= Line 68, col b

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

Line 14, col b

Line 14, col d

Line 14, col e

Schedule 410

= Line 620, col h

= Line 620, col f

= Line 620, col g

3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

4. All contra entries should be shown in parenthesis.

Line No.	Cross Check	Account	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
			(a)	(b)	(c)	(d)	(e)	
			ORDINARY ITEMS					
			OPERATING INCOME					
			Railway Operating Income					
1		(101)	Freight	3,668,452	3,022,598	3,668,452	-	1
2		(102)	Passenger	-	-	-	-	2
3		(103)	Passenger - related	-	-	-	-	3
4		(104)	Switching	66,010	62,218	66,010	-	4
5		(105)	Water transfers	109,632	111,168	109,632	-	5
6		(106)	Demurrage	71,304	61,299	71,304	-	6
7		(110)	Incidental	245,928	254,115	245,928	-	7
8		(121)	Joint facility - credit	-	-	-	-	8
9		(122)	Joint facility - debit	-	-	-	-	9
10		(501)	Railway operating revenues (Exclusive of transfers from government authorities - lines 1 - 9)	4,161,326	3,511,398	4,161,326	-	10
11		(502)	Railway operating revenues - transfers from government authorities	6,240	5,325	6,240	-	11
12		(503)	Railway operating revenues - amortization of deferred transfers from government authorities	9,523	9,092	9,523	-	12
13			TOTAL RAILWAY OPERATING REVENUES (Lines 10 - 12)	4,177,089	3,525,815	4,177,089	-	13
14	*	(531)	Railway operating expenses	2,882,911	2,417,264	2,882,911	-	14
15	*		Net revenue from railway operations	1,294,178	1,108,551	1,294,178	-	15
			OTHER INCOME					
16		(506)	Revenue from property used in other than carrier operations	-	-			16
17		(510)	Miscellaneous rent income	8,589	7,563			17
18		(512)	Separately operated properties - profit	-	-			18
19		(513)	Dividend income (cost method)	-	-			19
20		(514)	Interest income	1,567	519			20
21		(516)	Income from sinking and other funds	-	-			21
22		(517)	Release of premiums on funded debt	-	-			22
23		(518)	Reimbursements received under contracts and agreements	-	-			23
24		(519)	Miscellaneous income	10,743	25,124			24
25			Income from affiliated companies: 519					
			a) Dividends (equity method)	-	-			25
26			b) Equity in undistributed earnings (losses)	(80,773)	5,254			26
27			TOTAL OTHER INCOME (Lines 16 - 26)	(59,874)	38,460			27
28			TOTAL INCOME (Lines 15, 27)	1,234,304	1,147,011			28
			MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534)	Expense of property used in other than carrier operations	1,273	1,273			29
30		(544)	Miscellaneous taxes	-	-			30
31		(545)	Separately operated properties - Loss	-	-			31
32		(549)	Maintenance of investment organizations	-	-			32
33		(550)	Income transferred under contracts and agreements	-	-			33
34		(551)	Miscellaneous income charges	659	544			34
35		(553)	Uncollectible accounts	-	-			35
36			TOTAL MISCELLANEOUS DEDUCTIONS	1,932	1,817			36
37			Income available for fixed charges	1,232,372	1,145,194			37

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

Line No.	Cross Check	Account	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES						
38		(546)	Interest on funded debt: (a) Fixed interest not in default	408,545	400,149	38
39			(b) Interest in default	-	-	39
40		(547)	Interest on unfunded debt	8	19	40
41		(548)	Amortization of discount on funded debt	5	5	41
42			TOTAL FIXED CHARGES (lines 38 through 41)	408,558	400,173	42
43			Income after fixed charge (line 37 minus line 42)	823,814	745,021	43
OTHER DEDUCTIONS						
44		(546)	Interest on funded debt: (c) Contingent interest	-	-	44
UNUSUAL OR INFREQUENT ITEMS						
45		(555)	Unusual or infrequent items (debit) credit	-	-	45
46			Income (Loss) from continuing operations (before inc. taxes)	823,814	745,021	46
PROVISIONS FOR INCOME TAXES						
47	*	(556)	Income taxes on ordinary income: (a) Federal income taxes	167,433	86,460	47
48	*		(b) State income taxes	60,189	16,931	48
49	*		(c) Other income taxes	-	-	49
50	*	(557)	Provision for deferred taxes	351	84,634	50
51			TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	227,973	188,025	51
52			Income from continuing operations (line 46 minus line 51)	595,841	556,996	52
DISCONTINUED OPERATIONS						
53		(560)	Income or loss from operations of discontinued segments (less applicable income taxes of \$ -)	-	-	53
54		(562)	Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ -)	-	-	54
55			Income before extraordinary Items (lines 52 through 54)	595,841	556,996	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES						
56		(570)	Extraordinary items (Net)	-	-	56
57		(590)	Income taxes on extraordinary items	-	-	57
58		(591)	Provision for deferred taxes - Extraordinary items	-	-	58
59			TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	-	-	59
60		(592)	Cumulative effect of changes in accounting principles (less applicable income taxes of \$ -)	-	-	60
61	*		Net income (Loss) (lines 55 + 59 + 60)	595,841	556,996	61
62			Less: Net Income attributable to noncontrolling interest	-	-	62
63			Net Income attributable to reporting railroad	595,841	556,996	63
64			Basic Earnings Per Share	1,934,548.70	1,808,428.57	64
65			Diluted Earnings Per Share	1,934,548.70	1,808,428.57	65
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)						
66	*		Net revenues from railway operations	1,294,178	1,108,551	66
67	*	(556)	Income taxes on ordinary income (-)	227,622	103,391	67
68	*	(557)	Provision for deferred taxes (-)	351	84,634	68
69			Income from leased road and equipment (-)	-	-	69
70			Rent for leased road and equipment (+)	3,518	3,023	70
71			Net railway operating income (loss)	1,069,723	923,549	71

Note: Basic Earnings Per Share and Diluted Earnings Per Share presented on lines 64 and 65 are in full dollars and cents.

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose requested information for respondent pertaining to results of operations for the year.
2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 23.
3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.
4. All contra entries should be shown in parenthesis.

Cross-Checks

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

Schedule 210
= Line 66, col b
= Line 67, col b
= Line 68, col b

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

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		(a)	(b)	(c)			
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	\$ 12,976,775	\$ 11,368,137	\$ 12,976,775	-	1
2		(102) Passenger	-	-	-	-	2
3		(103) Passenger-related	-	-	-	-	3
4		(104) Switching	(172,594)	(161,415)	(172,594)	-	4
5		(105) Water transfers	-	-	-	-	5
6		(106) Demurrage	562,660	442,739	562,660	-	6
7		(110) Incidental	167,626	149,353	167,626	-	7
8		(121) Joint facility - credit	-	-	-	-	8
9		(122) Joint facility - debit	-	-	-	-	9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	13,534,467	11,798,814	13,534,467	-	10
11		(502) Railway operating revenues - transfers from government authorities	-	-	-	-	11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities	-	-	-	-	12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	\$13,534,467	\$ 11,798,814	\$ 13,534,467	-	13
14	*	(531) Railway operating expenses	8,568,261	7,421,443	8,568,261		14
15	*	Net revenue from railway operations	\$ 4,966,206	\$ 4,377,371	\$ 4,966,206	-	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	\$ -	\$ -			16
17		(510) Miscellaneous rent income	24,484	60,516			17
18		(512) Separately operated properties - profit	-	-			18
19		(513) Dividend income (cost method)	29,441	27,516			19
20		(514) Interest income	312,090	16,704			20
21		(516) Income from sinking and other funds	-	-			21
22		(517) Release of premiums on funded debt	410	410			22
23		(518) Reimbursements received under contracts and agreements	-	-			23
24		(519) Miscellaneous income	309,232	508,215			24
25		Income from affiliated companies: 519					
26		a. Dividends (equity method)	118,677	68,155			25
27		b. Equity in undistributed earnings (losses)	(26,947)	15,248			26
28		TOTAL OTHER INCOME (lines 16-26)	\$ 767,387	\$ 696,764			27
29		TOTAL INCOME (lines 15, 27)	\$ 5,733,593	\$ 5,074,135			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	-	-			29
30		(544) Miscellaneous taxes	-	-			30
31		(545) Separately operated properties-Loss	-	-			31
32		(549) Maintenance of investment organization	-	-			32
33		(550) Income transferred under contracts and agreements	-	-			33
34		(551) Miscellaneous income charges	4,310	958			34
35		(553) Uncollectible accounts	-	-			35
36		TOTAL MISCELLANEOUS DEDUCTIONS	\$ 4,310	\$ 958			36
37		Income available for fixed charges	\$ 5,729,283	\$ 5,073,177			37

210. RESULTS OF OPERATIONS - Continued					
(Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
38		(546) Interest on funded debt:			
		(a) Fixed interest not in default	\$ 18,447	\$ 22,709	38
39		(b) Interest in default	-	-	39
40		(547) Interest on unfunded debt	316	460	40
41		(548) Amortization of discount on funded debt	-	-	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	\$ 18,763	\$ 23,169	42
43		Income after fixed charges (line 37 minus line 42)	\$ 5,710,520	\$ 5,050,008	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt:			
		(c) Contingent interest	-	-	44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit	-	-	45
46		Income (Loss) from continuing operations (before inc. taxes)	\$ 5,710,520	\$ 5,050,008	46
PROVISIONS FOR INCOME TAXES					
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	\$ 1,004,214	\$ 864,119	47
48	*	(b) State income taxes	196,525	176,887	48
49	*	(c) Other income taxes	1,158	432	49
50	*	(557) Provision for deferred taxes	67,364	107,886	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 50)	\$ 1,269,261	\$ 1,149,324	51
52		Income from continuing operations (line 46 minus line 51)	\$ 4,441,259	\$ 3,900,684	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$ 0)	-	-	53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ 0)	-	-	54
55		Income before extraordinary items (lines 52 through 54)	\$ 4,441,259	\$ 3,900,684	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)	-	-	56
57		(590) Income taxes on extraordinary items	-	-	57
58		(591) Provision for deferred taxes - Extraordinary items	-	-	58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	-	-	59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$ 0)	-	-	60
61	*	Net income (Loss) (lines 55 + 59 + 60)	\$ 4,441,259	\$ 3,900,684	61
62		Less: Net Income attributable to noncontrolling interest	48	(355)	62
63		Net Income attributable to reporting railroad	4,441,211	3,901,039	63
64		Basic Earnings Per Share (See Note 1 below)	\$ 490.14	\$ 430.53	64
65		Diluted Earnings Per Share (See Note 1 below)	\$ 490.14	\$ 430.53	65
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)					
66	*	Net revenues from railway operations	\$ 4,966,206	\$ 4,377,371	66
67	*	(556) Income taxes on ordinary income (-)	(1,201,897)	(1,041,438)	67
68	*	(557) Provision for deferred income taxes (-)	(67,364)	(107,886)	68
69		Income from lease of road and equipment (-)	(101,614)	(47,609)	69
70		Rent for leased roads and equipment (+)	38,259	36,701	70
71		Net railway operating income (loss)	\$ 3,633,590	\$ 3,217,139	71
Notes and Remarks For Schedule 210					
Note 1: Basic and diluted earnings per share in lines 64 and 65, respectively, are based on the number of CSXT shares outstanding, which are all held by CSX Corporation. The number of CSXT shares is not equivalent to the weighted-average number of shares of common stock outstanding used to calculate earnings per share related to the consolidated results of CSX Corporation.					

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

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

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

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

5. Cross checks:

Schedule 210

Line 15, column (b)

Line 47 plus 48 plus 49, column (b)

Line 50, column (b)

Line 14, column (b)

Line 14, column (d)

Line 14, column (e)

Schedule 210

= Line 66, column (b)

= Line 67, column (b)

= Line 68, column (b)

Schedule 410

= Line 620, column (h)

= Line 620, column (f)

= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	1,683,080	1,470,260	1,683,080	NONE	1
2		(102) Passenger	-	-	-		2
3		(103) Passenger-Related	-	-	-		3
4		(104) Switching	21,213	18,816	21,213		4
5		(105) Water Transfers	-	-	-		5
6		(106) Demurrage	48,441	38,142	48,441		6
7		(110) Incidental	48,834	42,546	48,834		7
8		(121) Joint Facility - Credit	-	-	-		8
9		(122) Joint Facility - Debit	-	-	-		9
10		(501) Railway Operating Revenues (Exclusive of Transfers Transfers from Government Authorities	1,801,568	1,569,764	1,801,568		10
11		(502) Railway Operating Revenues - Transfers from Government Authorities for Current Operations	-	-	-		11
12		(503) Railway Operating Revenues - Amortization of Deferred Transfers from Government Authorities	2,481	2,323	2,481		12
13		TOTAL RAILWAY OPERATING REVENUES (Lines 10-12)	1,804,049	1,572,087	1,804,049		13
14		(531) Railway Operating Expenses	1,262,653	1,117,264	1,262,653		14
15		Net Revenue from Railway Operations	541,396	454,823	541,396		15
		OTHER INCOME					
16		(506) Revenue from Property Used in Other Than Carrier Operations	1	15			16
17		(510) Miscellaneous Rent Income	-	-			17
18		(512) Separately Operated Properties - Profit	-	-			18
19		(513) Dividend Income (Cost Method)	-	10			19
20		(514) Interest Income	-	-			20
21		(516) Income from Sinking and Other Funds	-	-			21
22		(517) Release of Premiums on Funded Debt	-	-			22
23		(518) Reimbursements Received under Contracts and Agreements	-	-			23
24		(519) Miscellaneous Income	3,664	2,193			24
25		Income from Affiliated Companies: 519 a. Dividends (Equity Method)	-	-			25
26		b. Equity in Undistributed Earnings (Losses)	-	-			26
27		TOTAL OTHER INCOME (Lines 16-26)	3,665	2,218			27
28		TOTAL INCOME (Lines 15, 27)	545,061	457,041			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of Property Used in Other Than Carrier Operations	-	-			29
30		(544) Miscellaneous Taxes	-	-			30
31		(545) Separately Operated Properties - Loss	-	-			31
32		(549) Maintenance of Investment Organization	-	-			32
33		(550) Income Transferred under Contracts and Agreements	-	-			33
34		(551) Miscellaneous Income Charges	2,406	1,922			34
35		(553) Uncollectible Accounts	-	-			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (Lines 29-35)	2,406	1,922			36
37		Income Available for Fixed Charges (Lines 28, 36)	542,655	455,119			37

210. RESULTS OF OPERATIONS - Concluded (Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
38		(546) Interest on Funded Debt: (a) Fixed Interest Not in Default	85,582	85,734	38
39		(b) Interest in Default	-	-	39
40		(547) Interest on Unfunded Debt	89	239	40
41		(548) Amortization of Discount on Funded Debt	365	366	41
42		TOTAL FIXED CHARGES (Lines 38-41)	86,036	86,339	42
43		Income after Fixed Charges (Lines 37, 42)	456,619	368,780	43
OTHER DEDUCTIONS					
44		(546) Interest on Funded Debt: (c) Contingent Interest	-	-	44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or Infrequent Items (Debit) Credit	-	-	45
46		Income (Loss) from Continuing Operations (before Income Taxes)	456,619	368,780	46
PROVISIONS FOR INCOME TAXES					
(556) Income Taxes on Ordinary Income:					
47		(a) Federal Income Taxes	54,120	41,642	47
48		(b) State Income Taxes	5,637	2,579	48
49		(c) Other Income Taxes	2,588	2,390	49
50		(557) Provision for Deferred Taxes	34,473	19,673	50
51		TOTAL PROVISIONS FOR INCOME TAXES (Lines 47-50)	96,818	66,284	51
52		Income from Continuing Operations (Line 46 minus Line 51)	359,801	302,496	52
DISCONTINUED OPERATIONS					
53		(560) Income or Loss from Operations of Discontinued Segments (Less Applicable Income Taxes of \$ -)	-	-	53
54		(562) Gain or Loss on Disposal of Discontinued Segments (Less Applicable Tax of \$ -)	-	-	54
55		Income before Extraordinary Items (Lines 52 + 53 + 54)	359,801	302,496	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary Items (net)	-	-	56
57		(590) Income Taxes on Extraordinary Items	-	-	57
58		(591) Provision for Deferred Taxes - Extraordinary Items	-	-	58
59		TOTAL EXTRAORDINARY ITEMS (Lines 56-58)	-	-	59
60		(592) Cumulative Effect of Changes in Accounting Principles (Less Applicable Tax of \$ -)	-	-	60
61		Net Income (Loss) (Lines 55 + 59 + 60)	359,801	302,496	61
62		Less: Net Income attributable to noncontrolling interest	1,599	1,824	62
63		Net Income attributable to reporting railroad	358,202	300,672	63
64		Basic Earnings Per Share	36.40	30.55	64
65		Diluted Earnings Per Share	36.40	30.55	65
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)					
66		Net Revenues from Railway Operations	541,396	454,823	66
67		(556) Income Taxes on Ordinary Income (-)	62,345	46,611	67
68		(557) Provision for Deferred Taxes (-)	34,473	19,673	68
69		Income from Lease of Road and Equipment (-)	-	-	69
70		Rent for Leased Roads and Equipment (+)	19	43	70
71		Net Railway Operating Income (Loss)	444,597	388,582	71
Note: Line 49 includes current foreign withholding income taxes.					

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

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

3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

4. All contra entries should be shown in parenthesis.

Cross-Checks

Schedule 210

Line 15, col b

Lines 47,48,49 col b

Line 50, col b

Schedule 210

= Line 66, col b

= Line 67, col b

= Line 68, col b

Schedule 410

= Line 620, col h

= Line 620, col f

= Line 620, col g

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
		(a)	(b)	(c)	(d)	(e)	
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	11,929,203	10,470,447	11,929,203		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	64,557	67,172	64,557		4
5		(105) Water transfers					5
6		(106) Demurrage	673,912	520,608	673,912		6
7		(110) Incidental	76,942	83,423	76,942		7
8		(121) Joint facility - credit					8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	12,744,614	11,141,650	12,744,614		10
11		(502) Railway operating revenues - transfers from government authorities					11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	12,744,614	11,141,650	12,744,614		13
14	*	(531) Railway operating expenses	8,471,226	7,206,278	8,471,226		14
15	*	Net revenue from railway operations	4,273,388	3,935,372	4,273,388		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	10,127	8,640			16
17		(510) Miscellaneous rent income	90,318	89,407			17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)					19
20		(514) Interest income	650,787	40,722			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	72,478	82,242			24
25		Income from affiliated companies: 519					
26		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	6	6			26
27		TOTAL OTHER INCOME (lines 16-26)	823,716	221,017			27
28		TOTAL INCOME (lines 15, 27)	5,097,104	4,156,389			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	19,751	17,775			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	(66,340)	(40,518)			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	(46,589)	(22,743)			36
37		Income available for fixed charges	5,143,693	4,179,132			37

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

Cross-Checks

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

Schedule 210

Line 15, col b

Lines 47,48,49 col b

Line 50, col b

Schedule 210

= Line 66, col b

= Line 67, col b

= Line 68, col b

3 List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

Line 14, col b

Line 14, col d

Line 14, col e

Schedule 410

= Line 620, col h

= Line 620, col f

= Line 620, col g

4 All contra entries should be shown in parenthesis.

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
		(a)	(b)	(c)	(d)	(e)	
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	23,159,398	20,243,787	23,159,398		1
2		(102) Passenger	43,721	24,109		43,721	2
3		(103) Passenger-related	314	44		314	3
4		(104) Switching	212,689	201,074	212,689		4
5		(105) Water transfers	23,844	19,934	23,844		5
6		(106) Demurrage	333,426	340,147	333,426		6
7		(110) Incidental	907,218	781,837	907,218		7
8		(121) Joint facility - credit	19,039	20,267	19,039		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	24,699,649	21,631,199	24,655,614	44,035	10
11		(502) Railway operating revenues - transfers from government authorities	175,525	173,118		175,525	11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	24,875,174	21,804,317	24,655,614	219,560	13
14	*	(531) Railway operating expenses	15,251,429	12,689,131	15,040,605	210,824	14
15	*	Net revenue from railway operations	9,623,745	9,115,186	9,615,009	8,736	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	28,847	21,983			16
17		(510) Miscellaneous rent income	192,988	161,625			17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)	294	294			19
20		(514) Interest income	7,508	3,001			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt	0	0			22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	182,466	136,087			24
25		Income from affiliated companies: 519					
		a. Dividends (equity method)	177,427	108,652			25
26		b. Equity in undistributed earnings (losses)	64,947	92,923			26
27		TOTAL OTHER INCOME (lines 16-26)	654,477	524,565			27
28		TOTAL INCOME (lines 15, 27)	10,278,222	9,639,751			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	16,819	19,630			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	(26,777)	6,724			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	(9,958)	26,354			36
37		Income available for fixed charges	10,288,180	9,613,397			37

210. RESULTS OF OPERATIONS - (Concluded)					
(Dollars in Thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
38		(546) Interest on funded debt:			
		(a) Fixed interest not in default	43,111	47,431	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	65,241	24,717	40
41		(548) Amortization of discount on funded debt	1,258	1,284	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	109,610	73,432	42
43		Income after fixed charges (line 37 minus line 42)	10,178,570	9,539,965	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt:			
		(c) Contingent interest	0	0	44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before inc. taxes)	10,178,570	9,539,965	46
PROVISIONS FOR INCOME TAXES					
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	1,699,749	1,739,734	47
48	*	(b) State income taxes	361,156	398,343	48
49	*	(c) Other income taxes	3,339	(28,625)	49
50	*	(557) Provision for deferred taxes	264,296	116,585	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	2,328,540	2,226,037	51
52		Income from continuing operations (line 46 minus line 51)	7,850,030	7,313,928	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$_____)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$_____)			54
55		Income before extraordinary items (lines 52 through 54)	7,850,030	7,313,928	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes - Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$_____)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	7,850,030	7,313,928	61
62		Less: Net Income attributable to non-controlling interest			62
63		Net Income attributable to reporting railroad	7,850,030	7,313,928	63
64		Basic Earnings Per Share	N/A	N/A	64
65		Diluted Earnings Per Share	N/A	N/A	65
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)					
66	*	Net revenues from railway operations	9,623,745	9,115,186	66
67	*	(556) Income taxes on ordinary income (-)	(2,064,244)	(2,109,452)	67
68	*	(557) Provision for deferred income taxes (-)	(264,296)	(116,585)	68
69		Income from lease of road and equipment (-)			69
70		Rent for leased roads and equipment (+)			70
71		Net railway operating income (loss)	7,295,205	6,889,149	71

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

All stock is owned by the parent company Union Pacific Corporation. Please reference schedule "C" for details.