

Office of Chief Counsel  
Internal Revenue Service  
**Memorandum**

Number: **200518078**

Release Date: 5/6/2005

CC:TEGE:EOEG:ET1

POSTN-164274-04

UILC: 3231.01-00

date: January 6, 2004

to: Director, Submission Processing  
Cincinnati, OH  
Attn: Entity Unit

from: Office of Division Counsel/Associate Chief Counsel  
(Tax Exempt & Government Entities)

---

subject: Railroad Retirement Tax Act Status

In accordance with the coordination procedure established between the Service and the Railroad Retirement Board (RRB), the RRB has provided us with its opinion that the following business ceased to be an employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act effective \_\_\_\_\_ :

We have reviewed the opinion of the RRB, which states that

\_\_\_\_\_ has terminated its operation of \_\_\_\_\_. Based upon the information submitted to us by the RRB, we also conclude that \_\_\_\_\_ ceased to be an employer (as a "carrier") under the Railroad Retirement Tax Act (RRTA) effective \_\_\_\_\_, since it no longer operates a shortline railroad.<sup>1</sup> Please take the appropriate action regarding this business or contact me at (202) 622-6040 if you have any questions.

---

Joseph W. Spires

cc:

---

<sup>1</sup> The Board's opinion suggests that \_\_\_\_\_ may continue to perform rail car repair services. Since the RRB's opinion does not discuss whether \_\_\_\_\_ is directly or indirectly owned or controlled by carriers, we cannot conclude whether \_\_\_\_\_ may be an employer for purposes of the RRTA under the alternate definition of "employer" under § 3231(a) of the Code.