



ASSOCIATION OF
AMERICAN RAILROADS

ENTERED
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May 30, 2024
Part of
Public Record

Rand Ghayad
Senior Vice President - Policy & Economics

May 30, 2024

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. 15), Annual Submission of State Tax Information for Use in the Revenue Shortfall Allocation Method (2023)

Dear Ms. Brown:

This submission by the Association of American Railroads (AAR) is the AAR's calculation of the 2023 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>2023</u>	<u>2022</u>	Percentage Point <u>Change</u>
BNSF Railway Company	4.894%	4.960%	-0.066%
CSX Transportation, Inc.	5.172%	5.242%	-0.070%
Grand Trunk Corporation	7.728%	7.906%	-0.178%
The Kansas City Southern Rwy	5.120%	4.897%	0.223%
Norfolk Southern Combined	5.368%	5.620%	-0.252%
Soo Line Corporation	7.617%	7.802%	-0.185%
Union Pacific Railroad Company	5.241%	5.337%	-0.096%

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

Sincerely,

A handwritten signature in black ink, appearing to read "Rand Ghayad", with a horizontal line drawn underneath it.

Rand Ghayad

Attachments

**Before the
Surface Transportation Board**

Ex Parte No. 682

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

**2023
Weighted Average State Tax Rates**

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

May 30, 2024

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Introduction

On February 26, 2010, the Surface Transportation Board served a decision in STB Ex Parte No. 682, *Annual Submission of Tax Information for Use in the Revenue Shortfall Allocation Method*, that amends 49 CFR Part 1135 to add a rule that requires the Association of American Railroads (AAR) to annually update each Class I railroad's weighted average state tax rate for use in the Revenue Shortfall Allocation Method (RSAM). The calculation must be submitted by May 30 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 2023.

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, Idaho, Nebraska, New Hampshire, Pennsylvania, and Utah have lower income tax rates in 2023.

The average tax rates for five Class I railroads (BNSF, KCS, NS, CP's Soo Line Corporation, and UP) decreased in 2023 from 2022. KCS was the only railroad with a higher average tax rate for 2023. KCS does not operate mileage in any of the states that lowered their tax rates, except for Arkansas. Another cause of the increase for KCS is that they operate in Texas, and the Texas effective tax rate calculation increased in 2023 due to an increase in ratio of state taxes divided by net income before tax. 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 2023

State	BNSF	CNGT	CSX	KCS	NS	SOO	UP	Total	
Alabama	231	22	1,011	44	1,304	0	0	2,612	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	1,505	2,843	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	17	0	19	0	0	36	DC
Florida	0	0	1,183	0	148	0	0	1,331	FL
Georgia	0	0	1,538	0	1,706	0	0	3,244	GA
Idaho	133	0	0	0	0	0	873	1,006	ID
Illinois	1,538	1,276	698	186	1,261	385	2,368	7,712	IL
Indiana	0	103	1,411	0	1,440	154	19	3,127	IN
Iowa	659	572	0	0	43	673	1,553	3,500	IA
Kansas	1,583	0	0	18	2	0	2,199	3,802	KS
Kentucky	98	98	1,578	0	429	0	12	2,215	KY
Louisiana	346	227	43	750	76	0	1,140	2,582	LA
Maine	0	0	397	0	0	174	0	571	ME*
Maryland	0	0	519	0	259	0	0	778	MD
Massachusetts	0	0	329	0	0	0	0	329	MA*
Michigan	0	792	478	0	489	80	0	1,839	MI
Minnesota	1,711	378	0	0	0	1,702	644	4,435	MN
Mississippi	179	575	94	607	211	0	0	1,666	MS
Missouri	1,606	0	0	409	409	196	1,541	4,161	MO
Montana	2,625	0	0	0	0	0	125	2,750	MT
Nebraska	1,582	0	0	0	0	0	1,100	2,682	NE
Nevada	798	0	0	0	0	0	1,193	1,991	NV
New Hampshire	0	0	80	0	0	0	0	80	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	1,110	0	840	414	0	2,364	NY
North Carolina	0	0	1,062	0	1,121	0	0	2,183	NC
North Dakota	1,633	0	0	0	0	530	0	2,163	ND
Ohio	0	4	1,747	0	1,905	30	0	3,686	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	1,049	0	2,410	0	0	3,613	PA
Rhode Island	0	0	0	0	0	0	0	0	RI
South Carolina	0	0	1,280	0	762	0	0	2,042	SC
South Dakota	895	0	0	0	0	112	0	1,007	SD
Tennessee	137	157	976	5	718	0	17	2,010	TN
Texas	5,388	0	0	939	0	0	6,498	12,825	TX
Utah	437	0	0	0	0	0	1,265	1,702	UT
Vermont	0	0	20	0	0	21	0	41	VT
Virginia	0	0	1,016	0	1,990	0	0	3,006	VA
Washington	1,450	0	0	0	0	0	540	1,990	WA
West Virginia	0	0	1,235	0	618	0	0	1,853	WV
Wisconsin	250	1,014	0	0	0	618	919	2,801	WI
Wyoming	965	0	0	0	0	0	874	1,839	WY
Total U.S.	32,721	5,372	19,599	3,267	19,135	5,089	32,693	117,876	
Canada	116	0	72	0	2	0	0	190	
Grand Total	32,837	5,372	19,671	3,267	19,137	5,089	32,693	118,066	

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 2023

State	Inc.Tax Rate	Comments
Alabama	6.500%	
Arizona	4.900%	
Arkansas	5.100%	***Lower for 2023
California	8.840%	
Colorado	4.400%	
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%	
Georgia	5.750%	
Idaho	5.800%	***Lower for 2023
Illinois	9.500%	7.0% + Replacement Tax of 2.5%
Indiana	4.900%	
Iowa	8.400%	***Lower for 2023
Kansas	7.000%	4% plus 3.0% surtax
Kentucky	5.000%	
Louisiana	7.500%	
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	7.250%	***Lower for 2023
Nevada	0.000%	None.
New Hampshire	7.500%	***Lower for 2023
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%	
Oregon	7.600%	
Pennsylvania	8.990%	***Lower for 2023
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	4.650%	***Lower for 2023
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 2023

Average State Corporate Income Tax Rate

Railroad	2023	2022	Difference
BNSF	4.894 %	4.960 %	-0.066 % Pts.
CSX	5.172	5.242	-0.070
CNGT	7.728	7.906	-0.178
KCS	5.120	4.897	0.223
NS	5.368	5.620	-0.252
SOO	7.617	7.802	-0.185
UP	5.241	5.337	-0.096

State Tax Rates for 2023 from the Tax Foundation

State Corporate Income Tax Rates as of January 1, 2023

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
	5.3%	> \$25,000
California	8.84%	> \$0
Colorado	4.40%	> \$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	5.8%	> \$0
Illinois. (d)	9.5%	> \$0
Indiana	4.9%	> \$0
Iowa	5.5%	> \$0
	8.4%	> \$100,000
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
	7.25%	> \$100,000
Nevada		(b)

State Tax Rates for 2023 from the Tax Foundation

State Corporate Income Tax Rates as of January 1, 2023

State	Rates	Brackets
New Hampshire	7.5%	> \$0
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	8.99%	> \$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 has historically charged 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 expired on January 1. Legislators have extended the surtax in the past and will decide whether to do so again this session.

(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) 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	
Arkansas	5.900%	5.100%	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 2022.

Note 2 - Out of Date

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

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 2022

Listed herein are tax rates, as found on page 3 of this year's report, that differ from the prior year (2022). Refer to Appendix D for tax information from the appropriate state.

	State Tax Rate		Comment
	2023	2022	
Arkansas	5.1000%	5.9000%	Lower rate for 2023
Idaho	5.8000%	6.0000%	Lower rate for 2023
Nebraska	7.2500%	7.5000%	Lower rate for 2023
New Hampshire	7.5000%	7.600%	Lower rate for 2023
Pennsylvania	8.9900%	9.9900%	Lower rate for 2023
Utah	4.6500%	4.850%	Lower rate for 2023
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 2023 C Corporation Income Tax	1
Idaho	Idaho State Tax Commission Website	1
Nebraska	Nebraska Corp Tax Instructions	1
New Hampshire	New Hampshire Department of Revenue Overview	1
New Jersey	Applicable Statute	1
Pennsylvania	Pennsylvania Department of Revenue Website	1
Utah	Utah TC-20 Tax Instructions	1
Texas	2023 Texas Franchise Tax Report Page 3	1

WHAT'S NEW for 2023

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 658 of 2023 authorizes an organization operating a railroad partly within this state and partly outside this state to choose between two options in apportioning its net operating income attributable to this state and provides that any rules adopted by the Department of Finance and Administration that conflict with the act are void. The act is effective for tax years beginning on or after January 1, 2023.

Act 532 of 2023 amends Arkansas Code Annotated 26-51-205 to reduce the maximum corporation income tax rate to 5.1% 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.

▼ On This Page

- Rates (#0)
- Permanent Building Fund (PBF) tax (#1)
- Business Entities (#2)

▼ Related Pages

- Basics (<https://tax.idaho.gov/taxes/income-tax/business-income/online-guide/>)
- Tax Rate** (<https://tax.idaho.gov/taxes/income-tax/business-income/tax-rate/>)
- Filing (<https://tax.idaho.gov/taxes/income-tax/business-income/filing/>)
- Paying (<https://tax.idaho.gov/taxes/income-tax/business-income/paying/>)
- Forms (<https://tax.idaho.gov/taxes/income-tax/business-income/forms/>)
- Guides (<https://tax.idaho.gov/taxes/income-tax/business-income/tax-guides/>)
- Nonprofits and Income Tax (<https://tax.idaho.gov/taxes/income-tax/business-income/nonprofits-and-income-tax/>)
- Fiduciaries (<https://tax.idaho.gov/taxes/income-tax/business-income/income-tax-for-fiduciaries/>)
- Partnerships (<https://tax.idaho.gov/taxes/income-tax/business-income/income-tax-for-partnerships/>)
- S-Corporations (<https://tax.idaho.gov/taxes/income-tax/business-income/income-tax-for-s-corporations/>)
- Pass-Through Entities (<https://tax.idaho.gov/taxes/income-tax/business-income/pass-through-entities/>)
- Corporations (<https://tax.idaho.gov/taxes/income-tax/business-income/income-tax-for-corporations/>)
- Combined Reporting (<https://tax.idaho.gov/taxes/income-tax/business-income/combined-reporting/>)
- Interstate Trucking Companies (<https://tax.idaho.gov/taxes/income-tax/business-income/interstate-trucking-companies/>)
- Recordkeeping (<https://tax.idaho.gov/taxes/income-tax/business-income/records/>)
- Laws and Rules (<https://tax.idaho.gov/taxes/income-tax/business-income/laws-rules/>)

Business Income Tax Rate

Rates

The **Idaho business tax rate** is on taxable income. Below is a history of tax rates:

Year	Idaho business tax rate is on taxable income
2023	5.8%
2022	6%
2021	6.5%
2018-2020	6.925%
2012-2017	7.4%
2001-2011	7.6%

2023 Nebraska Corporation Income Tax Return

Instructions

What's New

Corporate Tax Rate Change (LB 432). For the 2023 taxable year the corporate tax rate for Nebraska taxable income in excess of \$100,000 is reduced from 7.50% to 7.25%. The corporate rate for the first \$100,000 of Nebraska taxable income remains 5.58%.

Pass-Through Entity Tax (PTET) (LB 754). A partnership or S corporation may elect to be subject to Nebraska income tax for tax years beginning on and after January 1, 2018. The partners and shareholders of an electing entity will receive a refundable credit for their share of the PTETs paid by the electing entity.

Nebraska Employer Tax Credit for Employing Convicted Felons (LB 917). Employers may receive a nonrefundable credit for wages paid to an employee convicted of a felony. The credit is equal to 10% of the wages paid to the employee during the taxable year. The credit is limited to \$20,000 for each eligible employee and applies to the wages paid during the first 12 months of employment. The employer must file an application with the Nebraska Department of Revenue (DOR) to receive the credit.

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.

When is the return due?

For taxable periods beginning on or before December 31, 2015, corporate returns are due on the 15th day of the 3rd month following the end of the taxable period. Proprietorship, partnership and fiduciary returns are due on the 15th day of the 4th month following the end of the taxable period. Non-profit returns are due on the 15th day of the 5th month following the end of the taxable period.

For taxable periods beginning after December 31, 2015, partnership returns are due on the 15th day of the 3rd month following the end of the taxable period. Corporate, proprietorship, fiduciary and combined returns are due on the 15th day of the 4th month following the end of the taxable period. Non-profit returns are due on the 15th day of the 5th month following the end of the taxable period.

Do I have to make estimated payments?

Yes, for taxable periods ending on or after December 31, 2013, if your estimated tax liability exceeds \$260. Four estimate payments are required, paid at 25% each on the 15th day of the 4th, 6th, 9th and 12th month of the taxable period.

For taxable periods ending before December 31, 2013, if your estimated tax liability exceeds \$200, four estimate payments are required, paid at 25% each on the 15th day of the 4th, 6th, 9th and 12th month of the taxable period.

How do I register my new business?

New businesses must register by writing to the NH Secretary of State's Office, Corporate Division, 107 N. Main Street, Concord, NH 03301-4989 or by calling (603) 271-3246.

Who do I contact with questions?

Call Taxpayer Services at (603) 230-5920 or write to the NH DRA at PO Box 637, Concord, NH 03302-0637.

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Business Profits Tax

| [RSA 77-A](#) | [Chapter Rev 300](#) | [BPT Frequently Asked Questions](#) |

What is it?

For taxable periods ending on or after December 31, 2023, a 7.5% tax is assessed on income from conducting business activity within the State of New Hampshire. For taxable periods ending on or after December 31, 2022, a business organization deriving gross business profits from business activity both within and outside of the State shall apportion gross business profits using the single sales factor. Organizations operating a unitary business must use combined reporting in filing their New Hampshire business tax return.

The link below provides the history of BPT rates.

[BPT and BET Rates Chart](#)

Who pays BPT?

Any business organization, organized for gain or profit carrying on business activity within the State is subject to this tax. However, organizations with \$50,000 or less of gross business income from all their activities are not required to file a return. For taxable periods ending on or after December 31, 2022, this filing threshold is increased to \$92,000. For taxable periods beginning on or after January 1, 2023, this filing threshold is increased to \$103,000.

When is the return due?

For taxable periods beginning on or before December 31, 2015, corporate returns are due on the 15th day of the 3rd month following the end of the taxable period. Proprietorship, partnership and fiduciary returns are due on the 15th day of the 4th month following the end of the taxable period. Non-profit returns are due on the 15th day of the 5th month following the end of the taxable period.

For taxable periods beginning after December 31, 2015, partnership returns are due on the 15th day of the 3rd month following the end of the taxable period. Corporate, proprietorship, fiduciary and combined returns are due on the 15th day of the 4th month following the end of the taxable period. Non-profit returns are due on the 15th day of the 5th month following the end of the taxable period.

Do I have to make estimated payments?

Yes, if your estimated tax liability exceeds \$200. Four estimate payments are required, paid at 25% each on the 15th day of the 4th, 6th, 9th and 12th month of the taxable period.

How do I register my new business?

2023 New Jersey Revised Statutes

Title 54 - Taxation

Section 54:29A-13 - Franchise excise

Universal Citation: NJ Rev Stat § 54:29A-13 (2023)

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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.

Corporate Net Income Tax

Domestic and foreign corporations are subject to the corporate net income tax for the privilege of doing business; carrying on activities; having capital or property employed or used in **Pennsylvania**; or owning property in Pennsylvania.

This tax is levied on federal taxable income, without the federal net operating loss deduction and special deductions, and modified by certain additions and subtractions. For tax years beginning January 1, 1995 through December 31, 2022, a tax rate of 9.99 percent is in effect. The following rate reduction schedule applies to subsequent tax years

January 1, 2023 through December 31, 2023	8.99 percent
January 1, 2024 through December 31, 2024	8.49 percent
January 1, 2025 through December 31, 2025	7.99 percent
January 1, 2026 through December 31, 2026	7.49 percent
January 1, 2027 through December 31, 2027	6.99 percent
January 1, 2028 through December 31, 2028	6.49 percent
January 1, 2029 through December 31, 2029	5.99 percent
January 1, 2030 through December 31, 2030	5.49 percent
January 1, 2031 and each taxable year thereafter	4.99 percent

Entities exempt from the corporate net income tax include certain qualifying:

- not-for-profit organizations
- homeowners' associations
- membership organizations
- agricultural cooperatives
- business trusts
- non-PA companies that limit business activity to solicitation of sales of tangible personal property in PA

Further, corporations subject to bank and trust companies shares tax, gross premiums tax, mutual thrift tax and title insurance company shares tax are exempt from corporate net income tax.

General Instructions and Information

What's New

- **Utah Tax Rate:** The 2023 Utah Legislature passed HB 54, lowering the state corporate income tax rate from 4.85 percent to 4.65 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 13.
- **Net Operating Loss Carryforwards:** For tax years starting on or after Jan. 1, 2023, a Utah net operating loss carried forward from the previous year may not exceed 80 percent of Utah taxable income.

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.

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 8 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 Group 58 of Division G, less than 50% of the total revenue from activities in retail or wholesale trade comes from the sale of products it produces or products produced by an entity that is part of an affiliated group to which the taxable entity also belongs; and
- 3) the taxable entity does not provide retail or wholesale utilities, including telecommunications services, electricity or gas.

Note: See franchise tax Rule 3.584(b)(3) to determine if a taxable entity produces a product that it sells.

Annualized Total Revenue

To determine an entity's eligibility for the \$1,230,000 no tax due threshold and qualification for the EZ computation, an entity must annualize its total revenue if the period upon which the report is based is not equal to 12 months.

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

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

Example: A taxable entity's 2023 franchise tax report is based on the period 09-15-2022 through 12-31-2022 (108 days), and its total revenue for the period is \$400,000. The taxable entity's annualized total revenue is \$1,351,852 (\$400,000 divided by 108 days multiplied by 365 days). Based on its annualized total revenue, the taxable entity would NOT qualify for the \$1,230,000 no tax due threshold, but is eligible to file using the EZ computation. The entity will report \$400,000 as total revenue for the period.

Estimated Tax

Texas law does not require the filing of estimated tax reports or payments.

Minimum Franchise Tax

There is no minimum tax requirement under the franchise tax provisions. An entity that calculates an amount of tax due that is less than \$1,000 or that has annualized total revenue less than or equal to \$1,230,000 is not required

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)
2023	BNSF	210	13	\$23,831,387
2023	CNGT	210	13	3,839,986
2023	CSX	210	13	13,384,225
2023	KCS	210	13	1,756,748
2023	NS	210	13	12,156,134
2023	SOO	210	13	1,767,674
2023	UP	210	13	24,077,591
Total				\$80,813,745

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

Year	RR	Sched	Line	Column (b)
2023	BNSF	210	46	\$9,063,850
2023	CNGT	210	46	641,851
2023	CSX	210	46	5,775,163
2023	KCS	210	46	308,790
2023	NS	210	46	3,544,152
2023	SOO	210	46	468,700
2023	UP	210	46	9,290,838
Total				\$29,093,344

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

Year	RR	Sched	Line	Column (b)
2023	BNSF	210	71	\$5,237,711
2023	CNGT	210	71	932,988
2023	CSX	210	71	3,394,957
2023	KCS	210	71	307,108
2023	NS	210	71	1,567,297
2023	SOO	210	71	422,155
2023	UP	210	71	6,718,564
Total				\$18,580,780

BNSF Tax Rate Calculation for Texas for 2023

Corporate Activities Tax

Miles in Texas = 5388 (info only)

Operating Revenue	\$23,831,387	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$9,063,850	from R-1 Schedule 210 Line 46
Taxable Receipts	16,681,971	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	125,115	Tax Rate x Taxable Receipts
Effective Tax Rate	1.380%	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 2023

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$3,839,986	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$641,851	from R-1 Schedule 210 Line 46
Taxable Receipts	2,687,990	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	20,160	Tax Rate x Taxable Receipts
Effective Tax Rate	3.141%	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 2023

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$13,384,225	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$5,775,163	from R-1 Schedule 210 Line 46
Taxable Receipts	9,368,958	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	70,267	Tax Rate x Taxable Receipts
Effective Tax Rate	1.217%	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 2023

Corporate Activities Tax

Miles in Texas = 939 (info only)

Operating Revenue	\$1,756,748	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$308,790	from R-1 Schedule 210 Line 46
Taxable Receipts	1,229,724	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	9,223	Tax Rate x Taxable Receipts
Effective Tax Rate	2.987%	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 2023

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$12,156,134	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$3,544,152	from R-1 Schedule 210 Line 46
Taxable Receipts	8,509,294	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	63,820	Tax Rate x Taxable Receipts
Effective Tax Rate	1.801%	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 2023

Corporate Activities Tax

Miles in Texas = 0 (info only)

Operating Revenue	\$1,767,674	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$468,700	from R-1 Schedule 210 Line 46
Taxable Receipts	1,237,372	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	9,280	Tax Rate x Taxable Receipts
Effective Tax Rate	1.980%	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 2023

Corporate Activities Tax

Miles in Texas = 6498 (info only)

Operating Revenue	\$24,077,591	from R-1 Schedule 210 Line 13
Net Inc. Bef. Tax	\$9,290,838	from R-1 Schedule 210 Line 46
Taxable Receipts	16,854,314	70.0% of Operating Revenue
Tax Rate	0.750%	Texas Margins Tax on 70% of Gross Receipts
State Taxes	126,407	Tax Rate x Taxable Receipts
Effective Tax Rate	1.361%	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 2023

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$5,237,711	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$9,063,850	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$523,771	Tax Rate x NROI	
Effective Tax Rate	5.779%	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 2023

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$932,988	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$641,851	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$93,299	Tax Rate x NROI	
Effective Tax Rate	14.536%	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 2023

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 624 (info only)
Net Railway Op. Inc.	\$3,394,957	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$5,775,163	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$339,496	Tax Rate x NROI	
Effective Tax Rate	5.879%	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 2023

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$307,108	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$308,790	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$30,711	Tax Rate x NROI	
Effective Tax Rate	9.946%	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 2023

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 893 (info only)
Net Railway Op. Inc.	\$1,567,297	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$3,544,152	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$156,730	Tax Rate x NROI	
Effective Tax Rate	4.422%	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 2023

Franchise Excise Tax (recorded in state income taxes in R-1)			Miles in NJ = 0 (info only)
Net Railway Op. Inc.	\$422,155	from R-1 Schedule 210 Line 71	
Net Inc. Bef. Tax	\$468,700	from R-1 Schedule 210 Line 46	
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income	
State Taxes	\$42,216	Tax Rate x NROI	
Effective Tax Rate	9.007%	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 2023

Franchise Excise Tax (recorded in state income taxes in R-1)

Miles in NJ = 0 (info only)

Net Railway Op. Inc.	\$6,718,564	from R-1 Schedule 210 Line 71
Net Inc. Bef. Tax	\$9,290,838	from R-1 Schedule 210 Line 46
Tax Rate	10.000%	New Jersey tax rate on Net Railway Operating Income
State Taxes	\$671,856	Tax Rate x NROI
Effective Tax Rate	7.231%	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 2023

State	Miles BNSF	Income		Pct Miles x Tax Rate
		Tax Rate	Pct Miles	
Alabama	231	6.500%	0.70597%	0.04589%
Arizona	659	4.900%	2.01400%	0.09869%
Arkansas	1,056	5.100%	3.22729%	0.16459%
California	2,087	8.840%	6.37817%	0.56383%
Colorado	1,338	4.400%	4.08912%	0.17992%
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	5.800%	0.40647%	0.02358%
Illinois	1,538	9.500%	4.70035%	0.44653%
Indiana	0	4.900%	0.00000%	0.00000%
Iowa	659	8.400%	2.01400%	0.16918%
Kansas	1,583	7.000%	4.83787%	0.33865%
Kentucky	98	5.000%	0.29950%	0.01498%
Louisiana	346	7.500%	1.05742%	0.07931%
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%	5.22906%	0.51245%
Mississippi	179	5.000%	0.54705%	0.02735%
Missouri	1,606	4.000%	4.90816%	0.19633%
Montana	2,625	6.750%	8.02237%	0.54151%
Nebraska	1,582	7.250%	4.83482%	0.35052%
Nevada	798	0.000%	2.43880%	0.00000%
New Hampshire	0	7.500%	0.00000%	0.00000%
New Jersey	0	5.779%	0.00000%	0.00000%
New Mexico	1,636	5.900%	4.99985%	0.29499%
New York	0	0.000%	0.00000%	0.00000%
North Carolina	0	2.500%	0.00000%	0.00000%
North Dakota	1,633	4.310%	4.99068%	0.21510%
Ohio	0	0.000%	0.00000%	0.00000%
Oklahoma	1,287	4.000%	3.93325%	0.15733%
Oregon	414	7.600%	1.26524%	0.09616%
Pennsylvania	0	8.990%	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%	2.73525%	0.00000%
Tennessee	137	6.500%	0.41869%	0.02721%
Texas	5,388	1.380%	16.46649%	0.22730%
Utah	437	4.650%	1.33553%	0.06210%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	1,450	0.000%	4.43140%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	250	7.900%	0.76404%	0.06036%
Wyoming	965	0.000%	2.94918%	0.00000%
Total U.S.	32,721		100.00000%	4.89385%

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 2023
(CN's Grand Trunk Corporation)

State	Miles CNGT	Income		
		Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	22	6.500%	0.40953%	0.02662%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	0	5.100%	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	5.800%	0.00000%	0.00000%
Illinois	1,276	9.500%	23.75279%	2.25652%
Indiana	103	4.900%	1.91735%	0.09395%
Iowa	572	8.400%	10.64780%	0.89442%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	98	5.000%	1.82427%	0.09121%
Louisiana	227	7.500%	4.22561%	0.31692%
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	792	6.000%	14.74311%	0.88459%
Minnesota	378	9.800%	7.03649%	0.68958%
Mississippi	575	5.000%	10.70365%	0.53518%
Missouri	0	4.000%	0.00000%	0.00000%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.250%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.500%	0.00000%	0.00000%
New Jersey	0	14.536%	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%	0.07446%	0.00000%
Oklahoma	0	4.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	154	8.990%	2.86672%	0.25772%
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%	2.92256%	0.18997%
Texas	0	3.141%	0.00000%	0.00000%
Utah	0	4.650%	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	1,014	7.900%	18.87565%	1.49118%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	5,372		100.00000%	7.72784%

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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.

CSX Average State Tax Rate for 2023

State	Miles CSX	Income		
		Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	1,011	6.500%	5.15843%	0.33530%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	0	5.100%	0.00000%	0.00000%
California	0	8.840%	0.00000%	0.00000%
Colorado	0	4.400%	0.00000%	0.00000%
Connecticut	62	0.000%	0.31634%	0.00000%
Delaware	42	8.700%	0.21430%	0.01864%
Dist. of Columbia	17	8.250%	0.08674%	0.00716%
Florida	1,183	5.500%	6.03602%	0.33198%
Georgia	1,538	5.750%	7.84734%	0.45122%
Idaho	0	5.800%	0.00000%	0.00000%
Illinois	698	9.500%	3.56141%	0.33833%
Indiana	1,411	4.900%	7.19935%	0.35277%
Iowa	0	8.400%	0.00000%	0.00000%
Kansas	0	7.000%	0.00000%	0.00000%
Kentucky	1,578	5.000%	8.05143%	0.40257%
Louisiana	43	7.500%	0.21940%	0.01645%
Maine	397	8.930%	2.02561%	0.18089%
Maryland	519	8.250%	2.64809%	0.21847%
Massachusetts	329	8.000%	1.67866%	0.13429%
Michigan	478	6.000%	2.43890%	0.14633%
Minnesota	0	9.800%	0.00000%	0.00000%
Mississippi	94	5.000%	0.47962%	0.02398%
Missouri	0	4.000%	0.00000%	0.00000%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.250%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	80	7.500%	0.40818%	0.03061%
New Jersey	624	5.879%	3.18384%	0.18716%
New Mexico	0	5.900%	0.00000%	0.00000%
New York	1,110	0.000%	5.66355%	0.00000%
North Carolina	1,062	2.500%	5.41864%	0.13547%
North Dakota	0	4.310%	0.00000%	0.00000%
Ohio	1,747	0.000%	8.91372%	0.00000%
Oklahoma	0	4.000%	0.00000%	0.00000%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	1,049	8.990%	5.35231%	0.48117%
Rhode Island	0	0.000% *	0.00000%	0.00000%
South Carolina	1,280	5.000%	6.53095%	0.32655%
South Dakota	0	0.000%	0.00000%	0.00000%
Tennessee	976	6.500%	4.97985%	0.32369%
Texas	0	1.217%	0.00000%	0.00000%
Utah	0	4.650%	0.00000%	0.00000%
Vermont	20	8.500%	0.10205%	0.00867%
Virginia	1,016	6.000%	5.18394%	0.31104%
Washington	0	0.000%	0.00000%	0.00000%
West Virginia	1,235	6.500%	6.30134%	0.40959%
Wisconsin	0	7.900%	0.00000%	0.00000%
Wyoming	0	0.000%	0.00000%	0.00000%
Total U.S.	19,599		100.00000%	5.17234%

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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 2023

State	Miles KCS	Income		
		Tax Rate	Pct Miles	Pct Miles x Tax Rate
Alabama	44	6.500%	1.34680%	0.08754%
Arizona	0	4.900%	0.00000%	0.00000%
Arkansas	162	5.100%	4.95868%	0.25289%
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	5.800%	0.00000%	0.00000%
Illinois	186	9.500%	5.69330%	0.54086%
Indiana	0	4.900%	0.00000%	0.00000%
Iowa	0	8.400%	0.00000%	0.00000%
Kansas	18	7.000%	0.55096%	0.03857%
Kentucky	0	5.000%	0.00000%	0.00000%
Louisiana	750	7.500%	22.95684%	1.72176%
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	607	5.000%	18.57974%	0.92899%
Missouri	409	4.000%	12.51913%	0.50077%
Montana	0	6.750%	0.00000%	0.00000%
Nebraska	0	7.250%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.500%	0.00000%	0.00000%
New Jersey	0	9.946%	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%	4.49954%	0.17998%
Oregon	0	7.600%	0.00000%	0.00000%
Pennsylvania	0	8.990%	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%	0.15305%	0.00995%
Texas	939	2.987%	28.74197%	0.85846%
Utah	0	4.650%	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.	3,267		100.00000%	5.11977%

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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.

NS Average State Tax Rate for 2023

State	Miles NS	Income		
		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	5.100%	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	5.800%	0.00000%	0.00000%
Illinois	1,261	9.500%	6.59002%	0.62605%
Indiana	1,440	4.900%	7.52548%	0.36875%
Iowa	43	8.400%	0.22472%	0.01888%
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	7.250%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.500%	0.00000%	0.00000%
New Jersey	893	4.422%	4.66684%	0.20638%
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	8.990%	12.59472%	1.13227%
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	1.801%	0.00000%	0.00000%
Utah	0	4.650%	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%	5.36757%

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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.

SOO Average State Tax Rate for 2023
(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	5.100%	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	5.800%	0.00000%	0.00000%
Illinois	385	9.500%	7.56534%	0.71871%
Indiana	154	4.900%	3.02613%	0.14828%
Iowa	673	8.400%	13.22460%	1.11087%
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	7.250%	0.00000%	0.00000%
Nevada	0	0.000%	0.00000%	0.00000%
New Hampshire	0	7.500%	0.00000%	0.00000%
New Jersey	0	9.007%	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	8.990%	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	1.980%	0.00000%	0.00000%
Utah	0	4.650%	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%	7.61696%

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

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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 2023

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%	2.11360%	0.10357%
Arkansas	1,324	5.100%	4.04980%	0.20654%
California	3,362	8.840%	10.28355%	0.90907%
Colorado	1,505	4.400%	4.60343%	0.20255%
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	5.800%	2.67030%	0.15488%
Illinois	2,368	9.500%	7.24314%	0.68810%
Indiana	19	4.900%	0.05812%	0.00285%
Iowa	1,553	8.400%	4.75025%	0.39902%
Kansas	2,199	7.000%	6.72621%	0.47083%
Kentucky	12	5.000%	0.03671%	0.00184%
Louisiana	1,140	7.500%	3.48698%	0.26152%
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%	1.96984%	0.19304%
Mississippi	0	5.000%	0.00000%	0.00000%
Missouri	1,541	4.000%	4.71355%	0.18854%
Montana	125	6.750%	0.38234%	0.02581%
Nebraska	1,100	7.250%	3.36463%	0.24394%
Nevada	1,193	0.000%	3.64910%	0.00000%
New Hampshire	0	7.500%	0.00000%	0.00000%
New Jersey	0	7.231%	0.00000%	0.00000%
New Mexico	618	5.900%	1.89031%	0.11153%
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%	3.79286%	0.15171%
Oregon	1,073	7.600%	3.28205%	0.24944%
Pennsylvania	0	8.990%	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%	0.05200%	0.00338%
Texas	6,498	1.361%	19.87581%	0.27042%
Utah	1,265	4.650%	3.86933%	0.17992%
Vermont	0	8.500%	0.00000%	0.00000%
Virginia	0	6.000%	0.00000%	0.00000%
Washington	540	0.000%	1.65173%	0.00000%
West Virginia	0	6.500%	0.00000%	0.00000%
Wisconsin	919	7.900%	2.81100%	0.22207%
Wyoming	874	0.000%	2.67336%	0.00000%
Total U.S.	32,693		100.00000%	5.24057%

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.

**Workpapers Sent to Surface Transportation Board
for 2023 State Tax Rate Calculations**

May 30, 2024

1. Schedule 702 from 2023 Annual Report Form R-1 (7 pages)
2. Schedule 210 from 2023 Annual Report Form R-1 (14 pages)

702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)											
Give particulars, as of the close of the year, of all road operated and of all road owned but not operated. The respondent's proportion of operated road held by it as a joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h). Mileage should be reported to the nearest WHOLE mile adjusted in accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile,											
Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)	
1		Alabama	105				126	231	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	2,559				66	2,625	126		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	2,595			10	2,783	5,388			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)	22,871	4	40	31	9,891	32,837	863		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	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned	Line of proprietary companies	Line operated under lease	Line operated under contract, etc.	Line operated under trackage rights	Total mileage operated	Line owned not operated by respondent	New line constructed during year	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1											1
2		ALABAMA	22					22			2
3											3
4		ILLINOIS	1,229				47	1,276			4
5											5
6		INDIANA	102				1	103			6
7											7
8		IOWA	572					572			8
9											9
10		KENTUCKY	85	13				98			10
11											11
12		LOUISIANA	227					227			12
13											13
14		MICHIGAN	784	1	7			792			14
15											15
16		MINNESOTA	378	-				378			16
17											17
18		MISSISSIPPI	575					575			18
19											19
20		OHIO	4					4			20
21											21
22		PENNSYLVANIA	154					154			22
23											23
24		TENNESSEE	157					157			24
25											25
26		WISCONSIN	969				45	1,014			26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	5,258	14	7	-	93	5,372			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).

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Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)	
1		Alabama	900				111	1,011	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	16				1	17	9	-	6
7		Florida	978			61	144	1,183	52	-	7
8		Georgia	1,344		118	1	75	1,538	94	-	8
9		Illinois	351	-	55		292	698	131	-	9
10		Indiana	1,037	-	10		364	1,411	442	-	10
11		Kentucky	1,511	16			51	1,578	60	-	11
12		Louisiana	35				8	43		-	12
13		Maine	313				84	397		-	13
14		Maryland	421	7	5		86	519	11	-	14
15		Massachusetts	166				163	329	27	-	15
16		Michigan	332				146	478	139	-	16
17		Mississippi	74				20	94		-	17
18		Missouri					-	-	11	-	18
19		New Hampshire	80					80		-	19
20		New Jersey	43				581	624	8	-	20
21		New York	667		193		250	1,110	131	-	21
22		North Carolina	1,002			8	52	1,062	7	-	22
23		Ohio	1,147		139		461	1,747	222	-	23
24		Pennsylvania	414	42	22	3	568	1,049	57	-	24
25		South Carolina	1,219		44		17	1,280	7	-	25
26		Tennessee	810		15	5	146	976	47	-	26
27		Vermont	20					20		-	27
28		Virginia	731	30			255	1016	14	-	28
29		West Virginia	975	20	15		225	1235	134	-	29
30										-	30
31										-	31
32		Total Mileage (Single Track)	14,607	146	647	78	4,193	19,671	1,742	-	32

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

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

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

Line No.	Cross Check	State or Territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line Owned (b)	Line of Proprietary Companies (c)	Line Operated Under Lease (d)	Line Operated Under Contract, etc. (e)	Line Operated Under Trackage Rights (f)	Total Mileage Operated (g)	Line Owned, Not Operated By Respondent (h)	New Line Constructed During Year (i)	
1		Missouri	389	-	-	-	20	409	3	-	1
2		Kansas	18	-	-	-	-	18	-	-	2
3		Arkansas	157	-	-	-	5	162	59	-	3
4		Oklahoma	146	-	-	-	1	147	6	-	4
5		Louisiana	685	-	-	-	65	750	173	-	5
6		Texas	590	-	-	-	349	939	-	-	6
7		Tennessee	5	-	-	-	-	5	-	-	7
8		Mississippi	471	-	-	-	136	607	170	-	8
9		Alabama	-	-	-	-	44	44	56	-	10
10		Illinois	165	-	-	-	21	186	-	-	11
11											12
12											13
13											14
14											15
15											16
16											18
17											19
18											20
19											21
20											22
21											23
22											24
23											25
24											26
25											27
26											28
27											29
28											30
29											31
30		Total Mileage (single track)	2,626	-	-	-	641	3,267	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).

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Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned, not operated by respondent (h)	New line constructed during year (i)	
1		Alabama	1,212				92	1,304	89		1
2		Canada					2	2			2
3		Delaware	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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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).

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			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	2,799	-	-	-	563	3,362	648	-	3
4		Colorado	1,152	-	-	-	353	1,505	171	-	4
5		Idaho	868	-	-	-	5	873	41	-	5
6		Illinois	1,534	19	4	-	811	2,368	10	-	6
7		Indiana	-	-	-	-	19	19	-	-	7
8		Iowa	1,278	-	-	-	275	1,553	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	1,007	-	-	-	93	1,100	223	-	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	398	-	19
20		Tennessee	9	-	-	-	8	17	-	-	20
21		Texas	5,189	-	-	-	1,309	6,498	226	-	21
22		Utah	1,245	-	-	-	20	1,265	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)	26,091	19	316	-	6,267	32,693	2,969	-	32

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

Cross-Checks

Schedule 210

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	23,304,769	24,898,570	23,304,769		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	56,067	51,342	56,067		4
5		(105) Water transfers					5
6		(106) Demurrage	236,943	209,759	236,943		6
7		(110) Incidental	217,658	437,616	217,658		7
8		(121) Joint facility - credit	15,950	12,229	15,950		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	23,831,387	25,609,516	23,831,387		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)	23,831,387	25,609,516	23,831,387		13
14	*	(531) Railway operating expenses	16,483,471	17,102,565	16,483,471		14
15	*	Net revenue from railway operations	7,347,916	8,506,951	7,347,916		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	1,555,582	1,190,306			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	135,377	155,639			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)	12,996	9,000			25
26		b. Equity in undistributed earnings (losses)	30,610	37,055			26
27		TOTAL OTHER INCOME (lines 16-26)	1,734,965	1,392,400			27
28		TOTAL INCOME (lines 15, 27)	9,082,881	9,899,351			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	11,437	27,837			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	11,437	27,837			36
37		Income available for fixed charges	9,071,444	9,871,514			37

(Dollars in Thousands)

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210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

Schedule 210

Cross - Checks

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

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Line 14, col b

Schedule 410

Line 14, col d

= Line 620, col h

Line 14, col e

= Line 620, col f

= Line 620, col g

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	3,486,379	3,668,452	3,486,379	-	1
2		(102)	Passenger	-	-	-	-	2
3		(103)	Passenger - related	-	-	-	-	3
4		(104)	Switching	67,117	66,010	67,117	-	4
5		(105)	Water transfers	121,725	109,632	121,725	-	5
6		(106)	Demurrage	76,500	71,304	76,500	-	6
7		(110)	Incidental	72,589	245,928	72,589	-	7
8		(121)	Joint facility - credit	-	-	-	-	8
9		(122)	Joint facility - debit	-	-	-	-	9
10		(501)	Railway operating revenues (Exclusive of transfers from government authorities - lines 1 - 9)	3,824,310	4,161,326	3,824,310	-	10
11		(502)	Railway operating revenues - transfers from government authorities	4,938	6,240	4,938	-	11
12		(503)	Railway operating revenues - amortization of deferred transfers from government authorities	10,738	9,523	10,738	-	12
13			TOTAL RAILWAY OPERATING REVENUES (Lines 10 - 12)	3,839,986	4,177,089	3,839,986	-	13
14	*	(531)	Railway operating expenses	2,742,973	2,882,911	2,742,973	-	14
15	*		Net revenue from railway operations	1,097,013	1,294,178	1,097,013	-	15
			OTHER INCOME					
16		(506)	Revenue from property used in other than carrier operations	-	-			16
17		(510)	Miscellaneous rent income	7,963	8,589			17
18		(512)	Separately operated properties - profit	-	-			18
19		(513)	Dividend income (cost method)	-	-			19
20		(514)	Interest income	355	1,567			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	1,039	10,743			24
25			Income from affiliated companies: 519					
26			a) Dividends (equity method)	-	-			25
27			b) Equity in undistributed earnings (losses)	6,127	(80,773)			26
28			TOTAL OTHER INCOME (Lines 16 - 26)	15,484	(59,874)			27
29			TOTAL INCOME (Lines 15, 27)	1,112,497	1,234,304			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	2,765	659			34
35		(553)	Uncollectible accounts	-	-			35
36			TOTAL MISCELLANEOUS DEDUCTIONS	4,038	1,932			36
37			Income available for fixed charges	1,108,459	1,232,372			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	466,585	408,545	38
39			(b) Interest in default	-	-	39
40		(547)	Interest on unfunded debt	18	8	40
41		(548)	Amortization of discount on funded debt	5	5	41
42			TOTAL FIXED CHARGES (lines 38 through 41)	466,608	408,558	42
43			Income after fixed charge (line 37 minus line 42)	641,851	823,814	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)	641,851	823,814	46
			PROVISIONS FOR INCOME TAXES			
47	*	(556)	Income taxes on ordinary income:			
			(a) Federal income taxes	120,523	167,433	47
48	*		(b) State income taxes	34,529	60,189	48
49	*		(c) Other income taxes	-	-	49
50	*	(557)	Provision for deferred taxes	13,593	351	50
51			TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	168,645	227,973	51
52			Income from continuing operations (line 46 minus line 51)	473,206	595,841	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)	473,206	595,841	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)	473,206	595,841	61
62			Less: Net Income attributable to noncontrolling interest	-	-	62
63			Net Income attributable to reporting railroad	473,206	595,841	63
64			Basic Earnings Per Share	1,536,383.12	1,934,548.70	64
65			Diluted Earnings Per Share	1,536,383.12	1,934,548.70	65
			RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)			
66	*		Net revenues from railway operations	1,097,013	1,294,178	66
67	*	(556)	Income taxes on ordinary income (-)	155,052	227,622	67
68	*	(557)	Provision for deferred taxes (-)	13,593	351	68
69			Income from leased road and equipment (-)	-	-	69
70			Rent for leased road and equipment (+)	4,620	3,518	70
71			Net railway operating income (loss)	932,988	1,069,723	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. | Schedule 210
Line 15, col b | Cross-Checks
Schedule 210
= 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 23. | Lines 47,48,49 col b
Line 50, 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	\$ 13,186,896	\$ 12,976,775	\$ 13,186,896	-	1
2		(102) Passenger	-	-	-	-	2
3		(103) Passenger-related	-	-	-	-	3
4		(104) Switching	(187,587)	(172,594)	(187,587)	-	4
5		(105) Water transfers	-	-	-	-	5
6		(106) Demurrage	271,182	562,660	271,182	-	6
7		(110) Incidental	113,734	167,626	113,734	-	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)	13,384,225	13,534,467	13,384,225	-	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)	\$ 13,384,225	\$ 13,534,467	\$ 13,384,225	-	13
14	*	(531) Railway operating expenses	8,567,099	8,568,261	8,567,099	-	14
15	*	Net revenue from railway operations	\$ 4,817,126	\$ 4,966,206	\$ 4,817,126	-	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	\$ -	\$ -			16
17		(510) Miscellaneous rent income	27,470	24,484			17
18		(512) Separately operated properties - profit	-	-			18
19		(513) Dividend income (cost method)	34,282	29,441			19
20		(514) Interest income	763,347	312,090			20
21		(516) Income from sinking and other funds	-	-			21
22		(517) Release of premiums on funded debt	506	410			22
23		(518) Reimbursements received under contracts and agreements	-	-			23
24		(519) Miscellaneous income	85,239	309,232			24
25		Income from affiliated companies: 519					
26		a. Dividends (equity method)	89,685	118,677			25
27		b. Equity in undistributed earnings (losses)	3,755	(26,947)			26
28		TOTAL OTHER INCOME (lines 16-26)	\$ 1,004,284	\$ 767,387			27
29		TOTAL INCOME (lines 15, 27)	\$ 5,821,410	\$ 5,733,593			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	25,493	4,310			34
35		(553) Uncollectible accounts	-	-			35
36		TOTAL MISCELLANEOUS DEDUCTIONS	\$ 25,493	\$ 4,310			36
37		Income available for fixed charges	\$ 5,795,917	\$ 5,729,283			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:			38
		(a) Fixed interest not in default	\$ 20,319	\$ 18,447	
39		(b) Interest in default	-	-	39
40		(547) Interest on unfunded debt	435	316	40
41		(548) Amortization of discount on funded debt	-	-	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	\$ 20,754	\$ 18,763	42
43		Income after fixed charges (line 37 minus line 42)	\$ 5,775,163	\$ 5,710,520	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt:			44
		(c) Contingent interest	-	-	
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit	-	-	45
46		Income (Loss) from continuing operations (before inc. taxes)	\$ 5,775,163	\$ 5,710,520	46
PROVISIONS FOR INCOME TAXES					
47	*	(556) Income taxes on ordinary income:			47
		(a) Federal income taxes	\$ 1,058,154	\$ 1,004,214	
48	*	(b) State income taxes	199,443	196,525	48
49	*	(c) Other income taxes	2,124	1,158	49
50	*	(557) Provision for deferred taxes	94,694	67,364	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 50)	\$ 1,354,415	\$ 1,269,261	51
52		Income from continuing operations (line 46 minus line 51)	\$ 4,420,748	\$ 4,441,259	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)	\$ 4,420,748	\$ 4,441,259	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)	\$ 4,420,748	\$ 4,441,259	61
62		Less: Net Income attributable to noncontrolling interest	(142)	48	62
63		Net Income attributable to reporting railroad	4,420,890	4,441,211	63
64		Basic Earnings Per Share (See Note 1 below)	\$ 487.90	\$ 490.14	64
65		Diluted Earnings Per Share (See Note 1 below)	\$ 487.90	\$ 490.14	65
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)					
66	*	Net revenues from railway operations	\$ 4,817,126	\$ 4,966,206	66
67	*	(556) Income taxes on ordinary income (-)	(1,259,721)	(1,201,897)	67
68	*	(557) Provision for deferred income taxes (-)	(94,694)	(67,364)	68
69		Income from lease of road and equipment (-)	(106,841)	(101,614)	69
70		Rent for leased roads and equipment (+)	39,087	38,259	70
71		Net railway operating income (loss)	\$ 3,394,957	\$ 3,633,590	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 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	1,636,378	1,683,080	1,636,378	-	1
2		(102) Passenger	-	-	-	-	2
3		(103) Passenger-Related	-	-	-	-	3
4		(104) Switching	21,027	21,213	21,027	-	4
5		(105) Water Transfers	-	-	-	-	5
6		(106) Demurrage	49,797	48,441	49,797	-	6
7		(110) Incidental	47,069	48,834	47,069	-	7
8		(121) Joint Facility-Credit	-	-	-	-	8
9		(122) Joint Facility-Debit	-	-	-	-	9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	1,754,271	1,801,568	1,754,271	-	10
11		(502) Railway operating revenues-Transfers from Government Authorities	-	-	-	-	11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities	2,477	2,481	2,477	-	12
13		TOTAL RAILWAY OPERATING REVENUES (\$ less applicable tax of \$)	1,756,748	1,804,049	1,756,748	-	13
14		(531) Railway operating expenses	1,368,552	1,262,653	1,368,552	-	14
15		Net revenue from railway operations	388,196	541,396	388,196	-	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	-	1			16
17		(510) Miscellaneous rent income	-	-			17
18		(512) Separately operated properties-Profit	-	-			18
19		(513) Dividend Income (cost method)	1	-			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	3,057	3,664			24
25		Income from affiliated companies: 519 a. Dividends (equity method)	-	-			25
26		b. Equity in undistributed earnings (losses)	684	-			26
27		TOTAL OTHER INCOME (lines 16-26)	3,742	3,665			27
28		TOTAL INCOME (lines 15, 27)	391,938	545,061			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	3,752	2,406			34
35		(553) Uncollectible accounts	-	-			35
36		TOTAL MISCELLANEOUS DEDUCTIONS	3,752	2,406			36
37		Income available for fixed charges	388,186	542,655			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	79,224	85,582	38
39		(b) Interest in default	-	-	39
40		(547) Interest on unfunded debt	-	89	40
41		(548) Amortization of discount on funded debt	172	365	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	79,396	86,036	42
43		Income after fixed charges (lines 37 minus line 42)	308,790	456,619	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)	308,790	456,619	46
PROVISIONS FOR INCOME TAXES					
47		(556) Income taxes on ordinary income:			
		(a) Federal income taxes	56,582	54,120	47
48		(b) State income taxes	12,575	5,637	48
49		(c) Other income taxes	2,470	2,588	49
50		(557) Provision for deferred taxes	9,490	34,473	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	81,117	96,818	51
52		Income from continuing operations (line 46 minus line 51)	227,673	359,801	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)	227,673	359,801	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 tax of \$)	-	-	60
61		Net income (loss) (lines 55 + 59 + 60)	227,673	359,801	61
62		Less: Net Income attributable to noncontrolling interest	866	1,599	62
63		Net income attributable to reporting railroad	226,807	358,202	63
64		Basic Earnings Per Share	22	36	64
65		Diluted Earnings Per Share	22	36	65
66		Reconciliation of net railway operating income (NROI)			
		Net revenues from railway operations	388,196	541,396	66
67		(556) Income taxes on ordinary income (-)	71,627	62,345	67
68		(557) Provision for deferred income taxes (-)	9,490	34,473	68
69		Income from lease of road and equipment (-)	-	-	69
70		Rent for leased roads and equipment (+)	29	19	70
71		Net railway operating income (loss)	307,108	444,597	71
Note: Line 49 includes current foreign withholding income taxes.					
See additional notes to financial statements on pages 7-15					

16		Road Initials: NS Rail					Year: 2023	
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 14, col d		= Line 620, col h		
				Line 14, col e		= Line 620, col f		
4. All contra entries should be shown in parenthesis.						= 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	11,662,981	11,929,203	11,662,981		1	
2		(102) Passenger					2	
3		(103) Passenger-related					3	
4		(104) Switching	60,091	64,557	60,091		4	
5		(105) Water transfers					5	
6		(106) Demurrage	361,861	673,912	361,861		6	
7		(110) Incidental	71,201	76,942	71,201		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)	12,156,134	12,744,614	12,156,134		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)	12,156,134	12,744,614	12,156,134		13	
14	*	(531) Railway operating expenses	9,837,445	8,471,226	9,837,445		14	
15	*	Net revenue from railway operations	2,318,689	4,273,388	2,318,689		15	
		OTHER INCOME						
16		(506) Revenue from property used in other than carrier operations	9,898	10,127			16	
17		(510) Miscellaneous rent income	133,117	90,318			17	
18		(512) Separately operated properties - profit					18	
19		(513) Dividend income (cost method)					19	
20		(514) Interest income	1,558,709	650,787			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	29,683	72,478			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)	1,731,413	823,716			27	
28		TOTAL INCOME (lines 15, 27)	4,050,102	5,097,104			28	
		MISCELLANEOUS DEDUCTIONS FROM INCOME						
29		(534) Expenses of property used in other than carrier operations	21,011	19,751			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	(48,365)	(66,340)			34	
35		(553) Uncollectible accounts					35	
36		TOTAL MISCELLANEOUS DEDUCTIONS	(27,354)	(46,589)			36	

37		Income available for fixed charges	4,077,456	5,143,693		37
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Railroad Annual Report R-1

Road Initials: NS Rail Year: 2023 17

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	520,951	445,503	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	12,353	(3,164)	40
41		(548) Amortization of discount on funded debt			41
42		TOTAL FIXED CHARGES (lines 38 through 41)	533,304	442,339	42
43		Income after fixed charges (line 37 minus line 42)	3,544,152	4,701,354	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		taxes)	3,544,152	4,701,354	46
		PROVISIONS FOR INCOME TAXES			
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	744,923	789,087	47
48	*	(b) State income taxes	103,663	131,388	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	(72,291)	54,779	50
51		through 52)	776,295	975,254	51
52		51)	2,767,857	3,726,100	52
		DISCONTINUED OPERATIONS			
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		applicable income taxes			
		of \$)			54
55		Income before extraordinary items (lines 52 through 54)	2,767,857	3,726,100	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		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)	2,767,857	3,726,100	61
62		Less: Net Income attributable to non-controlling interest			62
63		Net Income attributable to reporting railroad	2,767,857	3,726,100	63
64		Basic Earnings Per Share	166.05	223.53	64
65		Diluted Earnings Per Share	166.05	223.53	65
		RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)			
66	*	Net revenues from railway operations	2,318,689	4,273,388	66
67	*	(556) Income taxes on ordinary income (-)	(848,586)	(920,475)	67
68	*	(557) Provision for deferred income taxes (-)	72,291	(54,779)	68
69		Income from lease of road and equipment (-)	(1,836)	(2,218)	69
70		Rent for leased roads and equipment (+)	26,739	25,751	70
71		Net railway operating income (loss)	1,567,297	3,321,667	71

210. RESULTS OF OPERATIONS

(Dollars in thousands)

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|---|---|--|
| <p>1. Disclose requested information for the respondent pertaining to the results of operations for the year.</p> <p>2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18.</p> <p>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.</p> <p>4. All contra entries hereunder should be indicated in parenthesis.</p> | <p>5. Cross-checks:</p> <p>Schedule 210
 Line 15, column (b)
 Line 47, 48, 49 col (b)
 Line 50, col (b)</p> <p>Line 14, column (b)
 Line 14, column (d)
 Line 14, column (e)</p> | <p>Schedule 210
 = Line 62, col (b)
 = Line 63, col (b)
 = Line 64, col (b)</p> <p>Schedule 410
 = Line 620, col (h)
 = Line 620, col (f)
 = Line 620, col (g)</p> |
|---|---|--|

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	1,713,572	1,694,260	1,713,572	0	1
2		(102) Passenger	0	0	0	0	2
3		(103) Passenger-Related	0	0	0	0	3
4		(104) Switching	9,516	9,170	9,516	0	4
5		(105) Water Transfers	0	0	0	0	5
6		(106) Demurrage	41,518	92,489	41,518	0	6
7		(110) Incidental	2,223	2,822	2,223	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)	1,766,829	1,798,741	1,766,829	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	845	852	845	0	12
13		TOTAL RAILWAY OPERATING REVENUES (\$ less applicable tax of \$)	1,767,674	1,799,593	1,767,674	0	13
14		(531) Railway operating expenses	1,296,859	1,158,012	1,296,859	0	14
15		Net revenue from railway operations	470,815	641,581	470,815	0	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	0	0			16
17		(510) Miscellaneous rent income	18,938	21,043			17
18		(512) Separately operated properties-Profit	0	0			18
19		(513) Dividend Income (cost method)	0	0			19
20		(514) Interest Income	3,407	1,442			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	1,200	7,721			24
25		Income from affiliated companies: 519 a. Dividends (equity method)	8,820	7,840			25
26		b. Equity in undistributed earnings (losses)	3,644	701			26
27		TOTAL OTHER INCOME (lines 16-26)	36,009	38,747			27
28		TOTAL INCOME (lines 15, 27)	506,824	680,328			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	805	3,193			34
35		(553) Uncollectible accounts	0	0			35
36		TOTAL MISCELLANEOUS DEDUCTIONS	805	3,193			36
37		Income available for fixed charges	506,019	677,135			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	37,302	97,258	38
39		(b) Interest in default	0	0	39
40		(547) Interest on unfunded debt	17	19	40
41		(548) Amortization of discount on funded debt	0	0	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	37,319	97,277	42
43		Income after fixed charges (lines 37 minus line 42)	468,700	579,858	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)	468,700	579,858	46
PROVISIONS FOR INCOME TAXES					
47		(556) Income taxes on ordinary income:			
		(a) Federal income taxes	84,855	92,596	47
48		(b) State income taxes	7,650	21,265	48
49		(c) Other income taxes	646	409	49
50		(557) Provision for deferred taxes	(44,396)	12,187	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	48,755	126,457	51
52		Income from continuing operations (line 46 minus line 51)	419,945	453,401	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)	419,945	453,401	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)	419,945	453,401	61
62		Less: Net Income attributable to noncontrolling interest	27	0	62
63		Net income attributable to reporting railroad	419,918	453,401	63
64		Basic Earnings Per Share	200	216	64
65		Diluted Earnings Per Share	200	216	65
66		Reconciliation of net railway operating income (NROI)			
		Net revenues from railway operations	470,815	641,581	66
67		(556) Income taxes on ordinary income (-)	93,151	114,270	67
68		(557) Provision for deferred income taxes (-)	(44,396)	12,187	68
69		Income from lease of road and equipment (-)	0	0	69
70		Rent for leased roads and equipment (+)	95	80	70
71		Net railway operating income (loss)	422,155	515,204	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

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	22,570,762	23,159,398	22,570,762		1
2		(102) Passenger	55,817	43,721		55,817	2
3		(103) Passenger-related	171	314		171	3
4		(104) Switching	233,289	212,689	233,289		4
5		(105) Water transfers	25,977	23,844	25,977		5
6		(106) Demurrage	169,770	333,426	169,770		6
7		(110) Incidental	825,446	907,218	825,446		7
8		(121) Joint facility - credit	25,946	19,039	25,946		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	23,907,178	24,699,649	23,851,190	55,988	10
11		(502) Railway operating revenues - transfers from government authorities	170,413	175,525		170,413	11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	24,077,591	24,875,174	23,851,190	226,401	13
14	*	(531) Railway operating expenses	15,236,317	15,251,429	15,024,621	211,696	14
15	*	Net revenue from railway operations	8,841,274	9,623,745	8,826,569	14,705	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	30,244	28,847			16
17		(510) Miscellaneous rent income	343,962	192,988			17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)	294	294			19
20		(514) Interest income	9,938	7,508			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	69,347	182,466			24
25		Income from affiliated companies: 519					
		a. Dividends (equity method)	106,625	177,427			25
26		b. Equity in undistributed earnings (losses)	104,986	64,947			26
27		TOTAL OTHER INCOME (lines 16-26)	665,396	654,477			27
28		TOTAL INCOME (lines 15, 27)	9,506,670	10,278,222			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	18,045	16,819			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	(3,629)	(26,777)			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	14,416	(9,958)			36
37		Income available for fixed charges	9,492,254	10,288,180			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	38,084	43,111	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	162,173	65,241	40
41		(548) Amortization of discount on funded debt	1,159	1,258	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	201,416	109,610	42
43		Income after fixed charges (line 37 minus line 42)	9,290,838	10,178,570	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)	9,290,838	10,178,570	46
PROVISIONS FOR INCOME TAXES					
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	1,645,627	1,699,749	47
48	*	(b) State income taxes	359,652	361,156	48
49	*	(c) Other income taxes	1,731	3,339	49
50	*	(557) Provision for deferred taxes	115,700	264,296	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	2,122,710	2,328,540	51
52		Income from continuing operations (line 46 minus line 51)	7,168,128	7,850,030	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)	7,168,128	7,850,030	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)	7,168,128	7,850,030	61
62		Less: Net Income attributable to non-controlling interest			62
63		Net Income attributable to reporting railroad	7,168,128	7,850,030	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	8,841,274	9,623,745	66
67	*	(556) Income taxes on ordinary income (-)	(2,007,010)	(2,064,244)	67
68	*	(557) Provision for deferred income taxes (-)	(115,700)	(264,296)	68
69		Income from lease of road and equipment (-)			69
70		Rent for leased roads and equipment (+)			70
71		Net railway operating income (loss)	6,718,564	7,295,205	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.