

Office of Chief Counsel
Internal Revenue Service
Memorandum

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date: May 14, 2007

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, upon reconsideration, the following business was under common control of a rail carrier employer engaged in the transportation of property by rail under the Railroad Retirement Act and the Railroad Unemployment Insurance Act for the period _____ thru _____ but only with respect to employees of the _____ and its predecessor employee group:

This is a departure from the RRB's prior opinion that _____ . was a covered employer only with regard to the finding that there is a segregable business. We have reviewed the opinion of the RRB and, based upon the information submitted to us by the RRB, we also reaffirm our earlier opinion of _____ (copy attached) and conclude that _____ . was a covered employer under the jurisdiction of the Railroad Retirement Tax Act, for the period _____ through _____ .

However, we also agree that this status applies only with respect to the segregable portion of the taxpayer's workforce engaged in the transportation of property by rail. Please take the appropriate action regarding this business.

Janine Cook

Attachment: