

code of federal regulations

Transportation

49

PART 1200 TO END

Revised as of October 1, 1996

CONTAINING
A CODIFICATION OF DOCUMENTS
OF GENERAL APPLICABILITY
AND FUTURE EFFECT

AS OF OCTOBER 1, 1996

With Ancillaries

Published by
the Office of the Federal Register
National Archives and Records
Administration

as a Special Edition of
the Federal Register



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1996

For sale by U.S. Government Printing Office
Superintendent of Documents, Mail Stop: SSOP, Washington, DC 20402-9328

Table of Contents

	<i>Page</i>
Explanation	v
Title 49:	
Subtitle B—Other Regulations Relating to Transportation—Continued:	
Chapter X—Surface Transportation Board, Department of Transportation—Continued	5
Finding Aids:	
Table of CFR Titles and Chapters	363
Alphabetical List of Agencies Appearing in the CFR	379
Redesignation Table	389
List of CFR Sections Affected	391

Cite this Code: CFR

*To cite the regulations in
this volume use title,
part and section num-
ber. Thus, 49 CFR
1200.1 refers to title 49,
part 1200, section 1.*

Explanation

The Code of Federal Regulations is a codification of the general and permanent rules published in the Federal Register by the Executive departments and agencies of the Federal Government. The Code is divided into 50 titles which represent broad areas subject to Federal regulation. Each title is divided into chapters which usually bear the name of the issuing agency. Each chapter is further subdivided into parts covering specific regulatory areas.

Each volume of the Code is revised at least once each calendar year and issued on a quarterly basis approximately as follows:

Title 1 through Title 16.....	as of January 1
Title 17 through Title 27.....	as of April 1
Title 28 through Title 41.....	as of July 1
Title 42 through Title 50.....	as of October 1

The appropriate revision date is printed on the cover of each volume.

LEGAL STATUS

The contents of the Federal Register are required to be judicially noticed (44 U.S.C. 1507). The Code of Federal Regulations is prima facie evidence of the text of the original documents (44 U.S.C. 1510).

HOW TO USE THE CODE OF FEDERAL REGULATIONS

The Code of Federal Regulations is kept up to date by the individual issues of the Federal Register. These two publications must be used together to determine the latest version of any given rule.

To determine whether a Code volume has been amended since its revision date (in this case, October 1, 1996), consult the "List of CFR Sections Affected (LSA)," which is issued monthly, and the "Cumulative List of Parts Affected," which appears in the Reader Aids section of the daily Federal Register. These two lists will identify the Federal Register page number of the latest amendment of any given rule.

EFFECTIVE AND EXPIRATION DATES

Each volume of the Code contains amendments published in the Federal Register since the last revision of that volume of the Code. Source citations for the regulations are referred to by volume number and page number of the Federal Register and date of publication. Publication dates and effective dates are usually not the same and care must be exercised by the user in determining the actual effective date. In instances where the effective date is beyond the cut-off date for the Code a note has been inserted to reflect the future effective date. In those instances where a regulation published in the Federal Register states a date certain for expiration, an appropriate note will be inserted following the text.

OMB CONTROL NUMBERS

The Paperwork Reduction Act of 1980 (Pub. L. 96-511) requires Federal agencies to display an OMB control number with their information collection request.

Many agencies have begun publishing numerous OMB control numbers as amendments to existing regulations in the CFR. These OMB numbers are placed as close as possible to the applicable recordkeeping or reporting requirements.

OBSOLETE PROVISIONS

Provisions that become obsolete before the revision date stated on the cover of each volume are not carried. Code users may find the text of provisions in effect on a given date in the past by using the appropriate numerical list of sections affected. For the period before January 1, 1986, consult either the List of CFR Sections Affected, 1949–1963, 1964–1972, or 1973–1985, published in seven separate volumes. For the period beginning January 1, 1986, a “List of CFR Sections Affected” is published at the end of each CFR volume.

CFR INDEXES AND TABULAR GUIDES

A subject index to the Code of Federal Regulations is contained in a separate volume, revised annually as of January 1, entitled CFR INDEX AND FINDING AIDS. This volume contains the Parallel Table of Statutory Authorities and Agency Rules (Table I), and Acts Requiring Publication in the Federal Register (Table II). A list of CFR titles, chapters, and parts and an alphabetical list of agencies publishing in the CFR are also included in this volume.

An index to the text of “Title 3—The President” is carried within that volume.

The Federal Register Index is issued monthly in cumulative form. This index is based on a consolidation of the “Contents” entries in the daily Federal Register.

A List of CFR Sections Affected (LSA) is published monthly, keyed to the revision dates of the 50 CFR titles.

REPUBLICATION OF MATERIAL

There are no restrictions on the republication of material appearing in the Code of Federal Regulations.

INQUIRIES

For a legal interpretation or explanation of any regulation in this volume, contact the issuing agency. The issuing agency’s name appears at the top of odd-numbered pages.

For inquiries concerning CFR reference assistance, call 202–523–5227 or write to the Director, Office of the Federal Register, National Archives and Records Administration, Washington, DC 20408.

SALES

The Government Printing Office (GPO) processes all sales and distribution of the CFR. For payment by credit card, call 202–512–1800, M–F 8 a.m. to 4 p.m. e.s.t. or fax your order to 202–512–2233, 24 hours a day. For payment by check, write to the Superintendent of Documents, Attn: New Orders, P.O. Box 371954, Pittsburgh, PA 15250–7954. For GPO Customer Service call 202–512–1803.

RICHARD L. CLAYPOOLE,

Director,

Office of the Federal Register.

October 1, 1996.

THIS TITLE

Title 49—TRANSPORTATION is composed of seven volumes. The parts in these volumes are arranged in the following order: Parts 1–99, parts 100–185, parts 186–199, parts 200–399, parts 400–999, parts 1000–1199, part 1200 to End. The first volume (parts 1–99) contains current regulations issued under subtitle A—Office of the Secretary of Transportation; the second volume (parts 100–185) and the third volume (parts 186–199) contain the current regulations issued under chapter I—Research and Special Programs Administration (DOT); the fourth volume (parts 200–399) contains the current regulations issued under chapter II—Federal Railroad Administration (DOT), and chapter III—Federal Highway Administration (DOT); the fifth volume (parts 400–999) contains the current regulations issued under chapter IV—Coast Guard (DOT), chapter V—National Highway Traffic Safety Administration (DOT), chapter VI—Federal Transit Administration (DOT), chapter VII—National Railroad Passenger Corporation (AMTRAK), and chapter VIII—National Transportation Safety Board; the sixth volume (parts 1000–1199) and the seventh volume (part 1200 to End) both contain current regulations issued under chapter X—Surface Transportation Board, Department of Transportation. The contents of these volumes represent all current regulations codified under this title of the CFR as of October 1, 1996.

In the volume containing parts 100–185, see §172.101 for the Hazardous Materials Table, and §172.102 for the Optional Hazardous Materials Table. An Identification Number Cross Reference Index to Proper Shipping Names in §§172.101 and 172.102 appears at the beginning of part 172. The Federal Motor Vehicle Safety Standards appear in part 571.

Redesignation tables for chapter X—Surface Transportation Board, Department of Transportation appear in the Finding Aids section of the sixth and seventh volumes.

For this volume Ruth Reedy Green was the Chief Editor. The Code of Federal Regulations publication program is under the direction of Frances D. McDonald, assisted by Alomha S. Morris.

Title 49—Transportation

(This book contains part 1200 to end)

SUBTITLE B—OTHER REGULATIONS RELATING TO TRANSPORTATION—Continued

CHAPTER X—Surface Transportation Board, Department of Transportation (Continued)	<i>Part</i> 1200

Subtitle B—Other Regulations
Relating to Transportation—
Continued

CHAPTER X—SURFACE TRANSPORTATION BOARD, DEPARTMENT OF TRANSPORTATION (Continued)

SUBCHAPTER C—ACCOUNTS, RECORDS, AND REPORTS

PARTS 1200–1219—UNIFORM SYSTEMS OF ACCOUNTS

<i>Part</i>		<i>Page</i>
1200	General accounting regulations under the Interstate Commerce Act	7
1201	Railroad companies	7
1202–1205	[Reserved]	
1206	Common and contract motor carriers of passengers	165

PARTS 1220–1239—PRESERVATION OF RECORDS

1220	Preservation of records	242

PARTS 1240–1259—REPORTS

1241	Annual, special, or periodic reports—Carriers subject to Part I of the Interstate Commerce Act	246
1242	Separation of common operating expenses between freight service and passenger service for railroads	247
1243	Quarterly operating reports—railroads	261
1244	Waybill analysis of transportation of property—railroads	261
1245	Classification of railroad employees; reports of service and compensation	267
1246	Number of railroad employees	280
1248	Freight commodity statistics	280
1249	Reports of motor carriers	286
1250–1252	[Reserved]	

49 CFR Ch. X (10–1–96 Edition)

<i>Part</i>		<i>Page</i>
1253	Rate-making organization; records and reports	289
PARTS 1260–1269—VALUATION		
1260–1261	[Reserved]	
PARTS 1280–1299—CLASSIFICATION AND DECLASSIFICATION OF NATIONAL SECURITY INFORMATION AND MATERIAL		
1280	Handling of national security information and classified material	290
1281–1299	[Reserved]	
SUBCHAPTER D—CARRIER RATES AND SERVICE TERMS		
1300	Disclosure, publication, and notice of change of rates and other service terms for rail common carriage	293
1301	[Reserved]	
1302	Export and import shipments; railroads	295
1305	Disclosure and notice of change of rates and other service terms for pipeline common carriage	295
1312	Regulations for the publication, posting and filing of tariffs, schedules and related documents of motor, pipeline, and water carriers, and house- hold goods freight forwarders	297
1313	Railroad contracts entered into pursuant to 49 U.S.C. 10713	343
1320	Extension of credit to shippers by rail common carriers, motor common carriers, water common carriers, and household goods freight forwarders	353
1321–1324	[Reserved]	
1325	Extension of credit to candidates for Federal office or their representatives	357
1331	Applications under 49 U.S.C. 10706 to establish or control agreements between or among carriers ...	357
1332	Filing contracts for surface mail transportation	359

SUBCHAPTER C—ACCOUNTS, RECORDS AND REPORTS

PARTS 1200–1219—UNIFORM SYSTEMS OF ACCOUNTS

PART 1200—GENERAL ACCOUNT- ING REGULATIONS UNDER THE INTERSTATE COMMERCE ACT

Sec.

1200.1 Financial statements released by carriers.

1200.2 Adoption of generally accepted accounting principles issued by the Financial Accounting Standards Board (FASB).

AUTHORITY: Sec. 20, 24 Stat. 386; 49 U.S.C. 20; sec. 220(a), 49 Stat. 563; 49 U.S.C. 320; sec. 313(a), 54 Stat. 944; 49 U.S.C. 913; sec. 412(a), 56 Stat. 294; 49 U.S.C. 1012.

§1200.1 Financial statements released by carriers.

Carriers desiring to do so may prepare and publish financial statements in reports to stockholders and others, except in reports to this Commission, based on generally accepted accounting principles for which there is authoritative support, provided that any variance from this Commission's prescribed accounting rules contained in such statements is clearly disclosed in footnotes to the statements.

[32 FR 20123, Dec. 20, 1967]

§1200.2 Adoption of generally accept- ed accounting principles issued by the Financial Accounting Standards Board (FASB).

(a) *Accounting Series Circulars.* Following the release of a Statement of Financial Accounting Standards by the FASB, and provided that the Bureau of Accounts of the Commission considers such standards appropriate for the Commission's accounting regulations, the Bureau of Accounts shall issue an Accounting Series Circular (ASC) requiring carriers under the Commission's jurisdiction to follow the new standards in their accounts and reports filed with the Commission. The Bureau shall also specify in the ASC the proper accounting procedures that the carriers shall follow.

(b) *Carriers' and Interested Parties' Comments on the ASC.* The ASC issued by the Bureau of Accounts will remain effective until revoked by the Bureau of Accounts. After an ASC is issued, the Bureau of Accounts shall allow carriers and interested parties 45 days following the service date of the ASC during which the respondents may submit to the Bureau their comments and reasons either supporting or opposing the ASC.

(c) *Formal Adoption of the New Accounting Standards.* After considering the comments submitted in response to the ASC, and based on the proposal of the Bureau of Accounts, the Commission will decide whether or not to adopt the new accounting standards specified in the ASC by revising the Uniform Systems of Accounts, (49 CFR 1201 through 1210).

(d) *Accounting Standards Not Appropriate for Commission's Use.* The Bureau of Accounts may determine that a new FASB Statement of Financial Accounting Standards is not appropriate for use by carriers under the Commission's jurisdiction. In such instances, the Bureau shall issue an ASC to advise the carriers that the new standards shall not be used in their reports filed with the Commission. The carriers and interested parties shall be allowed 45 days following the ASC's service date to submit comments to the Commission. The Commission will then determine whether or not to revise the Uniform Systems of Accounts to conform to the new accounting standards.

[43 FR 26314, June 19, 1978]

PART 1201—RAILROAD COMPANIES

Subpart A—Uniform System of Accounts

LIST OF INSTRUCTIONS AND ACCOUNTS

REGULATIONS PRESCRIBED

- (i) Regulations prescribed.
- (ii) Definitions.

GENERAL INSTRUCTIONS

- 1-1 Classification of carriers.
- 1-2 Classification of accounts.

Pt. 1201

- 1-3 Records.
- 1-4 Accounting period.
- 1-5 Accrual method of accounting.
- 1-6 Charges to be just and reasonable.
- 1-7 Changes in accounting estimates.
- 1-8 Accounting for computer systems and word processing costs.
- 1-9 Transactions with affiliated companies.
- 1-10 Accounting for income taxes.
- 1-11 Items in texts of accounts.
- 1-12 Distribution of pay and expenses of employees.
- 1-13 Payroll related expenses.
- 1-14 Submission of questions.
- 1-15 Transfers from government authorities.
- 1-16 Business entertainment expenses.
- 1-17 Disclosure guideline.

INSTRUCTIONS FOR PROPERTY ACCOUNTS

- 2-1 Items to be charged.
- 2-2 Minimum rule applicable to additions to property.
- 2-3 Land.
- 2-4 Structures.
- 2-5 Equipment.
- 2-6 Components of construction cost.
- 2-7 Additions to and retirements of property—General.
- 2-8 Additions to and retirements of units of property.
- 2-9 Additions and retirements of other than units of property.
- 2-10 Additions to and retirements of track.
- 2-11 Expenses in connection with additions and betterments.
- 2-12 Units of property rebuilt or converted.
- 2-13 Changes in line of road and relocation of yard tracks.
- 2-14 Track connections.
- 2-15 Merger, consolidation, and purchase of a railway operating entity or system.
- 2-16 Reorganization of railway.
- 2-17 Construction projects in which governmental agencies, individuals, or others, and the carrier participate.
- 2-18 Leased property improvements and retirements.
- 2-19 List of units of property.
- 2-20 Accounting for leases.
- 2-21 Freight train car repair costing.
- 2-22 Map specifications.
- 2-23 Accounting for engineering costs.
- 2-24 Accounting for other general expenditures.

INSTRUCTIONS FOR MAINTENANCE EXPENSES

- 3-1 Items to be charged.

INSTRUCTIONS FOR DEPRECIATION ACCOUNTS

- 4-1 Method.
- 4-2 Rates of depreciation.
- 4-3 Depreciation records to be kept.
- 4-4 Leased property—depreciation.
- 4-5 Jointly used property—depreciation.

49 CFR Ch. X (10–1–96 Edition)**INSTRUCTIONS FOR INCOME AND BALANCE SHEET ACCOUNTS**

- 5-1 Current assets.
- 5-2 Recorded value of securities owned.
- 5-3 Discounts, expenses, and premiums on debt.
- 5-4 Discount, premium, and assessment on capital stock.
- 5-5 Joint liabilities.
- 5-6 Contingencies.
- 5-7 Long-term obligations.

INSTRUCTIONS FOR CLEARING ACCOUNTS

- 6-1 Items to be charged.
- 6-2 Material and stationery store expenses.
- 6-3 Shop expenses.
- 6-4 Gravel and sand pits and quarries.
- 6-5 Power plant operations.

PROPERTY ACCOUNTS**Road**

- 0 Road.
- 2 Land for transportation purposes.
- 3 Grading.
- 4 Other right-of-way expenditures.
- 5 Tunnels and subways.
- 6 Bridges, trestles, and culverts.
- 7 Elevated structures.
- 8 Ties.
- 9 Rails and other track material.
- 11 Ballast.
- 13 Fences, snowsheds, and signs.
- 16 Station and office buildings.
- 17 Roadway buildings.
- 18 Water stations.
- 19 Fuel stations.
- 20 Shops and enginehouses.
- 22 Storage warehouses.
- 23 Wharves and docks.
- 24 Coal and ore wharves.
- 25 TOFC/COFC terminals.
- 26 Communication systems.
- 27 Signals and interlockers.
- 29 Power plants.
- 31 Power-transmission systems.
- 35 Miscellaneous structures.
- 37 Roadway machines.
- 39 Public improvements; construction.
- 44 Shop machinery.
- 45 Power-plant machinery.

Equipment

- 50 Equipment.
- 52 Locomotives.
- 53 Freight-train cars.
- 54 Passenger-train cars.
- 55 Highway revenue equipment.
- 56 Floating equipment.
- 57 Work equipment.
- 58 Miscellaneous equipment.
- 59 Computer systems and word processing equipment.

Surface Transportation Board, DOT**Pt. 1201****General Expenditures**

- 70 General expenditures.
- 76 Interest during construction.

Other Property Accounts

- 80 Other elements of investment.
- 90 Construction in progress.

RAILWAY OPERATING REVENUE ACCOUNTS**Transportation Revenue Accounts**

- 100 Transportation; rail line.
- 101 Freight.
- 102 Passenger.
- 103 Passenger-related.
- 104 Switching.
- 105 Water transfers.
- 106 Demurrage.
- 110 Incidental.

Joint Facility Revenue Accounts

- 120 Joint facility.
- 121 Joint facility—credit.
- 122 Joint facility—debit.

OPERATING EXPENSE ACCOUNT**Operating Expense Accounts Explanations**

- 100000 Personnel.
- 110000 Salaries and wages.
- 120000 Fringe benefits.
- 200000 Materiel.
- 210000 Materials, tools, supplies, fuels, lubricants.
- 300000 Purchased services.
- 310000 Lease rentals—Debit.
- 320000 Lease rentals—Credit.
- 330000 Joint facility rents—Debit.
- 340000 Joint facility rents—Credit.
- 350000 Other rents—Debit.
- 360000 Other rents—Credit.
- 370000 Joint facility—Debit.
- 380000 Joint facility—Credit.
- 390000 Repairs billed by others—Debit.
- 400000 Repairs billed to others—Credit.
- 410000 Other purchased services.
- 500000 Claims and insurance.
- 510000 Loss and damage claims.
- 520000 Other casualties.
- 530000 Insurance.
- 600000 General.
- 610000 Other expenses.
- 620000 Depreciation.
- 630000 Uncollectible accounts.
- 640000 Property taxes.
- 650000 Other taxes.

INCOME ACCOUNTS**Ordinary Items**

- 501 Railway operating revenues.
- 502 Railway operating revenues—transfers from government authorities for current operations.

- 503 Railway operating revenues—amortization of deferred transfers from government authorities.
- 506 Revenues from property used in other than carrier operations.
- 510 Miscellaneous rent income.
- 512 Separately operated properties; profit.
- 513 Dividend income.
- 514 Interest income.
- 516 Income from sinking and other funds.
- 517 Release of premiums on funded debt.
- 518 Reimbursement received under contracts and agreements.
- 519 Miscellaneous income.
- 531 Railway operating expenses.
- 534 Expenses of property used in other than carrier operations.
- 544 Miscellaneous taxes.
- 545 Separately operated properties; loss.
- 546 Interest on funded debt.
- 547 Interest on unfunded debt.
- 548 Amortization of discount on funded debt.
- 549 Maintenance of investment organization.
- 550 Income transferred under contracts and agreements.
- 551 Miscellaneous income charges.
- 553 Uncollectible accounts.
- 555 Unusual or infrequent items (debit) credit.
- 556 Income taxes on ordinary income.
- 557 Provision for deferred taxes.
- 560 Income or loss from operations of discontinued segments.
- 562 Gain or loss on disposal of discontinued segments.
- 570 Extraordinary items (net).
- 590 Income taxes on extraordinary items.
- 591 Provision for deferred taxes—extraordinary items.
- 592 Cumulative effect of changes in accounting principles.

RETAINED EARNINGS ACCOUNTS**Credit**

- 601 Credit balance (at beginning of calendar year).
- 601.5 Prior period adjustments to beginning retained earnings account.
- 602 Credit balance transferred from income.
- 603 Appropriations released.
- 606 Other credits to retained earnings.

Debit

- 611 Debit balance (at beginning of calendar year).
- 612 Debit balance transferred from income.
- 616 Other debits to retained earnings.
- 620 Appropriations for sinking and other funds.
- 621 Appropriations for other purposes.
- 623 Dividends.

**GENERAL BALANCE SHEET ACCOUNTS
EXPLANATIONS****Assets****CURRENT ASSETS**

- 701 Cash.
- 702 Temporary cash investments.
- 703 Special deposits.
- 704 Loans and notes receivable.
- 705 Accounts receivable; interline and other balances.
- 706 Accounts receivable; customers.
- 707 Accounts receivable; other.
- 708 Interest and dividends receivable.
- 708.5 Receivables from affiliated companies.
- 709 Accrued accounts receivable.
- 709.5 Allowance for uncollectible accounts.
- 710 Working funds.
- 711 Prepayments.
- 712 Material and supplies.
- 713 Other current assets.
- 714 Deferred income tax debits.

SPECIAL FUNDS

- 715 Sinking funds.
- 716 Capital funds.
- 717 Other funds.

INVESTMENTS

- 721 Investments and advances; affiliated companies.
- 721.5 Adjustments; investments and advances—affiliated companies.
- 722 Other investments and advances.
- 723 Adjustments; other investments and advances.
- 724 Allowance for net unrealized loss on noncurrent marketable equity securities—Cr.

TANGIBLE PROPERTY

- 731 Road and equipment property.
- 732 Improvements on leased property.
- 733 Accumulated depreciation; improvements on leased property.
- 734 Accumulated amortization; improvements on leased property—defense projects.
- 735 Accumulated depreciation; road and equipment property.
- 736 Accumulated amortization; road and equipment property—defense project.
- 737 Property used in other than carrier operations.
- 738 Accumulated depreciation; property used in other than carrier operations.

INTANGIBLE PROPERTY

- 739 Organization expenses.

OTHER ASSETS AND DEFERRED DEBITS

- 741 Other assets.
- 743 Other deferred debits.
- 744 Accumulated deferred income tax debits.

Liabilities and Shareholders' Equity**CURRENT LIABILITIES**

- 751 Loans and notes payable.
- 752 Accounts payable; interline and other balances.
- 753 Audited accounts and wages payable.
- 754 Accounts payable; other.
- 755 Interest payable.
- 756 Dividends payable.
- 757 Payables to affiliated companies.
- 759 Accrued accounts payable.
- 760 Federal income taxes accrued.
- 761 State and other income taxes accrued.
- 761.5 Other taxes accrued.
- 762 Deferred income tax credits.
- 763 Other current liabilities.
- 764 Equipment obligations and other long-term debt due within one year.

LONG-TERM DEBT DUE AFTER ONE YEAR

- 765 Funded debt unmatured.
- 766 Equipment obligations.
- 766.5 Capitalized lease obligations.
- 767 Receivers' and trustees' securities.
- 768 Debt in default.
- 769 Accounts payable; affiliated companies.
- 770.1 Unamortized debt discount.
- 770.2 Unamortized premium on debt.

OTHER LONG-TERM LIABILITIES

- 771 Accrued liability; pension and welfare.
- 772 Accrued liability; leased property.
- 774 Accrued liability; casualty and other claims.
- 775 Other accrued liabilities.
- 781 Interest in default.
- 782 Other liabilities.
- 783 Deferred revenues—transfers from government authorities.

DEFERRED CREDITS

- 784 Other deferred credits.
- 786 Accumulated deferred income tax credits.

SHAREHOLDERS' EQUITY

- 791 Capital stock.
- 792 Capital stock to be distributed.
- 793 Discount on capital stock.
- 794 Premiums and assessments on capital stock.
- 795 Other capital.
- 797 Retained earnings; appropriated.
- 798 Retained earnings; unappropriated.
- 798.1 Net unrealized loss on noncurrent marketable securities.
- 798.5 Treasury stock.

Conversion Tables**Subpart B—Branch Line Accounting
System**

- 900 Definitions.
- 910 Purpose and scope.
- 920 Collection of data.

Surface Transportation Board, DOT

Pt. 1201

- 930 Publication of data.
940 Annual branch line report.
950 Text and chart of accounts.

APPENDIX I TO PART 1201—CERTIFICATION OF BRANCH LINE ACCOUNTING SYSTEM RECORDS

AUTHORITY: 5 U.S.C. 553 and 49 U.S.C. 11142 and 11164.

Subpart A—Uniform System of Accounts

SOURCE: 42 FR 35017, July 7, 1977, unless otherwise noted.

LIST OF INSTRUCTIONS AND ACCOUNTS

REGULATIONS PRESCRIBED

(i) *Regulations prescribed.* Carriers by railroad subject to provisions of the Interstate Commerce Act and not independently operated as electric lines, and each lessor of such a carrier, shall comply with regulations in this part as presented hereinafter.

(ii) *Definitions.*

1. *Abandonment* means the withdrawal from transportation service of a branch line or other track segment or facility, representing a permanent reduction in plant.

2. *Accounts* means the accounts prescribed in this system of accounts.

3. *Actually issued* as applied to funded debt securities or capital stock issued or assumed by the company, means those which have been sold to bona fide purchasers or holders for a valuable consideration (including those issued in exchange for other securities or other property) and such purchasers or holders secured them free from control by the carriers. Also securities issued as dividends on stock.

4. *Actually outstanding* as applied to funded debt securities or capital stock issued or assumed by the carrier means those which have been actually issued and are neither retired and canceled nor reacquired and held by or for the accounting company.

5. (a) *Affiliated companies* means companies or persons that directly, or indirectly through one or more intermediaries control, or are controlled by, or are under common control with, the accounting carrier.

(b) *Control* (including the terms *controlling*, *controlled by*, and *under common control with*) means the possession di-

rectly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority of minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

6. *Amortization* means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period dependent on the requirements of regulatory bodies, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

7. *Carrier* as used herein and when not otherwise indicated in the context means any carrier to which this system of accounts is applicable.

8. *Consolidation* means the formation of a new company. See instruction 2-15.

9. *Commission* means the Interstate Commerce Commission.

10. *Compensating balance* means the portion of any demand deposit (or any time deposit or certificate of deposit) maintained by a carrier (or by any person on behalf of the carrier) which constitutes support for existing borrowing arrangements of the carrier with a lending institution. Such arrangements include both outstanding borrowings and the assurance of future credit availability. (The compensating balance requirement should be adjusted by the amount of float unless such adjustment would cause the compensating balance to be greater than the cash balance per carrier's books.) The float adjustment is made by subtracting the float from the compensating balance requirement if the collected bank ledger balance exceeds the cash balance per carrier's books or by adding the float to the compensating balance requirement if the collected bank ledger balance is less than the cash balance per carrier's books.

(a) *Float* means deposits and withdrawals in transit which constitute a difference between the collected bank

ledger balance and the cash balance per carrier's books.

11. *Cost center* refers to an organizational subdivision for which cost data are desired and for which provision is made to accumulate costs such as a terminal, yard, or track segment. A cost center may correspond to a given area of responsibility for which costs are presently accumulated for planning and control. A cost center is the smallest segment of activity or area of responsibility for which costs are accumulated and directly traceable.

12. *Cost of renewal* means the cost of additional material applied (other than the value assigned second-hand parts remaining in the rebuilt unit) plus the cost of labor used in the rebuilding process, exclusive of the portion applicable to dismantling and repair of old parts reused.

13. *Cost of removal* means cost of demolishing, dismantling, tearing down or otherwise removing property.

14. *Debt issue cost* means all costs in connection with the issuance and sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees, specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers and salespeople for marketing such evidences for debt; fees and costs of listing on exchanges; and other like costs.

15. *Discount* as applied to funded debt securities or capital stock issued or assumed by the carrier, means the excess of the par or face value of the securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.

16. *Equity security* encompasses any instrument representing ownership shares (e.g., common, preferred and other capital stock), or the right to acquire (e.g., warrants, rights, and call options) or dispose of (e.g., put options) ownership shares in an enterprise at fixed or determinable prices. The term does not encompass preferred stock that by its terms either must be redeemed by the issuing enterprise or is redeemable at the option of the inves-

tor, nor does it include treasury stock or convertible bonds.

(a) *Marketable*, as applied to an equity security, means an equity security as to which sales prices or bid and ask prices are currently available on a national securities exchange (i.e., those registered with the Securities and Exchange Commission) or in the over-the-counter market. In the over-the-counter market, an equity security shall be considered marketable when a quotation is publicly reported by the National Association of Securities Dealers Automatic Quotations System or by the National Quotations Bureau, Inc. (provided, in the latter case, that quotations are available from at least three dealers). Equity securities traded in foreign markets shall be considered marketable when such markets are of a breadth and scope comparable to those referred to above. This definition is not met by restricted stock (securities for which sale is restricted by a governmental or contractual requirement except where such requirement terminates within one year or where the holder has the power to cause the requirement to be met within one year). Any portion of the stock which can reasonably be expected to qualify for sale within one year, such as may be the case under Rule 144 or similar rules of the Securities and Exchange Commission, is not considered restricted.

(b) *Market value* refers to the aggregate of the market price of a single share or unit times the number of shares or units of each marketable equity security in the portfolio. When an equity has taken positions involving short sales, sales of calls, and purchases of puts for marketable equity securities and the same securities are included in the portfolio, those contracts shall be taken into consideration in the determination of market value of the marketable equity securities.

(c) *Cost*, as applied to a marketable equity security, refers to the original cost unless a new cost basis has been assigned based on recognition of an impairment of value that was deemed other than temporary or as the result of a transfer between current and non-current classifications. In such cases,

the new cost basis assigned shall be considered cost.

17. (a) *Income taxes* means taxes based on income determined under provisions of the United States Internal Revenue Code and foreign, state and other taxes (including franchise taxes) based on income.

(b) *Income tax expense* means the amount of income taxes (whether or not currently payable or refundable) allocable to a period in the determination of net income.

(c) *Pretax accounting income* means income or loss for a period, exclusive of related income tax expense.

(d) *Taxable income* means the excess of revenues over deductions or the excess of deductions over revenue to be reported for income tax purposes for a period.

(e) *Timing differences* means differences between the periods in which transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income. Timing differences originate in one period and reverse or *turn around* in one or more subsequent periods. Some timing differences reduce income taxes that would otherwise be payable currently; others increase income taxes that would otherwise be payable currently.

(f) *Permanent differences* means differences between taxable income and pretax accounting income arising from transactions that, under applicable tax laws and regulations, will not be offset by corresponding differences or *turn around* in other periods.

(g) *Tax effects* means differentials in income taxes of a period attributable to (1) revenue or expense transactions which enter into the determination of pretax accounting income in one period and into the determination of taxable income in another period, (2) deductions or credits that may be carried backward or forward for income tax purposes and (3) adjustments of prior periods and direct entries to other stockholders' equity accounts which enter into the determination of taxable income in a period but which do not enter into the determination of pretax accounting income of that period. A permanent difference does not result in

a *tax effect* as that term is used in this definition.

(h) *Deferred taxes* means tax effects which are deferred for allocation to income tax expense of future periods.

(i) *Interperiod tax allocation* means the process of apportioning income taxes among periods.

(j) *Tax allocation within a period* means the process of apportioning income tax expenses applicable to a given period between income before extraordinary items and extraordinary items, and of associating the income tax effects of adjustments of prior periods and direct entries to other stockholders' equity accounts with these items.

18. (a) *Investor* means a business entity that holds an investment in voting stock of another company.

(b) *Investee* means a corporation that issued voting stock held by an investor.

(c) *Corporate joint venture* is a company owned and operated as a separate and specific business or project for the mutual benefit of the members of the group. Joint facilities for purposes of this system of accounts are not considered corporate joint ventures.

(d) *Dividends* when applied to distributions received from investees unless otherwise specified, means dividends received or receivable in cash, other assets, or another class of stock and does not include stock dividends or stock splits.

(e) *Earnings or losses of an investee* and *financial position of an investee* refer to net income (or net loss) and financial position of an investee determined in accordance with generally accepted accounting principles.

(f) *Undistributed earnings of an investee* means net income less dividends declared whether received or not.

(g) *Date of acquisition* is the date on which the investor assumes the rights of ownership. Ordinarily, this is the date assets are received and other assets are given or securities issued.

19. *Joint facility* means any owned or leased carrier operating property occupied or operated jointly by the carrier and one or more other carriers, under an arrangement whereby the cost and income are apportioned to the parties to the joint agreement. Portions of a

structure or other property used exclusively by each of two or more carriers are not joint facilities.

20. *Ledger value* of an account means the undepreciated or unamortized cost of acquisition of the item to the carrier, recorded in the general ledger. In case the cost of any item of property is not shown separately in the ledger, the ledger value of that item shall be its proportionate share of the value of the entire group in which the particular property is included.

21. *Merger* means the acquisition of one company by another. See instruction 2–15.

22. *Minor items of property* means the associated parts or items of which units of property are composed.

23. *Net railway operating income*: Operating revenue remaining after deducting operating expenses, income taxes on ordinary income, and the provision for deferred income taxes. Also, in arriving at NROI, deduct the Income from Lease of Road and Equipment and add the Rent for Leased Road and Equipment, formerly accounts 509 and 542, respectively.

24. *Net salvage value* means salvage value of property retired less the cost of removal.

25. *Nominally issued* as applied to funded debt securities or capital stock issued or assumed by the carrier, means those which have been signed, certified by trustees, or otherwise executed, and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the accounting company, but which have not been sold or issued directly to the trustees of such fund in accordance with contractual requirements.

26. *Nominally outstanding* as applied to funded debt securities or capital stock issued or assumed by the carrier, means those which, after being actually issued, have been reacquired by or for the accounting company under such circumstances which require them to be considered as held alive and not retired and canceled.

27. *Premium* as applied to funded debt securities or capital stock issued or assumed by the carrier, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no par

stock) or face value and interest or dividends accrued at the date of sale.

28. *Programmed track replacements* are costs incurred as part of a track replacement program or planned expenditures. Programmed track replacements are generally performed by relatively large work gangs which, on the basis of programmed and authorized work orders, use heavy mechanized equipment to replace rail, ties and other track material. For guidance on what not to capitalize, see the notes to the text of Accounts 8, 9 and 11.

29. *Property retired* means units of property which have been removed, sold, abandoned, destroyed, or which for any cause have been permanently withdrawn from service; also minor items of property not replaced.

30. *Rail Transportation Property*. Rail transportation property is all property and other assets, irrespective of ownership, that comprise the entire operating unit devoted to rail transportation service. This definition comprises the following accounts:

- 701 Cash
- 703 Special deposits
- 704 Loans and notes receivable
- 705 Accounts receivable—interline and other balances
- 706 Accounts receivable—customers
- 707 Accounts receivable—other
- 708.5 Receivable with affiliated companies
- 709 Accrued accounts receivable
- 710 Working funds
- 711 Prepayments
- 712 Material and supplies
- 713 Other current assets
- 714 Deferred income tax charges
- 731 Road and equipment property
- 732 Improvements on leased property

31. *Salvage value* means the amount received from the sale of operating property retired less any expenses in connection with the sale or in preparing the property for sale. If the property is retained for reuse, the salvage value shall be recorded in account 712, Materials and Supplies, or other appropriate account at an amount not to exceed its recorded cost (actual or average), or current market value, whichever is lower.

32. *Segment of a business* refers to a component of an entity whose activities represent a separate major line of

business or class of customer. A segment may be in the form of a subsidiary, a division, or a department, and in some cases a joint venture or other non-subsidiary investee, provided that its assets, results of operations, and activities can be clearly distinguished, physically and operationally and for financial reporting purposes, from the other assets, results of operations, and activities of the entity. The fact that the results of operations of the segment being sold or abandoned cannot be separately identified strongly suggests that the transaction should not be classified as a disposal of a segment of business.

(a) *Measurement date* means the date on which the management having authority to approve the action commits itself to a formal plan to dispose of a segment of the business, whether by abandonment or sale. The measurement date for disposals requiring Commission approval shall be the service date of the Order authorizing the disposal.

(b) *Disposal date* refers to the date of closing the sale, if the disposal is by sale or the date that operations cease if the disposal is by abandonment.

33. *Service life* means the period between the date when operating property is placed in service and the date of its retirement.

34. *Service value* means the ledger value of operating property less its salvage value (see definition 17).

35. *Track maintenance* is material and labor costs of routine track repairs such as sporadic tie replacement, repair of broken rails, tightening track bolts and track spikes. A more complete list of maintenance items are included in notes to the text of Accounts 8, 9 and 11.

36. *Work equipment* means equipment which can be coupled in a train for movement over the carrier's tracks, and which is used in the carrier's work service. See equipment listing for account 57, *Work equipment*.

[42 FR 35017, July 7, 1977, as amended at 44 FR 3493, Jan. 19, 1979; 45 FR 31110, May 12, 1980; 48 FR 7183, Feb. 18, 1983; 48 FR 33718, July 25, 1983; 49 FR 2254, Jan. 19, 1984; 52 FR 4321, Feb. 11, 1987]

GENERAL INSTRUCTIONS

1-1 *Classification of carriers.* (a) For purposes of accounting and reporting, carriers are grouped into the following three classes:

Class I: Carriers having annual carrier operating revenues of \$250 million or more after applying the railroad revenue deflator formula shown in Note A.

Class II: Carriers having annual carrier operating revenues of less than \$250 million but in excess of \$20 million after applying the railroad revenue deflator formula shown in Note A.

Class III: Carriers having annual carrier operating revenues of \$20 million or less after applying the railroad revenue deflator formula shown in Note A.

(b)(1) The class to which any carrier belongs shall be determined by annual carrier operating revenues after the railroad revenue deflator adjustment. Upward and downward reclassification will be effected as of January 1 in the year immediately following the third consecutive year of revenue qualification.

(2) If a Class II or Class III carrier's classification is changed based on three years' adjusted revenues the carrier shall complete and file the Classification Index Survey Form with the Commission by March 31 of the year following the end of the period to which it relates.

(3) Newly organized carriers shall be classified on the basis of their annual carrier operating revenues after railroad revenue deflator adjustment for the latest period of operation. If actual data are not available, new carriers shall be classified on the basis of their carrier operating revenues known and estimated for a year (after railroad revenue deflator adjustment).

(4) When a business combination occurs, such as a merger, reorganization, or consolidation, the surviving carrier shall be reclassified effective January 1 of the next calendar year on the basis of the combined revenue for the year when the combination occurred (after railroad revenue deflator adjustment).

(5) In unusual circumstances, such as partial liquidation and curtailment or elimination of contracted services, where regulations will unduly burden the carrier, the carrier may request the

Commission for an exception to the regulations. This request shall be in writing specifying the conditions justifying an exception.

(c) Class I carriers shall keep all of the accounts of this system which are applicable to their operations. Class II and III carriers are not required to maintain the accounts of this system.

(d) All switching and terminal companies, regardless of their operating revenues will be designated Class III carriers.

(e) Unless provided for otherwise, all electric railway carriers, regardless of operating revenues, will be designated Class III carriers.

NOTE A: The railroad revenue deflator formula is based on the Railroad Freight Price Index developed by the Bureau of Labor Statistics. The formula is as follows:

Current Year's Revenues × (1991 Average Index/Current Year's Average Index)

NOTE B: See related regulations 49 CFR 1241.15 Railroad classification survey form.

[57 FR 27185, June 18, 1992; 57 FR 31754, July 17, 1992]

1–2 *Classification of accounts.* (a) Accounts are prescribed to cover cost of property used in transportation operations and operations incidental thereto and for revenues, expenses, taxes, rents, and other items of income for such operations. Separate accounts are prescribed for investment in property not used in transportation operations and for other investments and income therefrom; for unusual and infrequent items; for operations and disposal of discontinued segments; for extraordinary items and accounting changes; and for assets, liabilities and capital includable in the balance sheet statement. Retained earnings accounts form the connecting link between the income account and the equity section of the balance sheet. They are provided to record the transfer of net income or loss for the year; certain capital transactions; and, when authorized by the Commission, other items.

(b) The cost of property, and the revenues, expenses, taxes and rents for miscellaneous operations involving the use of such facilities as hotels, restaurants, grain elevators, storage warehouses, power plants, cold storage plants, etc., shall not be included in

the accounts prescribed for transportation operations unless the operation of the facilities is conducted by the railway companies in connection with furnishing transportation services. Likewise, the cost of property, the revenues, expenses, taxes, and rents arising from the operation of stockyards shall not be included in accounts prescribed for transportation operations unless operation of the facilities is conducted in connection with transportation of livestock. It is not intended that cost of property and income arising from incidental public stockyards service rendered by stockyards primarily devoted to transportation services shall be excluded from transportation operation accounts.

(c) Joint facility accounts are provided for the joint users of tracks, bridges, yards, wharves, stations, and other facilities in which to record items in settlement for use of such facilities. When the compensation for the use of facilities is a fixed amount or is based upon a charge per passenger, ton, car or other unit, the amount shall be fairly apportioned by the operating company among the joint facility operating expense and income accounts. The creditor shall show the distribution of these charges upon its bills, and such distribution shall be adhered to by the debtor. Train service in connection with the line haul of traffic, including that operated under a joint arrangement for the benefit of two or more carriers, is not considered a joint facility operation.

(d)(1) *Extraordinary Items.* All items of profit and loss recognized during the year are includable in ordinary income unless evidence clearly supports their classification as extraordinary items.

Extraordinary items are characterized by both their unusual nature and infrequent occurrence taking into account the environment in which the firm operates; they must also meet the materiality standard.

Unusual means the event or transaction must possess a high degree of abnormality and be of a type clearly unrelated to, or only incidentally related to the ordinary and typical activities of the entity.

Infrequent occurrence means the event or transaction shall be of a type

not reasonably expected to recur in the foreseeable future.

(2) *Unusual or Infrequent Items.* Material events unusual in nature or infrequent in occurrence but not both, thus not meeting both criteria for classification as extraordinary, shall be includable in the accounts provided as separate components of income/expense from continuing operations.

(3) *Discontinued Operations.* The results of continuing operations shall be reported separately from discontinued operations and any gain or loss resulting from disposal of a segment of a business (see definition 23(a)) shall be reported in conjunction with the related results of discontinued operations and not as an extraordinary item. The disposal of a segment of a business shall be distinguished from other disposals of assets incident to the evolution of the entity's business, such as the disposal of part of a line of business, the shifting of production or marketing activities for a particular line of business from one location to another, the phasing out of a product line or class of service, and other changes occasioned by technological improvements. If a loss is expected from the proposed sale or abandonment of a segment, the estimated loss shall be provided for at the measurement date (see definition 23(b)). If a gain is expected, it shall be recognized when realized, which ordinarily is the disposal date (see definition 23(c)).

(4) *Prior period adjustments.* Only the following two items of profit and loss shall be accounted for and reported as prior period adjustments and excluded from the determination of net income for the current period:

(1) Correction of an error in the financial statements of a prior period, and

(2) Adjustments that result from realization of income tax benefits of preacquisition operating loss carryforwards of purchased subsidiaries.

With the exception of the two items just mentioned, all items of profit and loss recognized during a period shall be included in the determination of net income for that period.

NOTE: The carrier shall follow generally accepted accounting principles where an in-

terpretation of the rules is needed or obtain an interpretation from its public accountant or the Commission.

(5) *Accounting Changes.* Errors in financial statements result from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time the financial statements were prepared. In contrast, a change in an accounting estimate results from new information or subsequent developments and from better insight or judgment. Correction of an error should be accomplished through a prior period adjustment [See Instruction 1-2(d)(4)]. Changes in an accounting estimate should be accounted for in the period of change (and future period if the change affects both) (See Instruction 1-7). A change in an accounting principle or accounting entity should be referred to this Commission for approval. The cumulative effect of a change in accounting principle should ordinarily be reflected in the account provided for in determining net income.

(6) *Materiality.* As a general standard an item shall be considered material when it exceeds 10 percent of annual income (loss) before extraordinary items. An item may also be considered in relation to the trend of annual earnings before extraordinary items or other appropriate criteria. Items shall be considered individually and not in the aggregate in determining materiality. However, the effects of a series of related transactions arising from a single specific and identifiable event or plan of action shall be aggregated to determine materiality.

(7) *Commission Approval and Accountant's Letter.* Items shall be included in the accounts provided for extraordinary items, unusual or infrequent items, discontinued operations, prior period adjustments and cumulative effect of changes in accounting principles only upon approval of the Commission. If the carrier retains the service of an independent accountant, a request for using these accounts shall be accompanied by a letter from the independent accountant approving or otherwise commenting on the request.

Pt. 1201

NOTE: The carrier may refer to generally accepted accounting principles for further guidance in applying paragraph (d) above.

[42 FR 35017, July 7, 1977 as amended at 43 FR 37455, Aug. 23, 1978; 52 FR 4321, 4324, Feb. 11, 1987]

1-3 *Records.* (a) Each carrier shall keep its books of account, and all other books, records, and memoranda which support the entries in such books of account so as to be able to furnish readily full information as to any item included in any account. Each entry shall be supported by such detailed information as will permit ready identification, analysis, and verification of all facts relevant thereto.

(b) All expenditures including the expense accounts of officers and employees shall be supported by vouchers, payrolls, receipted bills, canceled checks, receipts for petty cash payments, or other evidences of the expenditures incurred.

(c) The books referred to herein include not only books of accounts in a limited technical sense but all other records such as minute books, stock books, reports, correspondence, memoranda, etc., which will be useful in developing the history of or facts regarding any transaction.

(d) No carrier shall destroy any books, records, memoranda, etc., which support entries to its accounts unless destruction is permitted by the regulations governing preservation of records, Part 1220 of this chapter.

(e) In addition to prescribed accounts, clearing accounts, temporary accounts, and subdivisions of any accounts may be kept, provided the integrity of the prescribed accounts is not impaired.

(f) Cost detail shall be maintained by cost centers for purposes of cost assignments effective 1-1-79. This provides for cost control and cost planning at any designated area of responsibility. These cost centers shall be similarly defined as the railroads' existing responsibility centers. Cost center information shall therefore be kept at the same level of detail presently collected, categorized, and maintained in railroad internal managerial accounting systems. This detailed information shall not be reported to the Commission on an ongoing basis. However, the carrier shall

49 CFR Ch. X (10-1-96 Edition)

keep the detailed information to provide a ready analysis and verification of the costs collected by cost center.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4324, Feb. 11, 1987; 61 FR 9113, Mar. 7, 1996]

1-4 *Accounting period.* (a) Each carrier shall keep its books on a monthly basis so that known transactions, as nearly as may be ascertained, shall be entered in the accounts not later than 60 days after the last day of the period for which the accounts are stated, except that the time within which the final entries for the year ending December 31 shall be made may be extended to such date in the following March as shall not interfere with the preparation and filing of annual report.

(b) A trial balance of the general ledger accounts shall be prepared at the close of each month setting out the account number, title, and amount of each ledger account. (Mechanical, electronic or automatic data processing printout documentation producing the equivalent of manually prepared trial balances shall identify balances by account numbers.) At the end of the calendar year, the revenue, expense, and other income accounts shall be closed into retained earnings account, and the balance sheet account balances shall be brought forward to the general ledger for the succeeding year.

(c) No changes shall be made in the accounts for periods covered by quarterly and annual reports that have been filed with the Commission unless the changes have first been authorized by the Commission.

1-5 *Accrual method of accounting.* The accounting for operating revenues, operating expenses, income and other items each month and year shall be, as nearly as practicable, upon the basis of accruals consistently applied. Any change in practice of accounting for accruals or any unusual accruals involving material amounts shall be reported promptly to the Commission.

1-6 *Charges to be just and reasonable.* All charges to the accounts prescribed in this system of accounts for carrier property, operating revenues, operating and maintenance expenses, and other carrier expenses, shall be just, reasonable and not exceed amounts necessary to the honest and efficient

Surface Transportation Board, DOT

Pt. 1201

operation and management of carrier business. Payments shall not exceed the fair market value of goods and services acquired in an arm's length transaction. Any payments in excess of such just and reasonable charges shall be included in account 551, *Miscellaneous income charges*.

1-7 *Changes in accounting estimates*. Changes in accounting estimate arising during the current year which are applicable to prior years shall be included in the same account which would have been charged or credited if the item had been taken up or the adjustment made in the year to which it pertained. [See Instruction 1-2(d)(5) for Accounting Changes].

[42 FR 35017, July 7, 1977, as amended at 52 FR 4324, Feb. 11, 1987]

1-8 *Accounting for computer systems and word processing costs*. (a) Capitalized costs for computer systems and word processing equipment shall be charged to property account 59, when such costs are not dedicated to a particular function (See Account 59). Related depreciation expenses for capitalized costs shall be charged to account 62-23-00, Depreciation, Other Equipment.

(b) Repair and maintenance costs related to computer systems and word processing equipment shall be charged to function 46 of the Other equipment subactivity by appropriate natural expense (labor, material, purchased services, other). Repairs performed by an outside company shall be charged to operating expense account 39-23-46.

(c) Operating costs related to computer systems and word processing equipment shall be charged to function 87, Management services and data and word processing, when the equipment benefits more than one activity. When the equipment benefits one activity only, such operating costs shall be charged to the activity/function benefited.

[52 FR 4324, Feb. 11, 1987]

1-9 *Transactions with affiliated companies*. (a) The records and supporting data of all transactions with affiliated companies shall be maintained in a separate file. The types of transactions referred to in this paragraph are for management services or any other type

of services rendered, sale or use of facilities or any other type of assets or property. The file shall be maintained so as to enable the carrier, upon a Commission request, to furnish accurate information with supporting documentation about particular transactions within 15 days of the request. We do not intend the file to include data relating to ordinary carrier operations (e.g. lawful tariff charges or interchange of equipment).

(b) Each bill rendered by an affiliated company shall state specifically the basis used for determining charges, unless the file contains the information to support the specific basis for charges.

(c) Punched cards, magnetic tapes, discs, or other machine-sensible devices used for recording, consolidating, and summarizing accounting transactions and records with a carrier's electronic or automatic data processing system may constitute a file within the meaning of this instruction.

(d) The carrier shall record, as the cost of assets or services received from an affiliated supplier, the invoice price (plus any incidental costs related to those transactions) in those cases where the invoice price can be determined from a prevailing price list of the affiliated supplier available to the general public in the normal course of business. If no such price list exists, the charges shall be recorded at the lower of their cost to the originating affiliated supplier (less all applicable valuation reserves in case of asset sales, or their estimated fair market value determined on the basis of a representative study of similar competitive and arm's-length or bargained transaction. Any difference between actual transaction price and the above, as well as charges that are not transportation related, shall be considered of a financing nature and shall be recorded, accordingly, as nonoperating charges or credits. (See instruction 1-6.)

(e) Nothing contained herein shall be construed as restraining the carrier from subdividing accounts (see instruction I-3(e)) for the purpose of recording separately transactions with affiliated companies.

(f) Carriers reporting information on a consolidated or combined basis in railroad Annual Report Form R-1 shall maintain a file with appropriate records and supporting data. This shall include work sheets showing revenues, expenses, earnings, investment in assets and accumulated depreciation for all affiliated railroads and rail-related affiliated companies. The work sheets shall also disclose any eliminations. Carriers shall also disclose the methodology used to support segregation of rail-related or other items as appropriate. Further, a file shall be maintained to support and reconcile entity sales, transfers and reclassifications as well as taxes deducted from gains or losses.

[42 FR 35017, July 7, 1977, as amended at 53 FR 46620, Nov. 18, 1988]

1–10 *Accounting for income taxes.* (a) The interperiod tax allocation method of accounting shall be applied where material timing differences (see definition 20(e)) occur between pretax accounting income and taxable income. Carriers may elect, as provided by the Revenue Act of 1971, to account for the investment tax credit by either the flow through method or the deferred method of accounting. See paragraphs (d) and (e) below. All income taxes (Federal, state and other) currently accruable for income tax return purposes shall be charged to account 556, *Income taxes on ordinary income*, and account 590, *Income Taxes on Extraordinary Items*, as applicable.

(b) Under the interperiod tax allocation method of accounting the tax effect of timing differences (see definition 20) originating in the current accounting period are allocated to income tax expense of future periods when the timing differences reverse. Similar timing differences originating and reversing in the current accounting period should be combined into groups and the current tax rates applied to determine the tax effect of each group. A carrier shall not apply other than current tax rates in determining the tax effect of reversing differences except upon approval of the Commission. When determining the amount of deferred taxes, rather than computing state and other taxes indi-

vidually by jurisdiction, the Federal income tax rate may be increased by a percent equivalent to the effect of taxes imposed by the jurisdictions. In classifying a deferred charge or credit as current or noncurrent a carrier shall follow the classification criteria used for the related asset or liability which caused the timing difference. A deferred charge or credit that is not related to an asset or liability because (a) there is no associated asset or liability or (b) reduction of an associated asset or liability will not cause the timing difference to reverse shall be classified based on the expected reversal date of the specific timing difference. Such classification disregards any additional timing differences that may arise and is based on the criteria used for classifying other assets and liabilities.

(c) The future tax benefits of loss carryforwards shall normally be recognized in the year in which such loss is applied to reduce taxes. Only in those unusual instances when realization is assured beyond any reasonable doubt should the future tax benefits of loss carryforwards be recognized in the year of loss. The tax effects of any realizable loss carrybacks shall be recognized in the determination of net income (loss) of the loss periods; appropriate adjustments of existing net deferred tax credits may also be necessary in the loss period.

(d) Carriers electing to account for the investment tax credit by the flow through method shall credit account 556 *Income taxes on ordinary income*, or account 590, *Income taxes on extraordinary items*, as applicable, and charge account 760, *Federal income taxes accrued*, with the amount of investment tax credit utilized in the current accounting period. When the flow through method is followed for the investment tax credit, account 557, *Provision for Deferred Taxes*, shall reflect the difference between the tax payable (after recognition of allowable investment tax credit) based on taxable income and tax expense (with full recognition of investment tax credit that would be allowable based on accounting income) based on accounting income.

(e) Carriers electing to account for the investment tax credit by the deferred method shall concurrently with making the entries prescribed in (d) above charge account 557, *Provision for deferred taxes*, or account 591, *Provision for deferred taxes—extraordinary item*, as applicable, and shall credit account 786, *Accumulated deferred income tax credits*, with the investment tax credit utilized as a reduction of the current year's tax liability but deferred for accounting purposes. The investment tax credit so deferred shall be amortized by credits to account 557, *Provision for deferred taxes*.

NOTE A: Any change in practice of accounting for the investment tax credit shall be reported promptly to the Commission. Carriers desiring to clear deferred investment tax credits because of a change from the deferral method to the flow through method shall submit the proposed journal entry to the Commission for consideration and advice.

NOTE B: The carrier shall follow generally accepted accounting principles where an interpretation of the accounting rules for income taxes is needed or obtain an interpretation from its public accountant or the Commission.

[42 FR 35017, July 7, 1977, as amended at 47 FR 12350, Mar. 23, 1982; 52 FR 4321, Feb. 11, 1987]

1-11 *Items in texts of accounts.* The items appearing in the texts of the accounts or elsewhere herein are for the purpose of more clearly indicating the application of the prescribed accounting. The items are intended to be representative, but not exhaustive. The appearance of an item in the text of a primary account warrants the inclusion of the item in the account mentioned only when the whole text also indicates inclusion inasmuch as the same item frequently appears in more than one primary account. The proper entry in each instance must be determined by the entire text of each primary account.

1-12 *Distribution of pay and expenses of employees.* (a) The pay and expenses of officers or employees regularly assigned to specific duties who perform incidental services of a different nature involving small expense may be included in the appropriate expense accounts for the duties to which such officers or employees are regularly assigned.

(b) When it is necessary to apportion the pay of officers and employees among various accounts, the carrier shall apportion the pay on the basis of the directly assignable pay to the various accounts.

1-13 *Payroll related expenses.* (a) Fringe benefits (account series 12-00-00) distributed to the activities using one of the following techniques (in order of preference):

(1) Apply appropriate factors to the total of the fringe expense account, in such a way as to distribute an equitable proportion of cost to each activity. These factors shall be developed to take into account variables such as the following:

(i) The effect of seniority on the expense. For example, profit sharing or pensions may be available to only certain categories of employees, which may be more predominant in one activity than another.

(ii) The effect of the type of work performed. For example, workmen's compensation expense may vary for each category of employees because of the rate charged or the claims experience of the category.

(iii) Any other variable which may have an appreciable effect on the equity of the apportionment.

(2) Distribute the amount in the same proportion as the pay charged to each activity in account series 11-00-00 (salaries and wages).

(3) Distribute the amounts using any other equitable basis which the carrier can substantiate.

(b) All carriers shall be prepared to describe the basis of apportionment used to distribute expenses included in this instruction.

(c) Any carrier which finds it impracticable to distribute expenses as required by this instruction should furnish the Commission with full particulars of the conditions which prevent the proper distribution. Upon receipt of such information carrier will be advised of the procedure to be followed.

1-14 *Submission of questions.* To maintain uniformity of accounting, carriers shall submit questions of doubtful interpretation to the Commission for consideration and decision.

1–15 *Transfers from government authorities.* When a Federal, State, or municipal government transfers cash or other assets to a railroad, the transaction shall be accounted for in accordance with the provisions set forth hereunder.

(a) The following forms of government transfers shall be included in account 502, *Railway Operating Revenues—Transfers from Government Authorities for Current Operations* when received:

(1) Payments as reimbursement for operating losses sustained on a specific line, or in a certain region. Examples include support of commuter operations of a railroad, and local rail service assistance subsidies granted to a railroad under authority of the Railroad Revitalization and Regulatory Reform Act of 1976;

(2) Subsidies designated by the donor to offset operating expenses of the railroad, and

(3) Subsidies which may be applied at the discretion of the recipient to operating expenses and/or operating property.

(b) Government transfers relating to the acquisition, addition to, or improvement of depreciable operating property shall be included in account 783, *Deferred Revenues—Transfers from Government Authorities* when received. Account 783 shall be periodically charged, and account 503, *Railway Operating Revenues—Amortization of Deferred Transfers from Government Authorities* shall be credited with amounts equal to the depreciation costs of the assets to which they apply.

(c) Government transfers in the form of, or designated for the purchase of nondepreciable operating property shall be included in account 796, *Other Capital Surplus* in the manner described in the text of that account.

(d)(1) Transfers from the Federal Government to Amtrak and ConRail relating to the acquisitions, addition to, or improvement of depreciable or nondepreciable operating property shall be included in account 796 in the manner described in the text of that account.

(2) Transfers from the Federal Government to Amtrak and ConRail other than those described in paragraph (d)(1)

shall be accounted for in accordance with paragraph (a) of this section.

(e) The provisions of this section do not apply to the following forms of government transfers:

(1) Government contributions in connection with construction projects in which government agencies and railroads participate. Transfers of this type shall be accounted for in accordance with the provisions of instruction 2–17. Paragraph (b) of that instruction lists applicable construction projects.

(2) Government payment for specific services rendered by the carrier in transporting property or persons by rail line other than services described in paragraph (a)(1) of this section. Such payments shall be included in account 501, *Railway Operating Revenues (Exclusive of Transfers from Government Authorities)*.

(3) Government transfers relating to other than carrier operations.

(4) Government transfers in exchange for debt and/or equity securities of recipients.

(f) Government transfers shall generally be recorded when made available to the railroad. However, transfers relating to specific operations shall be recorded as earned.

(g) Government transfers in the form of assets other than cash shall be recorded at fair value when received.

[43 FR 30558, July 17, 1978, as amended at 52 FR 4321, Feb. 11, 1987]

1–16 *Business entertainment expenses.*

(a) Business entertainment expenses are to be accounted for as operating expenses when incurred in conjunction with sales or marketing related activities. Sales or marketing related activities are those that emphasize a carrier's ability to provide efficient, timely and competitive service. These activities include outlays designed to promote new business as well as outlays incurred in maintaining existing business. The entertainment expenditures must be reasonable in relation to the business conducted and the business purpose for the entertainment must be adequately supported. Examples of this type of activity include the following:

Surface Transportation Board, DOT

Pt. 1201

(1) Salespersons' salaries and travel expenses, advertising, promotional and educational material;

(2) The conduct of shipper symposiums, conferences, meetings and traffic related functions;

(3) The use of direct mail solicitations and the publication and distribution of routing guides and service directories;

(4) Incidental promotional materials such as road atlases, calendars, pens, scratchpads, and other materials of nominal value;

(5) The conduct of business oriented lunches and dinners, public affairs programming, conferences and customer service calls;

(6) Sponsoring sales promotion functions, involving a number of customers or potential customers.

It must be noted that an activity listed above is not to be automatically accounted for as an operating expense. A carrier must be able to justify that an activity was primarily sales or marketing related.

(b) Business entertainment expenses are to be accounted for as non-operating expenses when they cannot be shown to be related to the sales or marketing activity. These are expenses that are primarily related to recreation or to the convenience and comfort of the individuals rather than to the transaction of business. Examples of this type of activity include the following:

(1) Recreational or resort entertainment, including but not limited to, fishing, hunting, tennis, golfing, skiing or other sporting or recreational trips or outings;

(2) Expense paid transportation in any carrier owned, leased or furnished vehicles, planes, helicopters, boats, yachts, or other methods;

(3) Expense paid lodging in any carrier owned, leased or furnished motels, hotels, apartments, condominiums, lodges, rooms and other places of overnight accommodation;

(4) Paid admission to any sporting, cultural, educational, recreational, or entertaining occurrence or event;

(5) Gifts such as athletic equipment, food or liquor, beverages of all types, smoking materials, clothing and personal accessories;

(6) The furnishing of lunches, dinners, appetizers or beverages where there is no true business purpose;

(7) Social occasions such as holiday parties.

It must be noted that an activity listed above is not to be automatically accounted for as a non-operating expense. If a carrier can justify that the activity was primarily sales or marketing related, it may be accounted for as an operating expense.

NOTE: The examples listed above are not inclusive, but are intended as a guide to give carriers an indication of what will or will not be permitted to be recovered through the rate structure. In all instances the burden of proof will fall on the carrier involved.

[47 FR 9467, Mar. 5, 1982, as amended at 52 FR 4321, Feb. 11, 1987]

1-17 *Disclosure guideline.* In addition to the accounting policies presented in these regulations, all disclosures relating to APB Opinions and FASB Statements adopted by the Commission are required.

[52 FR 4324, Feb. 11, 1987]

INSTRUCTIONS FOR PROPERTY ACCOUNTS

2-1 *Items to be charged.* (a) To the road and equipment property accounts shall be charged the cost of purchasing land, the cost of purchasing and constructing buildings, facilities and equipment, and the cost of additions and betterments to property. *Cost* means the amount of cash disbursed, or the fair value of other assets distributed, or the present value of amounts to be paid. Where the fair market value of resources given up (assets, services or items of stockholder's equity) is not clearly determinable, the cost may be determined by the fair market value of the resources acquired. The carrier shall be prepared to furnish the Commission with the particulars of its method of determining cash value when the consideration is other than monetary. The amount of liabilities incurred with suppliers in the normal course of business, which are due in customary trade terms not exceeding

approximately one year, shall be recorded at the maturity value. Acquisition date is the date title passes to the carrier.

(b) The cost of road and equipment purchased under a plan involving other deferred payments (debt or capital lease) shall be recorded at the discounted present value of the payment, net of executory costs such as insurance, maintenance, and taxes. The interest rate used to discount the payments should be the prevailing market rate for similar debt instruments of issues with similar credit ratings. In any event, the rate used for valuation purposes will normally be at least equal to the rate at which the carrier can obtain financing of a similar nature from other sources at the date of the transaction (the carrier's incremental borrowing rate). In the case of a capital lease, when it is practical to ascertain the implicit rate computed by the lessor, and that rate is less than the carrier's incremental borrowing rate, the carrier should use the implicit rate. Acquisition date for a capital lease is the date the lease agreement is signed. If the property covered by the lease has yet to be constructed or has not been acquired by the lessor at the date the lease agreement or commitment is signed, the acquisition date shall be the date the property under construction is completed or the date the property not yet acquired is acquired by the lessor. (See Instruction 2–20.)

(c) Where actually incurred, interest cost is to be added to the cost of road and equipment deemed *qualifying assets* during the period of time required to get them ready for their intended use (acquisition period). *Qualifying assets* are those that are (1) either constructed or otherwise produced for a carrier's own use (including assets constructed or produced for the carrier by others for which deposits or progress payments have been made) or (2) assets intended for sale or lease that are constructed or otherwise produced as discrete projects. The amount of interest to be capitalized for qualifying assets shall be based upon the average amount of accumulated expenditures for the asset during the acquisition period at the rate used on specific new borrowings associated with the qualify-

ing asset. If average accumulated expenditures for the asset exceed the amount of specific new borrowings associated with the asset, the rate to be applied to such excess shall be a weighted average of the rates applicable to other borrowings of the enterprise. The total amount of interest cost capitalized in an accounting period shall not exceed the total amount of interest cost incurred by the enterprise during that period.

(d) Suitable records shall be maintained showing expenditures during the year for original road and equipment and road extensions; for merger and purchase of existing lines and reorganizations; for additions and betterments; and credits for property retirement.

(e) When the carrier exchanges road and equipment for other road and equipment with no other consideration involved, the road and equipment received shall be recorded at the ledger value of the road and equipment relinquished. Where the carrier receives a monetary consideration in the exchange, the carrier shall recognize gain on the exchange to the extent that the consideration received exceeds a proportionate share of the recorded cost of the road and equipment surrendered. The portion of the cost applicable to the realized amount shall be based on the ratio of the monetary consideration to the total consideration received (monetary consideration plus the estimate fair value of the road and equipment received) or, if more clearly evident, the fair value of the road and equipment transferred. Where the carrier pays a monetary consideration in the exchange, it shall not recognize any gain on the transaction but shall record the road and equipment received at the amount of the monetary consideration paid plus the recorded costs of the road and equipment surrendered. If a loss is indicated by the terms of an exchange transaction, the carrier shall recognize the entire loss on the exchange. Immaterial gains and losses on these exchanges shall be included in account 519, Miscellaneous Income, or 551, Miscellaneous Income Charges, as appropriate. Material amounts shall be

Surface Transportation Board, DOT

Pt. 1201

recorded in accordance with Instruction 1-2(d).

[52 FR 4324, Feb. 11, 1987]

2-2 *Minimum rule applicable to additions to property.* An exception to the rule in Instruction 2-1 is that when the cost of acquisition of units of road property and of additions to existing units of road property (other than land and tracks) is less than \$5,000, such costs may be charged to operating expenses. This amount (rounded to the nearest \$100) will be adjusted by the June Producer Price Index for all commodities when an aggregate adjustment is \$500 or more. The revision will be published in the Federal Register and be effective as of January 1 of the following year. The carrier shall not parcel expenditures under a general plan bringing the accounting for such expenditures within this minimum rule. An amount of less than the current minimum capitalization level, for the railroad as a whole or for individual property accounts may be adopted for purposes of this rule provided the carrier first notifies the Commission of the amount it proposes to adopt and thereafter makes no change in the amount unless authorized by the Commission. An amount adopted shall be adhered to in reporting property changes for valuation purposes.

[55 FR 42016, Oct. 17, 1990]

2-3 *Land.* (a) Accounts are provided for the cost of land used in transportation operations and also for land used in other than transportation operations. When land is retired from transportation operations but is retained by the carrier the original cost (estimated, if not known) shall be transferred to the account prescribed for property used in other than transportation operations. It is not contemplated that irregular parcels of land acquired in connection with acquisition of right-of-way which have no value as commercial property shall be thus transferred, either for the purpose of making right-of-way boundaries run more or less regular or for the purpose of eliminating from transportation property account the cost of unoccupied lands between tracks in yards and terminals. When any land, the cost of

which is included in the accounts, is sold or otherwise retired, the ledger value shall be credited to the appropriate property investment account. The profit or loss from sale or loss from retirement or land shall be included in the accounts prescribed for such amounts.

(b) [Reserved]

[42 FR 35017, July 7, 1977, as amended at 52 FR 4324, Feb. 11, 1987]

2-4 *Structures.* Accounts are provided for the cost of several classes of buildings and facilities, including fixtures permanently attached to and made a part thereof. When a building or other structure is used or held primarily for transportation operations and is an integral part of the carrier's transportation plant, but a part thereof is used or held for commercial purposes such as for rental to others or for use in other than transportation operations by the carrier, the entire cost of the building or other structure is includable in the accounts for transportation property. When a building or other structure is used or held primarily for commercial purposes or for use in other than transportation operations by the carrier, the entire cost of the building or structure is includable in account 737, *Property used in other than carrier operations*. Reclassification of property from its primary classification as transportation or other than transportation property, as the case may be, to the other classification is not required where changes in use are of a temporary nature or for a short period of time. The accounting for costs of maintenance, taxes, other operating costs, and for revenues and rentals shall be consistent with the classification of the building or other structure.

2-5 *Equipment.* Accounts are provided for several classes of equipment, such as locomotives, passenger-train cars, freight-train cars, highway revenue equipment, work equipment, floating equipment, and the necessary appurtenance, furniture, and fixtures first to equip for service, including the cost of inspection, setting up, and trying out, and transportation over foreign lines; also the cost of additions and betterments, such as improved appliances, parts, or appurtenances.

When retired equipment is held without being torn down, the estimated value of the salvage therefrom shall be included in account 741, *Other assets*, until the salvage is recovered, except that the estimated scrap value of retired equipment held for sale in the ordinary course of business, and on which sale and realization of the proceeds within one year is assured, is includable in account 713, *Other current assets*.

2–6 *Components of construction cost.* The cost of constructing property includable in the property accounts shall include the direct and other costs as described hereunder.

(a) *Cost of labor.* This includes the amount paid for labor expended by the carrier's own employees, including the cost of labor expended for preliminary work, such as sinking test holes or making soundings for tunnels, grading, buildings, and other structures; and cost of labor expended in laying and taking up tracks for temporary use in construction, except the cost of labor expended on tracks provided for the protection of traffic during the progress of addition and betterment work. The cost of labor shall also include the accounting company's expenditures for associated fringe benefits, such as vacation and holiday pay, health and welfare group insurance, pensions and retirement plans, payroll taxes and unemployment insurance. Office expenses and traveling and other personal expenses of employees, when borne by the carrier, shall be considered a part of the cost of the labor, as shall also the cost of fidelity bonds and employer's liability insurance premiums. When officers or employees are especially assigned to construction work their pay and their traveling and incidental expenses while thus engaged shall be included in the cost of the work. No charge shall be made against road and equipment accounts for the pay of officers and employees who merely render services incidentally in connection with extensions, additions, or betterments, although traveling and incidental expenses incurred by such officers and employees solely on account of such work shall be included in the account to which the cost of the work is chargeable.

(b) *Cost of materials and supplies.* This includes the purchase price of materials and supplies, including small tools, at the point of free delivery plus the cost of inspection and loading assumed by the carrier; a suitable proportion of store expenses; also sales and excise taxes on materials and supplies except as otherwise provided in the text of account 712, *Material and supplies*. In calculating the cost of materials used, proper allowance shall be made for the value of unused portions and of cuttings, turnings, borings, etc.; for the value of the material recovered from temporary tracks, scaffolding, cofferdams, and other temporary structures used in construction; and for the value of small tools recovered and used for other purposes.

(c) *Cost of work-train service.* This includes amounts paid to others for rent and maintenance of equipment used; cost of labor of enginemen, trainmen, and enginehousemen, including wages of engine crews and train crews held in readiness for such service; and cost of fuel and other supplies consumed in connection with the operation of work trains. It shall also include the cost of maintaining the carrier's own equipment used in construction service. Amounts representing constructive rent or return upon the investment in owned equipment shall not be included as a part of the cost of work-train service.

(d) *Cost of special machine service.* This includes the cost of labor expended and of materials and supplies consumed in maintaining and operating power shovels, scrapers, rail unloaders, ballast unloaders, pile drivers, dredges, ditchers, weed burners, and other labor-saving machines; also rents paid for use of such machines.

(e) *Cost of transportation.* This includes the amounts paid to other companies or individuals for the transportation of men, materials and supplies, special machine outfits, appliances, and tools in connection with construction. Freight charges paid foreign lines for the transportation of construction material to the carrier's line shall be included, so far as practicable, as a part of the cost of the material.

(f) *Cost of contract work.* This includes amounts paid for work performed

under contract by other companies, firms, or individuals, and costs incident to the award of the contract.

(g) *Cost of protection from casualties.* This includes expenditures for protection against fire, such as payments for discovery or extinguishment of fires, cost of detecting and prosecuting incendiaries, witness fees in relation thereto, amounts paid to municipal corporations and other for fire protection, and other analogous items of expenditure incurred directly in connection with construction work.

(h) *Cost of injuries and damages.* This includes expenditures on account of injuries to persons or damage to property when incurred directly as a result of construction projects, and shall be included in the cost of the work in connection with which the injury or damage occurs. It also includes that portion of premiums paid for insuring property applicable to the period prior to the completion or coming into service of the property insured. Insurance recovered on account of compensation paid for injuries to persons incident to construction shall be credited to the accounts to which such compensation is charged, and insurance recovered on account of damages to property incident to construction shall be credited to the accounts chargeable with the expenditures necessary for restoring the damaged property. The cost of injuries and damages incident to the removal of old structures, or parts thereof, shall be charged to operating expenses, except that such costs in connection with the removal of old structures which are incumbrances on newly acquired lands shall be included in accounts 2, *Land for transportation purposes*, or 3, *Grading*, as appropriate.

(i) *Cost of privileges.* This includes compensation for temporary privileges, such as the use of public property or streets, in connection with the construction of the property of the carrier.

(j) *Material excavated.* The cost of disposing of material excavated in connection with construction shall be considered as a part of the cost of work, except that when such material is used for filling, the cost of removal and dumping shall be equitably apportioned between the work in connection with which the removal occurs and the

work in connection with which the material is used.

(k) *Interest cost.* [See Instruction 2-1(c)].

[42 FR 35017, July 7, 1977, as amended at 52 FR 4325, Feb. 11, 1987]

2-7 *Additions to and retirements of property—General.* (a) In accounting for additions to and retirements and replacements of road and equipment property (excluding land) used in transportation operations, such property changes shall be considered as consisting of: (1) Units of property, and (2) other than units of property as prescribed in Instruction 2-19. Track property changes will be distinguished by units of property as approved by the Commission.

(b) The cost of removal of retired property, both depreciable and other than depreciable, when borne by the carrier, shall be charged, as appropriate, to account 11-13-39, *Personnel—Salaries and Wages—Way and Structures—Other—Dismantling retired property*, or 11-23-39, *Personnel—Salaries and Wages—Equipment—Other Equipment—Dismantling retired property*, and other appropriate accounts (including subactivities 11 and 12).¹

(c) An equitable proportion of a balance in property accounts 76, *Interest During Construction*, and 80, *Other elements of investment*, applicable to retired property shall be cleared from these accounts concurrently with the retirement accounting. Unless provided for otherwise, interest costs shall be capitalized in accordance with generally accepted accounting principles.

(d) When retired property is held and not removed, the estimated value of the salvage therefrom shall be included in account 741, *Other assets*, until the salvage is recovered, except that the estimated scrap value of retired property held for sale in the ordinary course of business, and on which sale and realization of the proceeds within

¹The references to solely related freight operating expense activity/subactivity numbers and titles used throughout the system are for convenience and brevity. Refer to the specific account texts to determine the appropriate solely related passenger and/or common expense activity/subactivity numbers.

one year is assured, is includible in account 713, *Other current assets*.

(e) The accounting for track additions and retirements (with and without replacement) shall be guided by Instruction 2–10.

[42 FR 35017, July 7, 1977, as amended at 46 FR 10920, Feb. 5, 1981; 48 FR 7183, Feb. 18, 1983; 49 FR 2254, Jan. 19, 1984; 52 FR 4321, Feb. 11, 1987]

2–8 *Additions to and retirements of units of property.* (a) When a unit of road or equipment property is added to the plant, the cost thereof shall be included in the appropriate primary account. When a unit of property is retired, with or without replacement, the cost thereof shall be written out of the property account at time of retirement.

(b) When a unit of road or equipment property (or a minor item not replaced) classified as depreciable and included in the accounts prescribed for depreciable property is retired the service value shall be charged to account 735, *Accumulated depreciation; Road and equipment property*.

(c) When road property (other than a minor item constituting repairs) classified as other than depreciable property is retired, the cost thereof shall be cleared from the property account and the service value shall be charged to account 61–13–99, *General—Other Expenses—Way and Structures—Other—Other*. When the retirement requires Commission approval, the carrier shall clear the cost from the property account upon the effective date of the abandonment. Subactivities 11 and 12 also apply.

(d) When property included in the depreciable accounts but excluded from the depreciation base is retired, the service value (including engineering expenditures assignable to retired property but not included in the depreciation base) shall be charged to operating expense.

2–9 *Additions and retirements of other than units of property.* (a) When an item of road or equipment property, other than a complete unit, is added to the plant and the addition is not a replacement, the cost thereof shall be accounted for in the same manner as an addition of a complete unit of property,

subject to the minimum rule applicable to road property (see Instruction 2–2). When an item of property other than a complete unit (minor item) is replaced, independent of the complete unit of which it is a part, the cost of replacement shall be treated as maintenance and charged to operating expenses. If the replacement constitutes an improvement then the cost of replacement should be accounted for as a rebuilding expenditure under Instruction 2–12.

(b) When second-hand property acquired is in such physical condition that it is necessary to rehabilitate the property to bring it up to the standard required by the carrier, the cost of such rehabilitation shall be included in the appropriate account for the property.

[42 FR 35017, July 7, 1977, as amended at 55 FR 42016, Oct. 17, 1990]

2–10 *Additions to and retirements of track.*

(a) When track or its components are added to the plant, the cost shall be included in the track primary account. When track components are replaced as part of a track replacement program, the replacement cost shall be accounted for as an addition to the track property account. The cost of track components which are retired with or without replacement shall be written out of the track property account at the time of retirement.

(b) When track is retired the service value (ledger value less net salvage) shall be charged to account 735, *Accumulated depreciation; Road and equipment property*.

(c) All repairs of tracks shall be accounted for as operating expenses.

(d) Track investment written out of the accounts shall be at original cost or estimated standard or average cost for that density category. Material to be reused shall be put in an investment pool at unrecovered cost and, when reused, included in the appropriate density category at the average cost of the investment pool.

[48 FR 7183, Feb. 18, 1983]

2–11 *Expenses in connection with additions and betterments.* The cost of removing old material from equipment and from buildings, bridges, wharves,

tracks, and other fixed improvements, shall be charged to the appropriate operating expense accounts. Such charges shall include the cost of removing old foundations and filling old excavations, and restoring condition of grounds after addition and betterment work; and maintaining or protecting traffic during the progress of addition and betterment work, including the cost of constructing, maintaining, and removing temporary tracks required for maintaining traffic during the progress of the work.

[42 FR 35017, July 7, 1977. Redesignated at 48 FR 7183, Feb. 18, 1983]

2-12 *Units of property rebuilt or converted*—(a) *Rebuilding expenditures*. Carriers shall be governed by the following provisions when determining and accounting for depreciable road and equipment property rebuilding expenditures:

(1) Rebuilding expenditures are those cost actually incurred which substantially extend the service life or substantially increase the utility of depreciable road and equipment property. The rebuilding expenditures shall be material in nature relative to the current replacement cost of a similar new unit of road or equipment property. Expenses resulting from delayed maintenance and repairs shall not be considered in determining materiality.

(2) The phrase *extend the service life* means to extend the life of a property unit past its estimated service life.

(3) The term *increased utility* means that the road or equipment property has become more useful, more efficient, more durable, or has greater capacity.

(4) Rebuilt or converted road or equipment property shall be accounted for as an addition to the appropriate property accounts, with the old units accounted for as retired from service. The charge to the appropriate property accounts shall be composed of (i) the cost (estimated if necessary) less a fair allowance for depreciation, or salvage value, whichever is lower, of the parts reused, (ii) the cost of labor expended in rebuilding or in the conversion process, (iii) the cost of additional materials applied, and (iv) any other expenses incurred directly with the re-

building or conversion. In no case shall the total amount charged to the property accounts for these units exceed the current replacement costs of similar new units that would be used for the same purpose. When a unit of road property or equipment is transferred from one class of service to another, with or without physical conversion, the unit shall be accounted for as retired from its original account and be recorded in a primary investment account appropriate to its new class of service.

(5) If it is necessary to repair the secondhand or reused parts remaining in a rebuilt unit, the repair cost may be added to the value assigned parts in determining the related cost to be capitalized. Associated dismantling costs shall be included in operating expenses.

(b) *Repair expenses*. Expenses pertaining to road and equipment property, which represent normal or delayed repairs and maintenance, shall be expensed in the year incurred.

(c) *File and Storage*. Carriers shall keep records of each rebuilding program readily available. These records shall be provided to representatives of the Commission when requested. The retention period shall be as required by 49 CFR part 1220, Preservation of Records.

[44 FR 67426, Nov. 26, 1979. Redesignated at 48 FR 7183, Feb. 18, 1983, and amended at 52 FR 4321, Feb. 11, 1987]

2-13 *Changes in line of road and relocation of yard tracks*.

(a) When changes are made in a line of road for the purpose of reducing curves or grades, or to eliminate bridges, tunnels, tracks in the installation of a centralized traffic control system, or other physical features, the part of the line so changed shall be considered property retired and its ledger value credited to the property accounts. The new line of road, including land, grading, ballast, track elements, and other transportation facilities serving the road shall be considered an addition and the cost charged to the property accounts. The cost of track changes which do not involve change in the existing roadbed shall be charged to operating expenses, even though the tracks may be dismantled in the process, but the resulting track

extensions or reductions shall be accounted for as additions or retirements as appropriate.

(b) The cost of shifting or rearranging tracks within a yard shall be charged to operating expenses, even though the tracks may be dismantled in the process, but resulting increases or decreases in grading, ballast, or track length shall be accounted for as additions or retirements, as appropriate. Where tracks in whole or in part within a yard are determined to be no longer permanently used, the ledger value of such tracks shall be eliminated from the property account. If yard tracks and facilities are constructed in another location to take the place of tracks retired, such tracks and facilities shall be accounted for as additions and the cost thereof shall be included in the property account.

[48 FR 7183, Feb. 18, 1983]

2–14 *Track connections.* (a) When the accounting carrier bears the construction cost of a connecting track situated on the property of another carrier, but acquires the salvage rights to the track, the cost of the track construction shall be charged to account 731, *Road and equipment property*.

(b) When carriers (1) share the cost of constructing a connecting track of which a portion is situated on each carrier's right-of-way, and (2) own and obtain the salvage rights to the track segment located on their respective properties, the construction cost borne by each carrier shall be charged to account 731, *Road and equipment property*.

(c) The cost of constructing a track connection on the right-of-way of another carrier which acquires the ownership of and salvage rights to the track, shall be charged by the carrier bearing such cost to accounts 37–11–00, *Purchased service—Joint facility—Debit—Way and Structures—Running*, or 37–12–00, *Purchased services—Joint facility—Debit—Way and Structures—Switching*. The owner carrier shall charge the amount of the construction cost to account 731, *Road and equipment—property*, with contra credit to accounts 38–11–00, *Purchases services—Joint facility—Credit—Way and Structures—Running*, or 38–12–00, *Purchases services—Joint facility—Credit—Way and Structures—*

Switching. Material amounts for such costs shall be referred to the Commission for consideration and decision.

(d) The cost of constructing a side track under a deposit refund agreement shall be charged to account 731, *Road and equipment property*. The deposit shall be credited to account 782, *Other liabilities*. Deposit amounts refunded during the agreement period shall be charged to account 782, *Other liabilities*. Upon termination of the agreement, the amount of any unrefunded deposit shall be credited to the applicable primary property accounts on an equitable basis.

2–15 *Merger, consolidation, and purchase of a railway operating entity or system.* (a) When a railway or portion thereof constituting an operating unit or system is acquired by merger or consolidation in a pooling of interests or by purchase the cost of acquisition represented by cash, capital stock or other securities issued or assumed, liabilities assumed, and other consideration, shall be recorded in the accounts in the manner stated hereunder. Separate instructions are provided for a merger of subsidiaries.

(b) Pooling of interests:

(1) When the acquisition results from a merger or consolidation constituting a pooling of interests, in which all or substantially all of the equity interest in predecessor companies continue, as such, in a surviving company or a new company created for the purpose, the road and equipment, the other assets, and the liabilities of the predecessor companies, together with the balances in the accumulated amortization and depreciation accounts and the retained earnings accounts shall be recorded in the appropriate balance sheet accounts at the amounts shown in the accounts of predecessor companies, adjusted as may be necessary to conform with the accounting rules of the Commission. Such adjustments shall be included in retained earnings or the other accounts that would have been appropriate had the adjustments been made in the books of account of the predecessor company.

(2) When the total par or the stated value of no par capital stock issued or outstanding pursuant to the pooling of interests is more than the aggregate

amount of the capital stock of the separate companies before such pooling of interests, the excess shall be charged to account 795, *Other capital*, if unrestricted capital is available for such purpose; otherwise, the excess shall be charged to retained earnings.

(3) When the total par or stated value of no par capital stock issued or outstanding pursuant to the pooling of interests is less than aggregate amount of the capital stock of the separate companies before such pooling of interests, the difference for reduction in capital stock shall be credited to account 795, *Other capital*.

(c) Purchase:

(1) When the acquisition results from a purchase (except from subsidiaries controlled through ownership of the majority share of voting stock) including mergers or consolidations other than pooling of interests, the amount includible in account 731, *Road and equipment property*, shall be the cost at the date of acquisition to the purchaser of the transportation property acquired. The cost assigned the property, as well as other assets acquired, shall be the amount of the cost consideration given. Where property and other assets are acquired for other than cash, including liabilities assumed and shares of stock issued, cost shall be determined by either the fair value of the consideration given or the fair value of the assets acquired, whichever is more clearly evident. In addition to any liabilities assumed, provision shall be made for such estimated liabilities as may be necessary.

(2) When the costs of individual units or classes of transportation property are not specified in the agreement, the cost assigned such property shall be apportioned among the appropriate primary accounts using the percentage relationship between the fair values for each class of property acquired and the total of such values.

(d) Merger of subsidiaries:

The acquisition and merger of property of subsidiaries controlled through ownership of the majority shares of voting stock is to be accounted for as a pooling of interests or as a purchase depending on the circumstances in each case. Where control was initially acquired through issuance of capital

stock to stockholders of the subsidiary the rule applicable to pooling of interests ordinarily is applicable. Where control was initially acquired through purchase of stock the rule applicable to purchase of property may be appropriate even though the shares were purchased gradually from time to time over a period of years, in which event recognition of retained earnings since date of acquisition assignable to such shares may be proper. The journal entry pertaining to acquisition of property of subsidiaries shall be submitted to the Commission for consideration based on the principles herein and procedures for which there is authoritative support, and the accounting for the merger shall become final only after approval by the Commission.

2-16 *Reorganization of railway*. (a) When a railway reorganization or receivership has been consummated, the assets acquired, liabilities assumed, and the capital stock or other securities issued or assumed, and other consideration, shall be recorded in the accounts in the manner stated hereunder. An adjustment of capitalization resulting in modification and reformation of classes of securities pursuant to voluntary action of the holders of securities but not resulting in a formal reorganization following a bankruptcy or other receivership proceedings (sometimes called a quasi-reorganization) is not covered by this instruction 2-16. Reduction of capital stock and other contributions to capital by stockholders shall be recorded in accordance with the instructions in the text of account 795, *Other capital*.

(b) The amounts includable in primary road and equipment property accounts shall be recorded at cost as shown in the predecessor companies' accounts except as otherwise provided in paragraphs (c) and (d) of this instruction 2-16. The remaining assets and the liabilities of the predecessor companies, adjusted as necessary to conform with the accounting rules of the Commission, together with the balances in the accumulated amortization and depreciation accounts, shall be recorded in the appropriate balance sheet accounts.

(c) When the amount recorded for assets acquired is more than the par or

stated value of no par capital stock issued and other consideration paid, including liabilities assumed, the difference shall be applied to such extent as necessary and is available to provide first for any deficiency in past accrued depreciation on property classified as depreciable; and, second, for any estimated loss from retirement of a branch line, segment of track or other important facility indicated by supporting records to be imminent. The remaining amount of the difference, if any, shall be applied proportionately to reduce the amounts includable in the property accounts in accordance with paragraph (b) of this instruction 2–16, based on the percentage relationship between such difference and the aggregate cost of the property shown in the predecessor companies' accounts.

(d) When the amount applicable to the assets acquired is less than the par or stated value of no par capital stock issued and other consideration paid, including liabilities assumed, the accounting shall be referred to the Commission for consideration and decision.

2–17 *Construction projects in which governmental agencies, individuals, or others, and the carrier participate.* (a) The amount includible in the property account for construction projects in which the carrier and governmental agencies, individuals, or others participate shall be (1) the payment made by the carrier for its share of the cost of construction plus (2) the recorded cost (estimated if unknown) of property relinquished as a direct result of the arrangement and retired from service less the value of salvage recovered therefrom by the carrier and less depreciation accrued on depreciable property, which is part of the carrier's cost of the project. The amount so includable in the property account shall be distributed equitably among the primary accounts applicable to railway property constructed. This amount shall first be applied to railway facilities includable in accounts other than 4, *Other right-of-way expenditures*, or 39, *Public improvements—Construction*, then any remaining balance shall be included in account 4 or 39, as appropriate. In no case shall the amount included in the primary accounts for the railway facilities acquired exceed the

actual cost of constructing such facilities. The property account shall not include any cost or value for facilities or land contributed or paid for by governmental agencies, individuals or others. Property acquired as a specific contribution to capital by stockholders does not come under this rule. (See text of account 795, *Other capital*.)

(b) Construction projects as used in this section means widening of highways, construction of spillways, drainage canals, farm and other private passes, pipelines, drains or other facilities across the right-of-way; construction of overhead highway bridges, and railroad bridges over public highways and across streams, which provide a railroad use in the operation of trains and a public use in the uninterrupted passage of highway and river traffic; installation of warning signals to protect highway traffic; and industrial side tracks. Also, reconstruction and relocation of tracks and appurtenant facilities such as occur in connection with carrying out flood control, reclamation, and other public improvement projects where it becomes necessary to abandon part of the line of railroad and relocate the tracks.

2–18 *Leased property improvements and retirements.* The cost to lessee of structures, facilities, additions and betterments on leased property and for retirement of property the cost of which is included in account 732 *Improvements on leased property*, shall be accounted for in conformity with the principles in the instructions for property owned. When lessor's property is retired and replaced and lessee is not obligated to reimburse the lessor for the retired property other than through the replacement, the lessee shall (1) charge the cost of the replacement to account 732, *Improvements on leased property*, (2) discontinue accruing depreciation for lessor's retired property, and (3) when recording final settlement with the lessor, consider jointly the amount accrued in account 772, *Accrued liability; Leased property*, for lessor's retired property and the respective amounts for the replacement included in accounts 732, *Improvements on leased property*, and 733, *Accumulated depreciation; Improvements on leased*

Surface Transportation Board, DOT

Pt. 1201

property. When lessee is obligated to reimburse the lessor currently or at the termination of the lease for property retired other than through replacement, the lessee shall include the amount of the obligation in the appropriate liability account. The lessee shall furnish the lessor such information as is required to enable the lessor to perform necessary accounting. The accounting by the lessee and the lessor shall be consistent with contractual arrangements.

[47 FR 26635, June 21, 1982, as amended at 52 FR 4321, Feb. 11, 1987]

2-19 *List of units of property.* (a) This list of units is established for the purpose of designating the units of property to be used in accounting for additions to and retirements and replacements of property. Detailed information is included in instructions 2-7 and 2-8. Items listed under road property accounts are subject to the minimum rule applicable to additions to property. See instruction 2-2 pertaining to the minimum rule.

(b) This list of units will be revised from time to time as may be necessary to meet conditions. A carrier desiring to include in any account an appropriate unit not now specified therein may, upon approval of the Commission, make such authorized addition to this list of units.

(c) Rules applicable to units of property rebuilt or converted and to changes in line of road or tracks which involve accounting for units or property retired are set forth in instructions 2-12 and 2-13.

[42 FR 35017, July 7, 1977, as amended at 48 FR 7183, Feb. 18, 1983]

Account 3, Grading

A retaining wall, riprap (hand placed), a protecting dyke, a protecting crib, a wing dam, a revetment, mattress, pipe or other structures to provide drainage. Each entire installation.

Account 5, Tunnels and Subways

The entire masonry, entire timber, and entire metal lining of a tunnel or subway, including portals and wing walls.

Drainage. Entire installation.

Lighting. Each entire installation.

Ventilation. Each entire installation.

Account 6, Bridges, Trestles, and Culverts

A steel superstructure.

A concrete or stone substructure.

A concrete trestle, a complete bridge or approach.

A timber trestle, a complete bridge or approach.

Complete machinery for operating a movable span.

A protecting dyke, a protecting crib (a fender), a wing dam, a complete culvert. Each entire installation.

Account 7, Elevated Structures

Any applicable units listed under account 6, *Bridges, trestles, and culverts.*

Account 13, Fences, Snowsheds, and Signs

A complete snowshed.

One continuous mile of right-of-way fence.

One continuous mile of permanent sand or snow fence.

Account 16, Station and Office Buildings

A complete building, including attached platform.

A complete platform structurally detached from a building.

Each retaining wall installation.

Each timber trestle installation.

Each outside steam, water, air, etc., pipe line installation.

Each storm or sanitary sewer installation.

A complete fence.

Paving. Each complete installation.

A station stockyard. Each complete installation.

A track scale.

A track scale pit.

An outside crane or conveying system for handling freight.

A motor truck.

A motor tractor.

Any applicable units listed under other accounts.

Account 17, Roadway Buildings

Any applicable units listed under account 16, *Station and office buildings*, and 44, *shop machinery.*

Account 18, Water Stations

A complete water supply piping system.

A dam or reservoir.

A pump house.

Pumping machinery. Each complete installation.

A water tank. Each complete installation.

A complete track trough at one location.

A water crane. Complete with pit.

A water treating plant.

Account 19, Fuel Stations

A complete fuel supply system, including appurtenances.

Pt. 1201

A pump house.
A fuel oil storage tank (large).

Account 20, Shops and Enginehouses

A complete building, including attached platform.
A complete platform structually detached from a building.
A turntable.
A turntable pit.
A transfer table with machinery.
A transfer table pit.
A sand storage and handling and drying apparatus.
Outdoor bins. Each complete installation.
A lorry track system (outside).
A boiler washing plant. Each complete installation.
An overhead crane, outside.
Each outside pipe installation, steam, air, water, etc.
Each sewer installation, storm or sanitary.
Paving. Each complete installation.
Each shop fence or wall installation.
Any applicable unit under account 16, *Station and office buildings*.

Account 22, Storage Warehouses

A complete building, including attached platform.
A complete platform structurally detached from a building.
For additional items, see accounts 16 *Station and office buildings*, and 44, *Shop machinery*.

Account 23, Wharves and Docks

A timber float bridge.
A steel float bridge.
A wharf (including pile clusters).
A timber incline.
A bulkhead.
Jetties or breakwater.
Ferry racks (including pile clusters).
Float racks.
Each complete machinery installation.
For additional items, see accounts 3, *Grading*, 6, *Bridges, trestles and culverts*, and 44, *Shop machinery*.

Account 24, Coal and Ore Wharves

Car dumper complete.
Timber bridges.
Steel bridges.
Each complete machinery installation.
A loading or unloading machine complete.
Each coal or ore pocket installation.
For additional items, see accounts 6, *Bridges, trestles and culverts*, 16, *Station and office buildings*, 20, *Shops and enginehouses*, 23, *Wharves and docks*, and 44, *Shop machinery*.

Account 25, TOFC/COFC Terminals

A complete building.
A complete building, including attached platform and ramp.

49 CFR Ch. X (10–1–96 Edition)

A complete platform and attached ramp, structurally detached from a building.
A portable ramp.
A complete fence.
Paving, each complete installation.
An overhead crane, complete.
Each sewer installation.
A truck or tractor used exclusively at TOFC/COFC terminals.
Each floodlighting pole or tower installation.
Each floodlighting installation.
A power distribution system, complete.
Any applicable units listed under all other accounts.

Account 26, Communication Systems

A complete mile section or complete installation if less than a mile of pole line including cross arms, wires and appurtenances.
Each mile or complete installation of cable with associated parts.
Each mile or complete installation of conduit with associated parts.
A complete tower.
A complete installation at each location constituting a separate means of communication, such as radio, radar, carrier telephone, teletype, or other communication systems.
For additional items see account 16, *Station and office buildings*.

Account 27, Signals and Interlockers

A signal system installation complete, or section thereof, with associated parts, including masts, batteries, relays, ladder, etc.
A complete mile section or complete installation if less than a mile, or pole line including cross arms, wires and appurtenances.
Each mile or complete installation if less than one mile of cable with associated parts.
Each mile or complete installation if less than one mile of conduit with associated parts.
Switch movement with associated parts.
A complete building.
An interlocking plant complete (excluding machine).
An interlocking machine.
Signal bridge complete.
Each highway crossing protection installation complete.
Each car retarder installation complete.
A traffic control or C.T.C. system installation complete.

Account 29, Power Plants

Any applicable units listed under accounts 16, *Station and office buildings*, and 20, *Shops and enginehouses*.

Surface Transportation Board, DOT

Pt. 1201

Account 31, Power Transmission Systems

A continuous mile, or a separate installation if less than a mile, of catenary complete including catenary hangers, trolley wire and appurtenances.

A continuous mile, or a separate installation if less than a mile, of transmission line, including poles, wires, transformers, switches, and other appurtenances.

Each outside steam, air, etc., pipe line installation.

A manhole.

Substation or switching station complete.

Each mile, or installation if less than a mile, of third rail.

A catenary bridge or support.

A high-tension transmission tower.

Any applicable units listed under accounts 26, *Communication systems*, and 27, *Signals and interlockers*.

Account 35, Miscellaneous Structures

A complete building, including attached platform.

A complete platform structurally detached from a building.

A conveyor system complete.

An elevator system complete.

A blowing system complete.

Any applicable units listed under other accounts.

Account 37, Roadway Machines

Each roadway machine complete including accessories.

Each on and/or off-track automotive vehicle complete, including appurtenant special-purpose machinery.

Account 39, Public Improvements—Construction

Any applicable units listed under other accounts.

Account 44, Shop Machinery

A machine (including foundation and motor, if any), such as lathes, shapers, slotters, boring machines.

A furnace.

A boiler installation complete.

A motor vehicle used in shops only.

Testing equipment.

Overhead crane, complete.

Account 45, Power Plant Machinery

A power plant machine, including foundation, such as a turbine, rectifier, dynamo, generator.

Any applicable unit listed under account 44, *Shop machinery*.

Account 52, Locomotives

Diesel electric, lead or booster, i.e., “A” or “B” units.

Diesel electric. Extra or spare engines.

Electric locomotive.

Radio control locomotive.

Account 53, Freight-Train Cars

A complete car.

Motor equipment of a motor driven car.

A propulsion motor, including generator.

A freight container, complete.

Account 54, Passenger-Train Cars

A complete car, including interior furnishings.

Motor equipment of a motor driven car.

A propulsion motor, including generator.

Account 55, Highway Revenue Equipment

A complete vehicle.

A chassis.

A container.

A bogie.

Account 56, Floating Equipment

A complete vessel or boat, exclusive of machinery.

Machinery: a boiler, a motor, an engine.

Account 57, Work Equipment

(a) Rail equipment: (1) A complete car or machine, (2) A boiler, (3) An engine, (4) A motor, (5) Machinery equipment (with or without tractive machinery) such as concrete mixer, snow plow, derrick, steam shovel, or pile driver, (6) A complete motor equipment.

(b) Floating equipment—Work: (1) A complete vessel or boat, (2) A boiler, (3) An engine, (4) A motor. Any applicable units listed under other accounts.

Account 58, Miscellaneous Equipment

An airplane.

A complete vehicle.

Account 59, Computer Systems and Word Processing Equipment

A Mainframe

A Mini-computer

A Word processing system

A Printer

A Monitor

A Modem

A Storage device

[42 FR 35017, July 7, 1977, as amended at 52 FR 4325, Feb. 11, 1987]

2–20 *Accounting for leases.* (a) Leases shall be accounted for as capital leases whenever the lease meets one or more of the following four criteria:

(1) The lease transfers ownership of the property to the lessee by the end of the lease term,

(2) The lease contains a bargain purchase option,

(3) The lease term is equal to 75 percent or more of the estimated economic life of the property, and,

(4) The present value at the beginning of the lease term of the minimum lease payments equals or exceeds 90 percent of the fair value of the leased property to the lessor at the inception of the lease less any related investment tax credit retained by the lessor.

(b) If the lease does not meet any of the four criteria, the lease shall be classified and accounted for as an operating lease.

(c) When accounting for capital leases the lessee shall record the asset and the related obligation. The amount recorded as the asset and the obligation shall be the present value at the beginning of the lease term of the minimum lease payments during the lease term, excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor. However, if that amount exceeds the fair value of the leased property, the amount recorded as the asset and the obligation shall be the fair value. The lessee shall compute the present value of the minimum lease payments using its incremental borrowing rate unless (1) it is practicable to learn the implicit rate computed by the lessor and (2) the implicit rate computed by the lessor is less than the lessee's incremental borrowing rate. If both of those conditions are met, the lessee shall use the implicit rate.

(d) Leased assets that meet the criteria for classification as a capital lease shall be subject to depreciation over their useful lives in the same manner as assets owned. If the capital lease meets the criteria of either Instruction 2–20(a)(1) or 2–20(a)(2), the asset shall be amortized in a manner consistent with the lessee's normal depreciation policy for owned assets. If the lease does not meet either of these two criteria, the asset shall be amortized in a manner consistent with the lessee's normal depreciation policy except that the period of amortization shall be the lease term.

(e) The accounting accorded the lease shall be subject to the same considerations as other obligations in classifying them with current and non-

current liabilities in the classified balance sheet. Leases that meet the criteria requiring capitalization shall be recorded in those accounts that provide for carrier operating property or property used in other than carrier operations, as appropriate. The accounts shall segregate the amounts pertaining to capital leases.

(f) If the lease qualifies as an operating lease it should be accounted for by charging the rent to expense over the lease term. The rental expense should be recognized on a straight line basis over the lease term unless another method is more representative of the use and the benefits derived.

(g) The criteria specified in paragraph (a) should be applied to all leases regardless of the relationship between the lessor and the lessee unless it is clear that the terms of the lease transaction have been significantly affected by their relationship. In this situation, the accounting should be modified to recognize economic substance rather than legal form.

(h) In the case of subsidiary companies or companies under common control whose principal business activity is leasing property or facilities to the carrier, the carrier is encouraged to request special authority to file consolidated or combined financial statements. If the carrier does not wish to file consolidated or combined financial statements, capitalization of the lease will be required if the lease meets the criteria that would require capitalization.

NOTE: The carrier shall follow generally accepted accounting principles where an interpretation of the rules for lease accounting is needed or obtain an interpretation from its public accountant or the Commission.

[42 FR 56611, Oct. 27, 1977, as amended at 52 FR 4321, 4325, Feb. 11, 1987]

2–21 *Freight train car repair costing.* Class I railroads shall report the costs of repairing freight train cars by car types.

(a) The accounting for freight train car repair costs shall agree with the applicable instructions and texts of accounts in 49 CFR Part 1201 relating to the equipment repair process (see Note A).

(b) Railroads may assign either actual costs, standard costs, or a combination of both to the accounting process. Standard costs, if used, shall recognize the differences in performing repairs on various types of equipment, and the differences related to specific repair facilities. Standard costs shall be based on adequate operational data which are reviewed at least annually. The resulting variances (price, efficiency, capacity, etc.) shall be reasonably allocated back to the car types to derive the amounts reported in Form R-1.

(c) Railroads shall report repair costs by the freight train car types shown in Schedule 415 of Form R-1. In assigning repair costs, railroads may use either one of the following methodologies:

Level I: Job Order Cost System

Railroads may use a job order cost system for assigning repair costs to the car types for freight train cars. Under this methodology, railroads shall directly match direct labor and materials with the specific unit of equipment that was repaired. Actual costs, standard costs, or a combination of both may be used as stated above.

Level II: Alternative Repair Costs Methodology

Railroads not using the job order cost system shall report freight train car repair costs by using the methodology described below:

(1) The repair costs relating to heavy, program, or project repairs of freight train cars shall be directly assigned to the car types repaired by using actual or standard costs. A heavy repair is defined as a repair that is relatively so material in cost, repair time, or physical damage that management's involvement in the determination of the repair to be made is necessary and relatively greater than usual. Program or project repairs are those repairs which are performed under a predetermined plan where estimates costs, time periods, and car types to be repaired are identified.

(2) The repair costs relating to light and running repairs of system cars shall be allocated to the car types by using the Association of American Railroads' Car Repair Billing System (CRBS) as the process for distributing light and running repairs. The CRBS will be the tracking system for record-

ing the number of repairs, the car types and types of repairs. Then by applying the CRBS standard costs to the particular repairs, standard costs relationships by car type can be developed and used to distribute actual light and running repair cost pools to the car types.

(3) Railroads shall match repair costs billed by and paid to foreign roads with the car types that were repaired. Foreign billings for light and running repairs are usually conducted through CRBS, and therefore, the car types can be identified. For heavy off-line repairs, car type identification is possible because system management is generally involved with the authorization of such heavy repairs and car identification numbers are generally included in the billing process.

(4) Repair costs relating to foreign freight train cars shall also be reported by car types. However, a separate breakdown between foreign and system repair costs is not required for Commission reporting purpose. Car type identification for light and running repairs to foreign cars can be obtained from CRBS tapes. The cost of heavy repairs to foreign cars should be accumulated by car types. The resulting expense credits from foreign railroads should be assigned to the car types to which they relate.

(5) Railroads shall match any resulting expense credits with the car types to which they relate. This can occur, for example, when a railroad is charged with the repair costs of system cars, but the responsibility of the repair ultimately rests with and is paid by a foreign road.

(d) Railroads shall submit to the Commission any repair cost by car type methodology which does not agree with item (c) above. The Commission shall review the methodology and determine if it is acceptable for reporting purposes.

(e) Railroads may submit justification and supporting documents requesting waiver from provisions required by this instruction. This provision is intended to provide relief for those smaller Class I railroads that might be unduly burdened by the cost

Pt. 1201

of developing and maintaining the required system. Waivers shall be directed to the Commission's Accounting and Valuation Board.

(f) Equipment repair cost records, including the allocation methods used, shall be maintained and made available to the Commission upon request.

NOTE A: The following accounts and reference pertain to the freight train car repair process:

11-22-42
21-22-42
39-22-42
40-22-42
41-22-42
61-22-42

Instruction 2-12, *Units of property rebuilt or converted.*

[46 FR 52951, Dec. 4, 1981, as amended at 52 FR 4321, 4325, Feb. 11, 1987]

2-22 Map specifications.

(a) Class I Railroad companies shall maintain current maps of its property and shall promptly record any changes that may take place.

(b) Class I companies shall furnish, on request, copies of maps showing its property as it exists on such date or dates as may be fixed by the Commission.

(c) Class I companies shall maintain planimetric maps that show right-of-way, track and other important facilities at a scale to show sufficient detail.

(d) Maps shall be indexed and titled to clearly indicate the specific area depicted.

(e) All maps shall be prepared in accordance with generally accepted mapping practices.

[47 FR 50267, Nov. 5, 1982; 48 FR 32833, July 19, 1983]

2-23 Accounting for engineering costs.

(a) The pay and expenses of engineers, assistants and clerks engaged in the survey and construction of new lines and extensions shall be included in the cost of the particular property involved. This accounting treatment also applies in making additions to and improvements of the carriers road, including wharves and docks.

List of Officers and Employees

Chief engineer.
Assistant engineers.
Bridge and signal engineer.
Architects and draftsmen.

49 CFR Ch. X (10-1-96 Edition)

Chief clerk and other clerks.
Transitmen and levelmen.
Rodmen and chainmen.
Cooks and porters on business cars.

Items of Expense and Supplies

Atlases and maps.
Barometers.
Books for office use.
Business car service.
Cameras; compasses.
Camp equipage.
Chains for surveyors.
Drawing boards.
Drawing instruments.
Field glasses.
Furniture repairs and renewals.
Heating and lighting.
Magnets and magnifiers.
Official train service.
Paper, blue-print.
Periodicals and newspapers.
Photographic supplies.
Printing and stationery.
Provisions for business cars.
Rent and repairs of offices.
Rods for surveyors.
Sextants and slide rules.
Telegraph and telephone service.
Traveling expenses.
Triangles and tripods.

(b) When employees listed in (a) above are engaged in the repair and maintenance of the roadway, their pay and expenses shall be charged to the appropriate operating expense accounts.

(c) Expenditures for tentative or preliminary surveys shall be carried in account 743, *Other deferred debits*, until it is determined whether or not to continue the work. If the project is continued, expenditures for all surveys shall be transferred to the appropriate property account and, if abandoned, to appropriate income accounts.

(d) The cost of designing, making plans and specifications, and supervising the construction of equipment shall be included in the cost of the particular equipment.

(e) Fees and expenses of architects specially employed for designing or supervising the construction of buildings shall be included in the accounts appropriate for the cost of the buildings constructed.

[49 FR 2254, Jan. 19, 1984, as amended at 52 FR 4321, Feb. 11, 1987]

2-24 Accounting for other general expenditures.

Expenditures of a general nature that are attributable but not directly assignable to original construction or important expansion of road shall be equitably assigned to the cost of specific units or segments of property. These expenditures include the pay and expenses of executive and general officers and their assistants engaged exclusively with such construction, law expenses (other than organization expenses), stationery and printing, and taxes before property is used in transportation operations.

[49 FR 2255, Jan. 19, 1984, as amended at 52 FR 4321, Feb. 11, 1987]

INSTRUCTIONS FOR MAINTENANCE EXPENSES

3-1 *Items to be charged.* (a) The accounts provided for maintenance of road property and of equipment are designed to show the cost of repairs and also the loss through depreciation of the property used in transportation operations, including expenses resulting from ordinary wear and tear of service, exposure to the elements, inadequacy, obsolescence, or other depreciation, or from accident, fire, flood, or other casualty.

(b) These accounts shall include the cost of labor, materials and supplies, work-train service, floating equipment work service, special machine service, contract work, privileges, protection from casualties, and other analogous items of expense in connection with the maintenance of the plant used in railway service. The cost of materials and supplies, which shall include small tools, shall include the cost at the point of free delivery plus freight charges of foreign lines, and the costs of inspection and loading assumed by the carrier; also a proportion of store expenses. Such costs shall not include expenses of transportation over the carrier's line. Royalties for patent rights on mechanical appliances used in repairs of equipment shall be included in the cost of the repairs. The cost of boarding, traveling, and other incidental expenses of employees shall be included in the accounts to which the pay of the employees is chargeable, except where otherwise specified in the text of the accounts. In calculating the

cost of materials used proper allowance shall be made for the value of unused portions and of cuttings, turnings, borings, etc., and for the value of the material recovered from property repaired and from temporary tracks, scaffolding, cofferdams, and other temporary structures used in repair work.

(c) The cost of repairs shall include the cost of inspecting to determine the repairs necessary, and of adjusting or repairing parts, both of road property and of equipment, such as the repairing of locomotives, cars, frogs, switches, rails, etc.; the cost of inspecting and testing after repairs have been made such as the testing of locomotives after repairs to determine whether the repairs have been properly made, and the running of repaired locomotives light in order to break them in for regular service; incidental costs of repairs, such as the construction or removal of false work in connection with maintenance, cost of demolishing retired road property and disposing of the wreckage therefrom when the property is dismantled by or for the carrier; cost of maintaining or protecting traffic during the progress of construction work, including the cost of constructing, maintaining and removing temporary tracks required for maintaining traffic during the progress of the work; cost of mowing and beautifying grounds around buildings; repairing fences, sidewalks, driveways, and streets within or adjacent to such grounds; cost of removing snow from roofs of buildings (when not removed by those employed in the buildings); cost of periodical restorations of seasonal features, such as gardens, shrubbery, and lawns; cost of operating hothouses in connection with the work of beautifying grounds; and cost of clearing and removing casual incumbrances, such as ice, snow, and fallen timber.

(d) An employee's job classification shall not govern the accounting for work performed. Charges to a particular expense function shall be based on the nature of the work performed.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4325, Feb. 11, 1987]

INSTRUCTIONS FOR DEPRECIATION ACCOUNTS

4–1 *Method.* (a) There shall be charged monthly to operating expenses or other appropriate accounts and credited to account 735, *Accumulated depreciation; Road and equipment property*, during the service life of depreciable road and equipment property, includable in accounts classed as depreciable, amounts which will approximate the loss in service value not restored by current repairs or covered by insurance. The charges for accruing depreciation currently shall be computed in conformity with the group plan by applying to the cost of property such percentage rates as will distribute the service value by the straight-line method in equal annual charges to operating expenses or other accounts during the estimated life of the property. In the case of track accounts 8, 9 and 11, service value shall reflect net salvage value. For road property, the cost shall be original cost or estimated original cost, as used in the valuation records, adjusted to current date. If a carrier submits proof that the actual cost of depreciable property is substantially different from cost figures in the valuation records, the carrier may, with the approval of the Commission, use such cost figures as the depreciation base.

(b) The term group plan means the plan under which depreciation charges are accrued upon the basis of the cost of depreciable property includable in accounts classed as depreciable using the service lives of the individual depreciable units in the accounts and properly weighing to determine the composite annual rate of depreciation.

(c) For the purpose of the group plan of depreciation accounting, the following primary accounts are classed as depreciable accounts:

Road accounts:

3. Grading.
4. Other right-of-way expenditures.
5. Tunnels and subways.
6. Bridges, trestles and culverts.
7. Elevated structures.
8. Ties.
9. Rails and other track material.
11. Ballast.
13. Fences, snowsheds, and signs.
16. Station and office buildings.

17. Roadway buildings.
 18. Water stations.
 19. Fuel stations.
 20. Shops and enginehouses.
 22. Storage warehouses.
 23. Wharves and docks.
 24. Coal and ore wharves.
 25. TOFC/COFC terminals.
 26. Communication systems.
 27. Signals and interlockers.
 29. Power plants.
 31. Power transmission systems.
 35. Miscellaneous structures.
 37. Roadway machines.
 39. Public improvements-construction.
 44. Shop machinery.
 45. Power plant machinery.
- Equipment accounts:
52. Locomotives.
 53. Freight-train cars.
 54. Passenger-train cars.
 55. Highway revenue equipment.
 56. Floating equipment.
 57. Work equipment.
 58. Miscellaneous equipment.
 59. Computer systems and word processing equipment.

(d) When abandonment of a branch line or other important segment of the track structure or other part of the plant for which depreciation charges are not includable in the accounts as foreseeable within a reasonable period of time due to exhaustion of traffic, obsolescence or other causes, application may be made to the Commission for authority to record a suitable provision in anticipation of a probable loss.

[42 FR 35017, July 7, 1977, as amended at 48 FR 4183, Feb. 18, 1983; 52 FR 4325, Feb. 11, 1987]

4–2 *Rates of depreciation.* (a) A separate composite annual percentage rate for each depreciable property account, or a subgroup in that account, shall be used in computing annual depreciation expenses and accumulated depreciation. The composite rates shall be based on the results of a depreciation study performed by each railroad. A depreciation study shall, in general, contain the following components:

- (i) Actuarial or semiactuarial methods for determining service lives for road and equipment properties;
- (ii) Salvage value calculations for road and equipment properties;
- (iii) Accumulated depreciation for each account or subaccount as appropriate;

(iv) Other factors and related calculations involving the depreciation process; and

(v) A commentary on any adjustments and judgmental factors used in the study.

(b) Railroads shall submit to the Commission for review and approval a report on depreciation studies and proposed depreciation rates every three years for equipment property, and ever six years for road property. Railroads can, however, submit depreciation studies prior to its scheduled year, in which case a new cycle will begin.

(c) In computing monthly depreciation charges, the annual percentage rates shall be applied to the depreciation base as of the first of each month and the results shall be divided by twelve.

(d) Class II railroads are exempt from the three-year and six-year cyclical reviews, but shall submit depreciation studies when requested by the Commission. Class III railroads are not required to submit depreciation studies.

(e) A separate track depreciation rate shall apply to each primary property account in each track density category as provided in Instruction 4-3(d). Track depreciation rates shall be developed by estimating the average life based on an acceptable depreciation methodology, consistently applied, including as an option the units of production method based on gross ton-miles per mile of track.

[42 FR 35017, July 7, 1977, as amended at 46 FR 20210, Apr. 3, 1981; 48 FR 7184, Feb. 18, 1983; 52 FR 4321, Feb. 11, 1987]

4-3 Depreciation records to be kept. (a) The carrier shall maintain for each class of property in convenient and accessible form engineering and other data bearing on prospective service lives.

(b) The carrier also shall keep such records of depreciable property and property retirements as will reflect the service life of each class of property which has been retired, or will permit the determination of service life indications by past experience of useful life tenure of comparable property, turnover, or other appropriate methods; also such records as will reflect the percentage of value of the salvage for

property retired from each class of depreciable property.

(c) For purposes of analysis the carrier shall maintain subsidiary records in which the accumulated depreciation account is broken down into component parts corresponding to each primary account to show the current credits and debits and the balance for each account. Such detailed information shall be reported annually to this Commission. For balance sheet purposes, the accumulated depreciation account shall be treated as a single composite account for depreciable property.

(d) Carriers shall be prepared to justify all track depreciation rates by keeping appropriate data on the service lives and salvage values of track components which went into the life and net salvage computation of each primary account in each density category.

(e) The investment and related accumulated depreciation for accounts 3, 4, 5, 8, 9, 11 and 39 must be maintained by distinct traffic density categories. Each line segment shall be identified on January 1 of each year as belonging to one of the following traffic density classes, based on the average traffic density in the preceding three years:

DENSITY	
Class	Description
I	Lines carrying at least 20 million gross ton-miles per mile on an annual basis and not designated as belonging to Density Class III.
II	Lines carrying less than 20 million gross ton-miles per mile on an annual basis and not designated as belonging to Density Class III.
III	Lines identified as potentially subject to abandonment pursuant to Section 10904 of the Interstate Commerce Act.
IV	Yard and way switching tracks.
V	Electronic yards.

NOTE A: For purposes of designating line segments as belonging to one of the density classes, the carrier shall consider all traffic carried over the segment whether in the carrier's trains or in the trains of other carriers (estimated if not known).

NOTE B: When a carrier operates systems of parallel tracks on a single roadbed, the density associated with the related segment of a rail route shall be the aggregate gross ton-miles on all individual tracks.

[42 FR 35017, July 7, 1977, as amended at 46 FR 20210, Apr. 3, 1981; 48 FR 7183, Feb. 18, 1983; 52 FR 4321, Feb. 11, 1987]

4-4 *Leased property—depreciation.* (a) The carrier shall include in operating expenses charges for depreciation on road property and equipment used but not owned, the rent for which is includable in the lease rental accounts, and shall maintain the same records of service lives, salvage values, etc., as provided for owned road property and equipment. The excess of the total compensation paid over the amount chargeable for depreciation shall be included in the rent account. If settlement between the carrier and the lessor is not currently made, the amount of the depreciation accrued during the period of the lease shall be credited by the carrier to account 772, *Accrued liability; Leased property*. The necessary adjustments of the difference between the balance thus accrued in that account and the actual amount of settlement shall be made appropriately through accounts 519, *Miscellaneous income*, or 551, *Miscellaneous income charges*, at the time settlement for depreciation on the property is made with the lessor.

(b) The carrier shall not include in the depreciation account in operating expenses any charges for depreciation of equipment used but not owned when the rents therefor are not included in the lease rental accounts but shall include such charges in the appropriate other rent expense accounts.

4-5 *Jointly used property—depreciation.* The owning carrier shall include in the depreciation accounts in operating expenses the charges for depreciation on units of depreciable property jointly used with one or more other carriers. The owning carrier shall credit and each using carrier shall charge the appropriate joint facility accounts in operating expenses with the amounts billed by the owning carrier against each using carrier for its proportion of the service loss on property retired from service whether billed currently as depreciation or when retirements occur as the loss in service value. The using carriers shall be required to account for depreciation or retirement of units of road property jointly used but not owned to the extent of their contract liability. The same principle shall apply to terminal companies and their nonowner tenants

in accounting for depreciation accruals or retirement charges recorded in the accounts of the terminal companies.

INSTRUCTIONS FOR INCOME AND BALANCE SHEET ACCOUNTS

5-1 *Current assets.* (a) In the group of accounts designated as current assets shall be included cash, those assets which are readily convertible into cash or are held for current use in operations, current claims against others and amounts accruing to the carrier which are subject to settlement in the ordinary course of business within one year. There shall not be included in this group of accounts any amount the collection of which is not reasonably assured within one year because of the known financial conditions of the debtor or otherwise. Such items shall be included in account 741, *Other assets*, at an amount not in excess of a reasonable estimate of realizable value. Items of current character but of doubtful value shall be written down or written off by charge to account 63-61-00, *General—Uncollectible accounts—General and administrative*, or account 553, *Uncollectible accounts*, as appropriate. Adjustment of these items of doubtful value shall be made by direct reduction of the asset account in which such items are carried or by provision in account 709.5, *Allowance for uncollectible accounts*, for the estimated uncollectible amount.

(b) The carrier shall transfer the estimated realizable value of obsolete material to account 741, *Other assets*, equitably distribute the loss due to obsolescence among the accounts ordinarily chargeable for such classes of material, and concurrently credit account 712, *Material and Supplies*.

5-2 *Recorded value of securities owned.* (a)(1) The investment in securities other than those issued or assumed by the accounting company shall be recorded in these accounts at cost, but excluding amounts paid for accrued interest and accrued dividends.

(2) Accounts 702, *Temporary Cash Investments*, 721, *Investments in Affiliated Companies*, and 722, *Other Investments*, shall be maintained in such a manner

as to reflect the marketable equity securities' portion (see definition 26) and other securities or investments.

(3) For the purpose of determining net ledger value, the marketable equity securities in account 702 shall be considered the current portfolio and the marketable equity securities in accounts 721 and 722 (combined) shall be considered the noncurrent portfolio. The net ledger value of each portfolio shall be the lower of its aggregate cost or market value. (See definition 26.) The amount by which aggregate cost exceeds market value shall be accounted for as the valuation allowance. Account 702, *Temporary Cash Investments*, shall be subdivided to include the valuation allowance for the marketable equity securities included therein. Account 724, *Allowance for Net Unrealized Loss on Noncurrent Marketable Equity Securities—Cr.*, is the valuation allowance for the marketable equity securities recorded in account 721, *Investments in Affiliated Companies*, and 722, *Other Investments*. Marketable equity securities accounted for by the equity method shall not be combined with other marketable equity securities when determining aggregate cost and market value.

(4) Realized gains and losses (the difference between net proceeds from sale and cost) shall be included in the determination of net income of the period in which they occur. Changes in the valuation allowance for marketable equity securities included in account 702 shall be charged to account 551, *Miscellaneous Income Charges*, or credited to account 519, *Miscellaneous Income*, as appropriate, with a contra entry to the valuation allowance contained within account 702. Changes in the valuation allowance for marketable equity securities included in accounts 721 and 722 shall be recorded in equity account 798.1, *Net Unrealized Loss on Noncurrent Marketable Equity Securities*, with a contra entry to valuation account 724.

(5) If there is a change in the classification of a marketable equity security between current and noncurrent, the security shall be transferred at the lower of its cost or market value at date of transfer. If market value is less than cost, the market value shall become the new cost basis, and the dif-

ference shall be accounted for as if it were a realized loss and included in the determination of net income.

(6) The accounting company shall write down the ledger value of any securities to the extent of impairment in their value or write off entirely if there is no reasonable prospect of realizing any value therefrom. For long term investments in marketable equity securities, when the decline in market value below cost is judged to be other than temporary, the cost basis of the individual security shall be written down to a new cost basis. The amount of the write-down shall be accounted for as realized loss by a charge to account 551, *Other Income Charges*, and a credit to account 723, *Reserve for Adjustment of Investment in Securities*. The new cost basis shall not be changed for subsequent recoveries in value.

(b)(1) For financial statement purposes the carrier shall follow the principles of equity accounting for (1) all investments in corporate joint ventures (see definition 21(c)), and (2) all investments in voting stock of affiliated companies giving the carrier the ability to significantly influence the operating and financial policies of an investee (see definition 21(b)). For purposes of this instruction an investment of 20 percent or more of the outstanding voting stock of an investee will indicate the ability to exercise significant influence over an investee in the absence of evidence to the contrary.

(2) Since the equity method is not to be effected by entries in the books of accounts but is to apply only in financial reports to the Commission, the carrier shall establish worksheet or memorandum accounts. Three basic worksheet or memorandum accounts are needed:

(i) An investment account to include (1) equity in the undistributed earnings or losses of the investee since the date of acquisition (see definition 21(g)); (2) accumulated amortization of the difference between cost and net assets at date of acquisition (see (b)(3) below); and other adjustments for disposition or writedown of investments.

(ii) An income account to include (1) the investor's share of the investee's undistributed profits or losses for each

reporting period subsequent to acquisition of the investment except that in the year of acquisition such amount shall be determined from the date of acquisition; (2) amortization for the reporting period of the difference between cost and net assets at date of acquisition. This account shall be closed at year-end to the retained earnings memorandum account discussed in paragraph (iii) below.

(iii) A retained earnings account to include (1) equity in the undistributed earnings or losses of the investee since the date of acquisition; (2) accumulated amortization of the difference between cost and net assets acquired at date of acquisition (see (b)(3) below).

(iv) Other memorandum accounts will be needed for such adjustments as gains and losses on disposition of investments, recognition of impairments in value, the investor's share of extraordinary and prior period adjustments reported in the investee's financial statements (see instruction 1–2(d)), and provision for deferred taxes where it is reasonable to assume that undistributed earnings of an investee will be transferred to the investor in a taxable distribution. These memorandum accounts shall be closed at year-end to the retained earnings memorandum account discussed in paragraph (iii) above.

(3) The carrier shall retain the following information for each investee in support of the worksheet or memorandum accounts:

- (i) Original cost of investment.
- (ii) Equity in net assets of investee at date of acquisition.
- (iii) Allocation of difference between cost and equity in net assets, namely, to specific assets of investee or to goodwill.
- (iv) Accumulated amortization of difference between cost and equity in net assets.
- (v) Unamortized balance of difference between cost and equity in net assets.
- (vi) Equity in undistributed earnings/losses for each year since date of acquisition.
- (vii) Dividends received since date of acquisition if determinable.
- (viii) Proceeds from sale of investments.

(4) Any difference between the investor's cost and its share of the net assets of the investee at date of acquisition shall be allocated to specific assets of the investee to the extent the difference is attributable to them. When the difference is allocated to depreciable or amortizable assets, depreciation and amortization (through the investment and income memorandum accounts) should absorb the difference over the remaining life of the related assets. If the difference is not related to specific accounts, it should be considered goodwill and amortized over a reasonable period not to exceed 40 years. For investments made prior to November 1, 1970, amortization of goodwill is not required in the absence of evidence that the goodwill has a limited term of existence.

(5) The financial statements of the investee that are used for equity accounting should be timely. If the accounting year of the investee differs from that of the investor then the most recent available financial statements may be used. The lag in reporting should be consistent from period to period.

(6) Material profits or losses on transactions between the investor and investee shall be eliminated until realized by either company as if the two were consolidated.

(7) A transaction of the investee of a capital nature that affects the investor's share of the investee's stockholder's equity should be reported in the financial statements as if the two were consolidated.

(8) The investor shall deduct any dividends applicable to outstanding cumulative preferred stock whether or not declared, and any other dividends declared when computing its share of undistributed earnings or losses.

(9) The investor shall suspend application of the equity method when the investment (including the investment memorandum account) together with any net advances made to the investee is reduced to zero. Additional losses shall not be provided for unless the investor has guaranteed obligations of the investee or is otherwise committed to provide further financial support for

the investee. If the investee subsequently reports net income the investor shall resume applying the equity method at such time as its share of that net income equals the share of net losses not recognized during the period of suspension.

(10) When the investor's voting stock interest falls below the level of ownership described in paragraph (b)(1) of this instruction, the investment no longer qualifies for the equity method. Should dividends received on the investment in subsequent periods exceed the investor's share of earnings for such periods, the investment memorandum and income memorandum accounts shall be reduced by the excess amount.

(11) When the level of ownership of an investment increases to that described in paragraph (b)(1) of this instruction, the equity method shall be applied. The memorandum accounts for the investment, income (for current year's equity in undistributed earnings less amortization), and retained earnings (for prior years' equity in undistributed earnings less amortization) shall be adjusted retroactively on a step-by-step basis determining the equity in net assets at date of acquisition, amortization adjustment, and equity in undistributed earnings or losses at each level of ownership. Where small purchases are made over a period of time and then a purchase is made which qualifies the investment for the equity method, the date of latest purchase may be used as date of acquisition.

(12) Information having significance with respect to the investor's ownership in investees shall be disclosed in notes to financial statements of annual reports filed with the Commission in accordance with generally accepted accounting principles.

(c) When securities with a fixed maturity date are purchased at a discount (i.e., when total cost including brokerage fees, taxes, commissions, etc., is less than par), such discounts may be amortized over the remaining life of the securities through periodic debits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and credits to the same account in which interest income is credited. No debits

shall be made in respect to discounts upon securities held as investments or in special funds if there is reason to believe that such securities will be disposed of by redemption or otherwise at less than par or will not be paid at date of maturity. When securities with a fixed maturity date are purchased at a premium (i.e., when the total cost including brokerage fees, taxes, commissions, etc., is in excess of par), such premium may be amortized over the remaining life of the securities through periodic credits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and debits to the same accounts in which the interest income is recorded.

NOTE: The carrier shall follow generally accepted accounting principles where an interpretation of the rules for equity accounting is needed or obtain an interpretation from its public accountant or the Commission.

5-3 *Discounts, expenses, and premiums on debt.* (a) Ledger accounts shall be provided to cover the discounts, expenses, and premiums on the sale or resale of each subclass of funded debt and of receivers' and trustees' securities issued for the benefit of or assumed by the company. (For explanation of subclass see account 765, *Funded debt unmatured*.) The net debit balances remaining in the ledger accounts for discount and premium shall be included in account 770.1, *Unamortized debt discount*, and the net credit balances in account 770.2, *Unamortized premium on debt*. Debt expense shall be included in account 743, *Other deferred debits*.

(b) Each fiscal period there shall be charged to account 548, *Amortization of discount on funded debt*, a proportion on a consistent basis of each of the debit balances in the discount and premium accounts and correspondingly there shall be credited to income account 517, *Release of premiums on funding debt*, a similar proportion of each of the credit balances in these accounts. Related debt expense shall also be charged to account 548 on a proportional and consistent basis. The amounts for the respective debit balances for discount and expenses applicable to a particular issue of obligations may be charged directly to account 548 at time of issue

when the aggregate of such amounts does not appreciably affect the accounts. The method of apportioning debt discount, issue costs, and premium to accounts 517 and 548 shall be the *interest method*, where the effective interest rate on the date of issuance is applied to the carrying value (debt, less related discount, and issue cost, plus related premium of each specific issue to the beginning of any given period.) However, other methods of amortization may be used if the results obtained are not materially different from those which would result from the interest method.

(c) When any funded debt which has been actually issued to bona fide holders for value is reacquired by the accounting company, that proportion of the balance remaining in accounts containing discount, expense and premium on funded debt for the subclass of the security reacquired applicable to the portion reacquired shall be credited or charged thereto, as appropriate, and concurrently charged or credited to account 519, *Miscellaneous income*, account 551, *Miscellaneous income charges*; or to account 570, *Extraordinary items*, as appropriate, in accordance with the text of these accounts. Such proportion shall be based upon the ratio of the par value of the security reacquired to the par value of all the securities of the subclass actually outstanding immediately before such reacquirement. Gains and losses from extinguishment of debt (excluding debt maturing serially) which is acquired to satisfy sinking fund requirements, shall not be recorded as extraordinary items regardless of amount, but shall be included in accounts 519 and 551, as appropriate. Such gains and losses shall be separately disclosed in reports to this Commission.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4325, Feb. 11, 1987]

5-4 *Discount, premium, and assessment on capital stock.* (a) Separate ledger accounts shall be provided for each subclass of capital stock issued or assumed by the accounting company to cover discount suffered and premium realized at the time of sale of capital stock. General levies or assessments against stockholders shall be credited to the

appropriate ledger accounts for the subclass of capital stock against which the levy or assessment is made.

(b) The total of net debit balance in these ledger accounts shall be included in account 793, *Discount on capital stock*, and the total of net credit balances in account 794, *Premiums and assessments on capital stock*.

(c) Discount on each subclass of capital stock may be offset or reduced by charges to account 794, *Premiums and assessments on capital stock*, to the extent that net gains from premiums or assessments have been included therein or to account 795, *Other capital*, to the extent that net gains from reacquisition and resale or retirement of capital stock applicable to such subclass have been included therein. Any remaining discount may be amortized by charge to account 616, *Other debits to retained earnings*, or may be retained and carried in account 793, *Discount on capital stock*, until the stock to which the discount applies is retired.

(d) In case the accounting company is permitted and elects with the approval of the Commission, to distribute all or any part of the net balance of other paid-in capital to its stockholders, the amount thus distributed shall be charged to account 795, *Other capital*.

(e) When capital stock is reacquired, either by purchase or donation, and is retired or cancelled, account 791, *Capital stock*, shall be charged with the par value, stated value of no par stock, or if no par stock without stated value, the proportionate amount at which the particular class of stock is included in account 791. Any excess of reacquisition cost over the recorded value of the stock shall be charged to account 795, *Other capital*, to the extent of the accumulated net gains included in this account applicable to reacquisition and resale or retirement of such subclass. Any remaining excess reacquisition cost shall be charged to account 616, *Other debits to retained earnings*. Any excess of recorded value over reacquisition cost shall be credited to account 795, *Other capital*.

(f) When capital stock is reacquired, either by purchase or donation, and is not retired or cancelled, nor properly includable in sinking or other funds,

the reacquisition cost shall be charged to account 798.5, *Treasury stock*.

(g) When treasury stock is resold, account 798.5, *Treasury stock*, shall be credited with the cost paid for it. Gains shall be credited to account 795, 'Other capital. Losses shall be charged to account 795, *Other capital*, to the extent that previous net gains from sales or retirements of the same class of stock are included therein; otherwise, to account 616, *Other debits to retained earnings*.

5-5 *Joint liabilities*. The accounting company shall state as a liability in its balance sheet the difference between the total par value of securities jointly or severally issued by it and others and the portion of such liability which, under the joint arrangement, it is expected will be liquidated by the other party or parties to the joint arrangement. The amount of the jointly or severally issued securities expected to be liquidated by the other party or parties shall be shown as a contingent liability in accordance with instruction 5-6 pertaining to contingent assets and liabilities.

5-6 *Contingencies*. (a) The proper accounting treatment for contingencies depends upon whether the contingency is: *Probable*: the event or events are likely to occur; *Reasonably possible*: the chance of occurrence of the future event or events is more than remote, but less than likely; or *Remote*: the chance of occurrence of the future event or events is slight.

(b) Loss contingencies must be accrued when they are probable and the amount of loss can be reasonably estimated. Where they are only reasonably possible, only footnote disclosure is required. Where they are remote, footnote disclosure is not required, but is permitted.

(c) Gain contingencies usually are not reflected in the accounts since to do so might be to recognize revenue prior to its realization. Adequate disclosure shall be made of contingencies that might result in gain, but care shall be exercised to avoid misleading implications as to the likelihood of realization.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4326, Feb. 11, 1987]

5-7 *Long-term obligations*. Commitments under unconditional purchase obligations associated with suppliers' financing arrangements and future payments on long-term borrowings and redeemable stock shall be disclosed in accordance with generally accepted accounting principles. Such disclosures shall not preclude accounting recognition if the substance of a financing arrangement is the acquisition of an asset or incurrence of a liability.

[47 FR 4266, Jan. 29, 1982, as amended at 52 FR 4321, Feb. 11, 1987]

INSTRUCTIONS FOR CLEARING ACCOUNTS

6-1 *Items to be charged*. In recognition of the fact that certain expenditures incident to the construction and the operation of property are not chargeable directly to any particular property investment or expense account, clearing accounts have been provided for the purpose of securing an equitable distribution of such items to the proper primary accounts.

6-2 *Material and stationery store expenses*. (a) To clearing accounts called *Material store expenses* and *Stationery store expenses* shall be charged expenses in connection with purchasing, handling and storing material and stationery in and distributing it from the company's storehouses. Including the pay of officers and employees in the purchasing and store departments and their traveling, office, and other expenses; also expenses, including wages, fuel, and supplies, of operating switching locomotives when exclusively assigned to the service of switching at material storehouses. (Expenses of incidental switching at material yards by locomotives in regular switching service shall be charged to the appropriate transportation accounts.) The pay and expenses of men employed in purchasing or inspecting a single class of material, such as ties, shall be added as store expenses to the cost of that particular material.

(b) The total amount of storehouse expenses charged to these accounts shall be distributed among the accounts to which material and stationery has been charged, in proportion to the amounts charged to each account

for the items issued, except that the amount representing the purchasing department expenses shall be apportioned on the value of the items issued which were purchased by that department. To avoid monthly fluctuations in the ratio of store expenses to the value of material and stationery purchased or issued, carriers may make a monthly apportionment on the basis of fair percentage rates, provided the store expense accounts are adjusted and closed out at the end of each year.

6-3 *Shop expenses.* (a) To a clearing account entitled *Shop expenses* shall be charged items of expense at shops, enginehouses, repair tracks, and other places where mechanical work is performed, not assignable directly to specific accounts. Such expenses shall be apportioned among the various accounts affected. The basis of distribution shall be the relative proportion which the total amount of charges to *Shop expenses* bears to the total of the directly distributed labor. To avoid monthly fluctuations in the ratio of shop expenses to the total of distributed labor, carriers are permitted to make the monthly apportionment on the basis of a percentage of the distributed labor, provided the shop expense account is adjusted and closed out at the end of the year.

(b) The expenses assignable to this account shall include the pay of foremen (who exercise supervision over all departments), their clerks, and other employees engaged in general work in and about shops, cost of heat, light and power; cost of small tools and supplies and water and power purchased; also cost of removal of snow and ice from transfer tables and shop yards, and other incidental shop expenses. To this account shall be charged expenses, including wages, fuel and supplies, of operating switching locomotives when exclusively assigned to switching service at shops (the expenses of incidental switching at shops by locomotives in transportation switching service shall be charged to appropriate transportation accounts).

6-4 *Gravel and sand pits and quarries.*

(a) When a gravel or sand pit or quarry is opened for operations likely to extend over a long period, an account shall be set up designated, *Operations of*

gravel pit at —————, or *Operations of quarry at ———*, as the case may be. To this account shall be charged cost of the land in excess of its estimated value after the gravel, sand, or stone has been removed (credit to the property account in which the cost of the land is included); payments for right to enter upon and remove ballast from land not owned by the carrier; cost of sinking test holes; and costs preparatory to opening the pit or quarry. To this account shall be charged also the cost, in excess of the estimated salvage value, of rails and fastenings, ties, other material and labor used in constructing tracks to and in the gravel pit or quarry (the estimated salvage being carried in an appropriate suspense account); cost of labor and train service employed in producing, quarrying, and loading ballast, including the cost of operation, repairs, and depreciation of power shovels and other machines and machinery; pay and expenses of watchmen; cost of explosives and hand tools, and miscellaneous expenses; and cost of installing, operating and maintaining signals and interlockers at gravel pits.

(b) Credit to the clearing account shall be made each month to cover the cost of ballast material produced during the month. The cost of production shall include the expenses directly assignable to the monthly output plus a proportion of the expenses not directly assignable, such as cost of land, tracks, machinery, and interlockers. This latter amount shall be computed upon the basis of the ratio which the monthly output bears to the total estimated yardage to be taken from the pit. When any portion of the product of such pits or quarries is sold, the cost thereof shall be credited to this clearing account and any related profit shall be credited to account 110, *Incidental*.

6-5 *Power plant operations.* (a) The accounting for the expenses of maintaining and operating an electric, steam, or other power plant (both building and machinery) shall be determined by the purpose for which the power produced is used. When a power plant is intended and used for producing power solely for the carrier's own operations and the cost of operating

the plant is chargeable to clearing account *Shop expenses*, or to any one specific account for operating expenses, the expenses of maintenance shall be charged to the appropriate maintenance accounts, and the cost of operation to the account appropriate according to the use of the power.

(b) When the power from such a plant is properly chargeable to more than one account, the expenses of maintaining and operating the plant shall be included in clearing account designated *Power plant operations*. The expense of maintenance shall be cleared from that account to the appropriate maintenance accounts. The expenses of operation shall be apportioned to the appropriate accounts upon the basis of quantity of power used for the various purposes.

(c) When a part of the power produced by a power plant is sold and the remainder is used in the carrier's own operations, the cost of maintaining and operating the plant shall be charged to a clearing account. The expense of maintenance shall be cleared from that account to the appropriate maintenance accounts. The proportion of the expenses of operation assignable to the power sold, on the basis of ratio of quantity of power sold to total quantity of power produced, shall be credited to this clearing account and any related profit shall be credited to account 110, *Incidental*. The remainder of the cost of operation shall be distributed to the appropriate expense accounts for the carrier's own operations.

(d) When power plants are intended and used solely for furnishing power to others, their investment cost shall be included in account 737, *Property used in other than carrier operations*, and the revenues and operating expenses shall be included in the accounts provided for operations of such property.

(e) The accounting for the maintenance of transmission systems and distribution systems shall be in accordance with instructions pertaining to power plant operations.

PROPERTY ACCOUNTS

Road

0 Road.

The several primary accounts included in this general account are designed to show the cost of land and road property owned by the carrier and devoted to transportation service.

2 Land for transportation purposes.

This account shall include the cost of land of necessary width acquired for roadway; the cost of land for station, office, shop, and other grounds; for ingress to or egress from such grounds; for borrow pits, waste banks, snow fences, sand fences, and other railway appurtenances; and for storage of material adjoining the right-of-way; the cost of land for wharves and docks and the cost of riparian or water rights necessary therefor; the cost of removing from the right-of-way and locating elsewhere the property of others, and the cost of the necessary land for relocation of the property, when such costs are assumed by the accounting carrier.

The carrier's records shall be kept in such manner as to show separately the cost of land purchased. Proceeds from the sale of timber or of improvements purchased with right-of-way, less any cost of removal, shall be credited to this account.

ITEMS OF EXPENSE

Abstracts.
Appraisals.
Arbitrators in condemnation cases.
Commissions paid to others.
Condemnation expenses, including court costs and special counsel fees.
Damages to property of others.
Deferred payments for right-of-way.
Ditches for waterways when part of consideration.
Judgments and decreed costs to clear or defend titles.
Notarial fees.
Plats.
Premiums on condemnation bonds.
Recording deeds.
Payments for relinquishment of cattle passes and other rights.

Pt. 1201

49 CFR Ch. X (10–1–96 Edition)

Removal and relocation of buildings and other structures not purchased.
Rent of land when part of consideration for purchase.
Right-of-way agents' compensation (engaged solely in acquiring right of way).
Taxes accrued and assumed at time of purchase.

NOTE A: The cost of land acquired in excess of that necessary for transportation operations shall be included in balance sheet account 737, "Property used in other than carrier operations." When the purchase of land acquired for transportation operations involves land not used for such purposes, the charges to this account shall be based upon the estimated cost of only that portion which is used for such purposes, and the cost of the remaining land shall be included in account 737, "Property used in other than carrier operations." Only the actual cost borne by the carrier for right-of-way and other lands acquired through vacation of streets and highways shall be included in this account. No donation should be considered as involved in the acquisition of such property.

NOTE B: Amounts paid for options to purchase land for use in transportation operations shall be charged to account 743, "Other deferred debits." If the carrier subsequently purchases the land, the amount of the option payment shall be transferred to this account. If the carrier does not acquire the land and forfeits the option paid, the amount shall be charged to account 551, "Miscellaneous income charges."

3 Grading.

(a) This account shall include the cost of clearing and grading the roadway, and of constructing protection for the roadway, tracks, embankments and cuts.

(b) When a part of a bridge or trestle, or the entire structure, is converted by filling into an earth embankment, and the bridge or trestle is used in lieu of a temporary trestle which would otherwise be required for the filling, the estimated cost of such temporary trestle shall be included in the cost of the filling, and charged to this account. (See note A, under account 6, "Bridges, trestles, and culverts.")

(c) When a tunnel is converted into an open cut, the cost of clearing, grubbing, and excavating shall be included in this account. (Also see instruction 2–11.)

DETAILS OF ROADBED AND ITEMS OF EXPENSE

Advertising for contractors' bids.
Berm ditches.

Blasting.
Breakwaters.
Bulkheading.
Clearing land.
Cribbing.
Dikes (including those of earthen construction which are intended to function indefinitely).
Ditches (not required by right-of-way agreement).
Dressing slopes.
Excavation for conversion of tunnels into open cuts.
Filling bridges, trestles, and culverts.
Grading outfits.
Grubbing land.
Material taken from borrow pits.
New channels for streams.
Operations of steam shovels.
Payments for privilege of wasting material on the property of others.
Payments for waste banks off the right-of-way.
Retaining walls.
Revetments.
Riprap.
Spoil banks.
Temporary trestles for fills.
Tools for grading.
Wing dams.

[42 FR 35017, July 7, 1977, as amended at 49 FR 2255, Jan. 19, 1984]

4 Other right-of-way expenditures.

This account shall include the cost (in excess of cost of railway facilities installed, if any) actually borne by the carrier of improvement projects (other than public improvement projects), such as the construction of canals, farm and other private passes, pipe lines, drains, and other facilities across the carrier's right-of-way.

5 Tunnels and subways.

This account shall include the cost of tunnels and subways for the passage of trains, including apparatus for ventilating and lighting and safety devices therein, other than signals.

NOTE A: The cost of tracks, including guard rails, in tunnels shall not be charged to this account.

NOTE B: Station subways not highway crossings are includible in account 16, "Station and office buildings."

NOTE C: When a tunnel is converted into an open cut, the ledger value of the tunnel shall be credited to this account. The service

Surface Transportation Board, DOT

Pt. 1201

value of the tunnel shall be charged to account 735, "Accumulated depreciation; Road and equipment property."

[42 FR 35017, July 7, 1977, as amended at 48 FR 7183, Feb. 18, 1983]

6 Bridges, trestles, and culverts.

This account shall include the cost of the substructure and superstructure of bridges, trestles, and culverts which carry the tracks of the carrier over water-courses, ravines, public and private highways, and other railways.

DETAILS OF BRIDGE STRUCTURES

Abutments.
Bridge signs.
Cofferdams.
Concrete and masonry ends for culvert.
Cribs.
Decking, including gravel for fire protection.
Dike protection.
Drainage systems.
Draw protection.
Drawbridge engines and machinery.
False work.
Guard timbers.
Ice breakers.
Painting (except repainting).
Pier protection.
Piers and foundations.
Pipe culverts.
Retaining walls.
Riprap around abutments.
Riprap at culverts ends.
Supports.
Water channels.
Waterproofing.
Wind dams.
Wing walls.

NOTE A: When a part or the entire structure of a bridge or trestle is converted, by filling, into an earth embankment, the ledger value of the structure, or of the portion thereof filled, shall be credited to this account. In case the bridge or trestle is used in lieu of a temporary trestle for the purpose of filling, the estimated cost of such temporary trestle shall be charged to account 3, "Grading." The ledger value of the structure or portion thereof, filled, less the value of the salvage and the estimated cost of trestle charged to account 3 shall be charged to account 735, "Accumulated depreciation; Road and equipment property."

NOTE B: The cost of bridges to carry the carrier's tracks over undergrade crossings, including the necessary piers and abutments to sustain them, shall be included in this account.

7 Elevated structures.

This account shall include the cost of elevated structures and foundations of

elevated railway systems. This account is applicable to structures other than earthwork, which are for the purpose of elevating tracks above the grade of streets, and which are not properly classifiable as bridges or trestles.

NOTE: The cost of stations and other structures built on elevated structures shall be accounted for according to the class of the structure and not in this account.

8 Ties.

(a) This account shall include the cost of cross, switch, bridge and other track ties used in the construction of tracks for the movement or storage of locomotives and cars (including tracks in shop, fuel station, supply yard areas, etc.), and the cost of additional ties subsequently laid in such tracks. This account should also include the cost of labor for unloading, distributing and placing ties in tracks.

(b) The cost of handling ties in general supply and storage yards shall be included as store expenses.

NOTE: The cost of ties used in the construction of car floats shall be included in the cost of such floating equipment, and the cost of ties used in the construction of temporary tracks, such as gravel-pit and quarry tracks, shall be included in the appropriate clearing accounts.

NOTE: Respacing crossties is to be considered maintenance and expense.

[48 FR 7183, Feb. 18, 1983]

9 Rails and other track material.

(a) This account shall include the cost of rails and other track material used in the construction of tracks for the movement or storage of locomotives and cars (including tracks in shop, fuel station, supply yard areas, etc.); the cost of welding two or more lengths or rail into continuous lengths for use in construction of tracks; and the cost of labor associated with unloading and installation of the rail and other track material.

(b) The cost of handling rails and other track material in general supply and storage yards shall be included as store expenses.

ITEMS OF OTHER TRACK MATERIAL

Angle bars.
Anticreepers.
Bumping posts.

Pt. 1201

Compromise joints.
Connecting rods.
Crossings, including foundations or bases.
Derails.
Frog blocking.
Frogs.
Guard-rail blocking.
Guard-rail clamps.
Guard-rail fasteners.
Guard rails, switch and other.
Main rods.
Nut locks.
Nuts.
Offset bars.
Rail braces.
Rail chairs.
Rail clips.
Rail joints.
Rail rests.
Rail shims.
Rail splices.
Splice bars.
Step chairs.
Switch chairs.
Switch crossings.
Switch lamps.
Switch locks and keys.
Switch points.
Switch stands.
Switch targets.
Switches.
Tie plates.
Tie plugs.
Tie rods.
Track bolts.
Track insulators.
Track spikes.

NOTE A: The cost of rails and other track material used in the construction of car floats shall be included in the cost of such floating equipment and the cost of rails and other track material used in the construction of temporary tracks, such as gravel-pit and quarry tracks, shall be included in the appropriate clearing accounts.

NOTE B: The following activities are considered as maintenance and should be expensed accordingly.

- Rail flaw detection
- Track inspection
- Shifting of existing track
- Removing weeds in track
- Transposing rail
- Restoring chipped and battered rail ends by welding and/or by rail grinding train or other such equipment.
- Gauging track
- Loading scrap track materials
- Lubricating rail
- Tightening bolts
- Resetting spikes and rail anchors in existing track
- Any other maintenance work not involving the placement of track material

[48 FR 7183, Feb. 18, 1983, as amended at 49 FR 2255, Jan 19, 1984; 52 FR 4326, Feb. 11, 1987]

49 CFR Ch. X (10–1–96 Edition)

11 Ballast.

(a) This account shall include the cost of gravel, stone, slag, cinders, sand, and like material used in ballasting tracks (including tracks in shop, fuel station, and supply yard areas, etc.) including cost of worktrain service and the cost of labor expended in placing ballast in tracks.

NOTE A: The cost of ballast used in the construction of temporary tracks, such as gravel-pit and quarry tracks, shall be included in the appropriate clearing accounts.

NOTE B: Earth placed to form a crown in the middle of the track is not considered as ballast.

NOTE C: The cost of ballast material placed on the decking of bridges solely for fire-protected purposes shall be included in account 6, "Bridges, trestles and culverts."

NOTE D: Surfacing (surface correction of existing ballast) is to be considered maintenance and expensed.

[48 FR 7183, Feb. 18, 1983, as amended at 49 FR 2255, Jan. 19, 1984]

13 Fences, snowsheds, and signs.

This account shall include:

(a) Fences. The cost of right-of-way fences and snow and sand fences, farm gates, cattle guards, wing fences, aprons, and hedges, on property not previously fenced, excluding those around stockyards, fuel stations, station and shop grounds, and building sites.

(b) Snowsheds. The cost of snowsheds, including initial cost of planting trees for protecting tracks from snow.

(c) Signs. The initial cost of signs other than those for identification of bridges, signals, stations and other structures.

SIGN ITEMS

Boundary signs.
Bridge-caution signs.
Crossing signs.
Curve and elevation markers.
Division-limit signs.
Mileposts.
Monuments.
Safety-first signs at crossings.
Section-limit signs.
Slow or stop signs.
Tunnel-caution signs.
Water-station signs.
Whistle signs.
Yard-limit signs.

Surface Transportation Board, DOT

Pt. 1201

NOTE A: The cost of fences (other than right-of-way boundary fences) around stockyards, fuel and water stations, and other building sites, shall be charged to the accounts appropriate for the cost of the structures.

NOTE B: The cost of signs for identifying bridges, signals, stations, and other structures shall be included in the account appropriate for the cost of the structures.

NOTE C: The cost of crossing signals, including crossing gates, shall be included in account 27, "Signals and interlockers."

NOTE D: This account shall also include the cost of replacing units of such property or substantial parts of fences or snowsheds the original cost of which are charged to this account.

16 Station and office buildings.

This account shall include the cost of station and general office structures, their fixtures, appurtenances, and furniture necessary to equip the buildings ready for use.

STATION AND OFFICE STRUCTURES AND DETAILS

Breakwaters for protection of buildings.
Buildings and rooms for trainmen.
Buildings on piers.
Coal transferring machinery (not on coal and ore wharves).
Coal trestles (not at fuel stations).
Drainage and sewerage systems.
Elevators and machinery.
Fences.
Freight cranes and derricks.
Freight handling machinery.
Gas-supply systems.
General office buildings.
Grain elevators and warehouses.
Heating plants.
Hoisting engines, for handling freight.
Lighting plants.
Ore-transferring machinery.
Pavement within ground limits.
Platforms, passengers, including planking between tracks.
Power distribution systems, interior.
Sidewalks.
Station footbridges (not highway crossings).
Station intertrack fences.
Telegraph offices.
Track scales.
Water-supply systems.
Yard offices.

NOTE A: Office buildings used exclusively in connection with maintenance of way shall be included in account 17, "Roadway buildings." Those used exclusively in connection with maintenance of equipment shall be included in account 20, "Shops and enginehouses."

NOTE B: The cost of grading and preparing grounds both before and after the construction of station buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction in the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4326, Feb. 11, 1987]

17 Roadway buildings.

This account shall include the cost of roadway shops and other roadway buildings, including drainage, water, gas, and sewer pipes and connections; and all machinery, fixtures, and furniture to equip the building ready for use.

LIST OF ROADWAY BUILDINGS

Breakwaters for protection of buildings.
Carpenters shops.
Fire-engine houses.
Frog shops for repair of track material.
Hand-car houses.
Lighting plants.
Lumber sheds.
Planning mills.
Rail reclamation plant.
Rail shops for repair of track material.
Rail welding plant.
Repair shops.
Scrap bins.
Section dwelling houses.
Tool houses.

NOTE: The cost of grading and preparing grounds both before and after the construction of roadway buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights, shall be included in the cost of the buildings. The fees and expenses of architects, employed to design or supervise the construction of the buildings, shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

18 Water stations.

This account shall include the cost of structures, facilities, and appliances necessary to equip for service, stations

Pt. 1201

49 CFR Ch. X (10–1–96 Edition)

for supplying water. The cost of analyses of water preliminary to the establishment of water stations shall be included in this account.

WATER STATION STRUCTURES AND DETAILS

Boilers.
Breakwaters for protection of buildings.
Buildings on piers.
Cisterns and dams.
Fences.
Pump houses.
Purifying plants.
Reservoirs and wells.
Settling basins.
Stationary engines.
Steam pipes.
Tanks and foundations.
Water pipe lines.
Water-treating plants.

NOTE A: The cost of water stations used solely for supplying water to shops, power plants, stations, hotels, tenement houses, or section houses shall be charged to the appropriate accounts relating to the property so supplied.

NOTE B: The cost of a temporary water station established only for use during the construction period shall be included in the primary accounts to which is charged the cost of the work in connection with which the water station is used.

NOTE C: The cost of grading and preparing grounds both before and after the construction of water station buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

19 Fuel stations.

This account shall include the cost of structures, facilities other than tracks, and appliances necessary to equip for service, stations for supplying fuel to locomotives and floating equipment.

FUEL STATION STRUCTURES AND DETAILS

Breakwaters for protection of buildings.
Buildings on piers.
Dumping machinery.
Elevating machinery.
Fences.
Fuel houses or stations.
Fuel-oil plants, pumps, and tanks.
Fuel platforms on wharves.
Stationary engines.

Weighing apparatus.

NOTE A: The cost of fuel stations, coal houses, etc., used solely for supplying fuel to shops, power plants, stations, hotels, tenement houses, or section houses shall be charged to the appropriate accounts relating to the property so supplied.

NOTE B: The cost of a temporary fuel station established only for use during the construction period shall be allocated to the primary accounts charged with the construction costs.

NOTE C: The cost of grading and preparing grounds both before and after the construction of fuel station buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

20 Shops and enginehouses.

This account shall include the cost of buildings to be used as shops and enginehouses and storehouses for material for maintenance of equipment; foundations, except those special to particular machines and other apparatus; furniture and fixtures other than equipment chargeable to account 44, *Shop machinery*; drainage, sewerage, and water supply systems; and plants for heat and light.

SHOP AND ENGINEHOUSE STRUCTURES AND DETAILS

Air-compressor houses.
Bins for material.
Blacksmith shops.
Breakwaters for protection of buildings.
Buildings on piers.
Car sheds and shops.
Carpenter shops.
Electric-power distribution systems within buildings.
Enginehouses.
Fire engine houses.
Footbridges (not public highways).
Foundries and machine shops.
Gas-compressor houses.
Heating and lighting plants.
Laboratories.
Lumber sheds.
Material and supply truck tracks.
Motor-crane tracks.
Offices, shop.
Paint shops.
Pipe lines, air, and heat.

Pipe lines, gas, interior.
 Planning mills and repair shops.
 Platforms, shop and yard.
 Scale houses and scales.
 Scrap bins.
 Sidewalks.
 Steam-distribution systems, interior.
 Storehouses.
 Tanks, gas, and oil.
 Test rooms.
 Turntables.
 Upholstering shops.
 Warehouses.

NOTE A: The cost of distinct power plant buildings for shop purposes shall be included in account 29, "Power plants." The cost of distribution systems leading from such power plants to shops shall be included in account 31, "Power-transmission systems."

NOTE B: The cost of grading and preparing grounds both before and after the construction of shop buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the costs of permanent water rights shall be included in the costs of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

NOTE C: The cost of shop buildings devoted solely to the maintenance of way and structures shall be included in account 17, "Roadway buildings."

22 Storage warehouses.

This account shall include the cost of storage warehouses, including machinery and fixtures therein. The buildings herein referred to are not the ordinary freight warehouses or stations where freight is received for shipment, etc., but warehouses in which merchandise is stored and which the railway companies operate as storage warehouses.

NOTE A: The cost of grading and preparing grounds both before and after the construction of storage warehouse buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

NOTE B: The cost of warehouses leased to noncarriers shall be charged to account 737, "Property used in other than carrier operations."

23 Wharves and docks.

This account shall include the cost of wharves, docks, dry docks, slips, float bridges, and other landings for vessels, including the cost of necessary dredging and the cost of float-bridge machinery; also the cost of piling, pile protection, cribs, cofferdams, walls, and other necessary devices and apparatus for the operation or protection of wharves and docks.

DETAILS OF WHARVES AND DOCKS

Bridge pontoons.
 Bulkheads.
 Caissons and cribwork.
 Dry docks.
 Ferry-bridge machinery.
 Ferry bridges.
 Ferry slips.
 Jetties and inclines.
 Transfer-bridge machinery.
 Transfer bridges.

NOTE A: The cost of coal and ore wharves and docks shall be included in account 24, "Coal and ore wharves."

NOTE B: The cost of the land on which wharves are built and cost of riparian or water rights for wharves and docks shall be charged to account 2, "Land for transportation purposes."

NOTE C: The cost of buildings located on wharves shall be included in the accounts appropriate for the class of buildings.

NOTE D: The cost of grading and preparing grounds both before and after the construction of wharves (other than coal and ore wharves), the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the wharves. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

24 Coal and ore wharves.

This account shall include the cost of wharves and docks for the transfer, treatment, blending, or storage of coal or ore, including the cost of necessary dredging and of conveyors, machinery, and fixtures.

NOTE A: The structures referred to in the account do not include small transfer or storage trestles or wharves at stations where coal is stored or delivered, such trestles being classed as station buildings.

NOTE B: The cost of grading and preparing grounds both before and after the construction of coal and ore wharves, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the

Pt. 1201

wharves. The fees and expenses of architects employed to design or supervise the construction of wharves shall also be included in the cost of the wharves. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

25 TOFC/COFC terminals.

This account shall include the cost of structures, fixtures, machinery and appurtenances comprising terminals used for loading and unloading trailers and containers on and from flat cars.

**TOFC/COFC TERMINAL STRUCTURES AND
DETAILS**

Cranes and hoists, including related machinery and appurtenances.
Drainage and sewerage.
Fences.
Grading and preparing grounds for TOFC/COFC terminals.
Offices, TOFC/COFC terminal.
Lighting system.
Platforms, ramps and appurtenances.
Power distribution systems.
Sidewalks, pavements and driveways on terminal grounds.
Terminal trucks and tractors.

NOTE A: "Trailer," as used in the text and elsewhere in this system of accounts unless otherwise indicated in the context, means trailer bodies used in TOFC/COFC service which are permanently mounted on running gear. "Containers" means trailer bodies used in TOFC/COFC service which are not permanently mounted on wheels or chassis, but are separated from such running gear before being loaded on flat cars.

NOTE B: The cost of grading and preparing grounds both before and after the construction of TOFC/COFC terminals, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

26 Communication systems.

This account shall include the cost of telegraph, telephone, radio, radar, inductive train communication, and other communication systems, including terminal equipment.

49 CFR Ch. X (10–1–96 Edition)

**DETAILS OF TELEGRAPH AND TELEPHONE
TERMINAL EQUIPMENT**

Batteries.
Cables and wires, interior.
Carrier terminating equipment.
Conduits, interior.
Connecting wires.
Current-controlling instruments.
Electric generators and motors.
Electric meters.
Engines, stationary.
Fuses and mechanical protectors.
Rectifiers.
Rheostats.
Sending and receiving instruments.
Switchboards.
Telegraph repeaters.
Telephone repeaters.
Teletypewriters.
Testing outfits.
Transformers.

**DETAILS OF TELEGRAPH AND TELEPHONE
OUTSIDE PLANT**

Aerial attachments.
Braces.
Brackets.
Cable boxes and appurtenances.
Cable and wires, aerial.
Conduits and appurtenances.
Cross arms.
Gas and associated facilities for cables.
Guy stubs.
Guy wires.
Insulators.
Load coils.
Submarine cables and connections.
Telephone pole boxes.
Towers.
Underground cables and connections.

**DETAILS OF RADIO, RADAR, AND INDUCTIVE
TRAIN COMMUNICATION EQUIPMENT**

Aerials or antenna, and attachments.
Buildings or towers used exclusively for wireless.
Control units.
Power generating, converting, or supply equipment.
Radar console and associated equipment.
Roadside or office equipment for all wireless systems operated on special channels between train and train, train and tower or office, or between ship and shore.
Specialized testing and repair equipment.
Transmitters and receivers, including mobile units.

NOTE A: Radio, radar or trainphone equipment (except portable apparatus) which is permanently attached to locomotives, cars, work equipment, or other rolling stock or floating equipment shall be included in the same accounts as the equipment on which installed. Wireless sets for instruction, advertising, or entertainment shall be included in

the same accounts as the building in which located.

NOTE B: Communication systems of limited extent, not connected with other systems used for special purposes and usually installed within a single building, group of buildings, or within the limits of a station or shop layout or yard, shall be included in the same account as the building in which located or in the account appropriate for the service with which associated.

ITEMS

Buzzers, bells, dictaphone or other inter-office communication systems in an office or group of buildings.

Loud speakers, bells, or whistles in shop and other yards.

Loud speakers, public address devices, press button control lights, telautograph or other systems in stations or on platforms. Whistles, klaxons, or horns operated from signals towers.

NOTE C: Test sets shall be classified as tools and included in the account appropriate for their use.

27 Signals and interlockers.

This account shall include the cost of interlocking and other signals apparatus for governing the movements of locomotives, cars, and trains, and for the protection of traffic at crossings, including towers and other buildings, furniture, fixtures, and machinery in connection therewith; roadway installations for train control and remote control including the cost of the initial tests of such installation; also the cost of buildings and machinery of power plants used primarily for the production of power for the operation of signals and interlockers.

ITEMS

Automatic-train control devices other than on equipment.

Call-bell systems along track to call in flagmen.

Call boxes, electric.

Car-retarder systems.

Centralized traffic control.

Crossing flasher-light signals.

Crossing gates, highway and railway.

Crossing signals bells.

Crossing warning signals.

Interlocker buildings and machinery.

Power apparatus primarily for the operation of signals and interlockers.

Power-distribution lines primarily for the operation of signals and interlockers.

Signal buildings.

Signal machinery, poles and foundations.

Train-order signals.

NOTE A: When signal or interlocking apparatus is located in a station building, only the cost of the signal or interlocking apparatus shall be charged to this account. The entire cost of the building shall be included in account 16, "Station and office buildings."

NOTE B: The cost of track material, such as switches, special rail braces, special roads, special track fastenings, split rails, derails, derail stands, and frogs, used in connection with interlockers, shall be included in account 9, "Rail and other track material."

NOTE C: When derails are arranged so as to be thrown from switch stands, the cost of labor expended in the installation of the connections between the switch stand and derail and the devices for throwing the derail shall be included in account 9, "Rail and other track material." The cost of the material shall be included in account 9, "Rail and other track material."

NOTE D: The cost of grading and preparing grounds both before and after the construction of signal and interlocker buildings, the cost of constructing sidewalks, driveways, and fences thereon, and the cost of permanent water rights shall be included in the cost of the buildings. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the buildings. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4326, Feb. 11, 1987]

29 Power plants.

This account shall include the cost of power-plant and substation buildings (housing machinery provided for in account 45, "Power-plant machinery"); all foundations other than those special to particular machines and apparatus; and also dams, canals, pipe lines, and accessories devoted to the utilization of water for power. Gas and sewer pipes and their connections, fixtures (including wiring) for lighting and heating, and furniture and miscellaneous fixtures shall be considered as a part of the power-plant buildings.

POWER-PLANT STRUCTURE ITEMS

Buildings.

Coal bunkers, pockets and trestles.

Fences (other than right-of-way boundary fences).

Fixtures for lighting (including wiring) and heating power-plant buildings.

Foundations (except special foundations for machines and other apparatus).

Fuel-oil tanks.

Pt. 1201

Furniture.
Hose and appliances for protecting buildings against fire.
Pavement within ground limits.
Permanent rights in water supply.
Platforms.
Smoke stacks and chimneys and their foundations when distinct from and not resting on boilers.
Water, sewer, gas, and drainage, pipes and connections.
Wells (but not pumps).

DAM, CANAL, AND PIPE-LINE ITEMS

Aqueducts.
Bridges.
Fences (other than right-of-way boundary fences).
Footbridges.
Reservoirs.
Roadways.
Sluices.
Valves.
Water rights.

NOTE A: The cost of power-plant machinery, including stacks resting on boilers, and special foundations for machines, shall be included in account 45, "Power-plant machinery."

NOTE B: The cost of the buildings and the power machinery and other apparatus of plants used primarily for operating signals and interlockers shall be included in account 27, "Signals and interlockers."

NOTE C: Investment in buildings and machinery of detached plants for furnishing power both for operating purposes and for sale shall be included in this account and in account 45, "Power-plant machinery," respectively. When plants are intended and used primarily for generating power for sale to other than common carriers, the investment shall be included in account 737. "Property used in other than carrier operations."

31 Power-transmission systems.

This account shall include the cost of systems for conveying electricity, steam, and compressed air from producing plants to place or building where used; also the cost of conduits and of poles, cross arms, insulator pins, brackets, and other pole fixtures, and of other structures for power-transmission and distribution systems, including those for electric railway operation, and lighting systems for general lighting purposes.

POWER-TRANSMISSION SYSTEM ITEMS

Air pipe-line in car yards.
Compressed air pipe-lines.
Compressed air storage tanks (not at power houses or shops).

49 CFR Ch. X (10-1-96 Edition)

Cut-outs (not at power houses and substations).
Overhead trolley wires.
Rail-insulating devices.
Steam-heating pipe-lines in car yards.
Switchboards (not at power houses and substations).
Third-rail insulation and protection.
Transformers (not at power houses and substations).
Underground power tubes.

POLE-LINE AND CONDUIT ITEMS

Braces and other support for holding poles in position.
Brackets, cross arms, and other pole fixtures.
Conduits for wires and cables.
Cutting and trimming trees.
Guy stubs and wires.
Manholes.
Poles and towers.
Sewer traps.
Stenciling or painting letters or numbers on poles.

NOTE A: The cost of wire and pipe-distribution systems located within shop buildings and in stations and office buildings shall be included in the cost of the buildings, except that lateral service lines to equipment-shop machines shall be included in account 44, "Shop machinery." The cost of distribution systems used primarily for operating signals and interlockers shall be included in account 27, "Signals and interlockers."

NOTE B: The cost of conduits and of poles and fixtures for telegraph and telephone, or signal lines shall be included in account 26, "Communication systems," or account 27, "Signals and interlockers," as appropriate. The cost of poles and conduits used for telegraph and telephone or signal lines and for power-distribution lines shall be included in the account appropriate according to their predominant use.

35 Miscellaneous structures.

This account shall include the cost of all permanent structures not provided for elsewhere, including all fixtures and furniture to equip them for use.

MISCELLANEOUS STRUCTURES ITEMS

Floodlight tower installations in yards.
Grain elevators where grain is stored for owners.
Storehouses for general purpose materials and supplies.

NOTE A: Small storage elevators at way stations where grain is received for shipment are classed as station buildings.

NOTE B: The cost of grading and preparing grounds both before and after the construction of miscellaneous structures and the cost

Surface Transportation Board, DOT

Pt. 1201

of constructing sidewalks, driveways, and fences thereon, shall be included in the cost of the structures. The fees and expenses of architects employed to design or supervise the construction of the buildings shall also be included in the cost of the structures. However, the cost of restoring the grounds after addition and betterment work shall be included in the appropriate operating expense accounts.

37 Roadway machines.

This account shall include the cost of the initial outfit of roadway machines provided for the maintenance of roadway and structures at the time the road is opened for commercial traffic, and the cost of additional roadway machines acquired subsequently. This account shall also include the cost of on and/or off-track automotive vehicles, permanently equipped with special-purpose machinery such as hydraulic cranes, derricks, ditching apparatus, pile-driving equipment, and similar machines listed below, and used exclusively in maintenance of way and structures.

LIST OF ROADWAY MACHINES

Adzers.
Anchor applicators.
Ballast regulators.
Cars, lever.
Cars, motor inspection.
Cars, push.
Cars (small), crane, for supply yards and general use.
Concrete mixers.
Ditching machines.
Dredging machines.
Engines, portable.
Grading outfits.
Hydraulic outfits.
Jacks, hydraulic.
Pile drivers.
Plows, unloading.
Rail grinders.
Rail unloaders.
Rock crushers.
Scarifier-inserters.
Spike drivers.
Spike pullers.
Tie tampers.
Timber trucks.
Trackliners.

NOTE A: When an important addition and betterment project or the construction of a new line necessitates the purchase of roadway machines to be used exclusively thereon, the cost shall be included in the accounts to which the cost of the work is charged. The amount realized from any subsequent sale, or the appraised value of the machines re-

tained after the completion of the special work for which they were purchased, shall be credited to the accounts charged with the cost thereof. The appraised value of such machines retained shall be debited to this account and thereafter considered as the cost of such property.

NOTE B: The cost of machines for the equipment of roadway shops shall be included in account 17, "Roadway buildings."

NOTE C: The cost of roadway machines, such as pile drivers, log loaders, hoist engines, and concrete mixers, when permanently mounted for movement on the carrier's tracks, shall be included in account 57, "Work equipment."

39 Public improvements; construction.

This account shall include amounts assessed on carrier property by governmental authority (by mutual agreement or otherwise) to cover the cost of constructing public improvements, when such assessments are made against property within defined areas of taxing districts. The account also shall include carrier's portion of the cost of public improvements constructed under governmental requirements. (See instruction 2-17.) The entire amount of each assessment and other liabilities for public improvements shall be included in this account as soon as the amounts are determined.

ITEMS

Cost of land outside carrier's right-of-way to provide for the relocation of streets or highways or providing slopes therefor.
Cost of removal and relocation of buildings and other structures in connection with the construction of streets and highways.
Curbing streets and highways.
Damage to property of others when incidental to highway construction.
Drainage systems.
Engineering—When such costs apply to items chargeable to this account.
Flood protection.
Grading streets and highways.
Guttering streets and highways.
Irrigation systems.
Levees.
Overhead highway bridges, including approaches.
Paving streets and highways, including such pavings at crossings.
Planking, highway crossings.
Sewer systems.
Sidewalks.
Street-lighting systems.
Water works.

NOTE A: The cost of railway facilities installed in connection with joint public improvement projects if not in excess of total costs borne by the carrier shall be included in accounts other than account 39, "Public improvements; construction," appropriate for the class of property installed. Any costs borne by the carrier in excess of the cost of railway facilities shall be charged to this account. The carrier shall charge the cost of assessments for public improvements which is borne by joint owner tenants to the appropriate property accounts other than account 39, "Public improvements; construction," assessments from tenant owners shall be credited to account 795, "Other capital." The owner tenants shall charge their proportionate share of the assessment to account 721, "Investments and advances; affiliated companies." The carrier shall charge the appropriate property accounts other than the public improvement account for the cost of public improvement assessments borne by nonowner tenants with contra credit to account 38-00-00, "Purchased services—Joint facility—Credit," and the tenants shall charge their proportionate share of the assessments to account 37-00-00, "Purchased services—Joint facility—Debit."

NOTE B: The cost to the carrier of maintaining public improvements shall be included in operating expenses.

NOTE C: Any portion of the cost of public improvements which is included in the general tax levy for a regular taxing district shall be included in the account appropriate for the taxes.

NOTE D: The amount of the deferred payments of assessments for public improvements, if payments are to be made within one year, shall be included in account 763, "Other current liabilities." If the payments are spread over a longer period they shall be credited to account 782, "Other liabilities." The interest paid on such assessments shall be included in account 547, "Interest on unfunded debt."

NOTE E: Interest imposed for failure to pay assessments within the allocated time shall be charged to Account 547, Interest on unfunded debt. Any related penalties shall be charged to Account 551, Miscellaneous income charges.

NOTE F: Assessments on noncarrier property for the cost of constructing public improvements shall be charged to account 737, "Property used in other than carrier operations."

[42 FR 35017, July 7, 1977, as amended at 52 FR 4326, Feb. 11, 1987]

44 Shop machinery.

This account shall include the cost of machinery and other apparatus in shops and engine houses, including the

cost of special foundations and installation and cost of small hand tools necessary first to equip a shop.

LIST OF SHOP MACHINERY

Ash conveyors.
Air compressors.
Belting.
Blowers.
Boilers for furnishing power.
Boring machines.
Cars, motor.
Cars, push.
Cranes.
Drilling machines.
Drop tables.
Forges.
Framing machines.
Furnaces.
Grinding and polishing machines.
Hoists.
Hydraulic jacks.
Lathes.
Lifting magnets.
Metal chimneys.
Milling machines.
Motors.
Pipe cutting and threading machines.
Planers.
Pneumatic hammers.
Power equipment.
Punches.
Riveters.
Saws.
Shafting.
Shapers.
Slotters.
Stationary engines.
Steam hammers.
Vises.
Welding machines.
Woodworking machines.

NOTE A: The cost of power-plant machinery and other apparatus for shop purposes, when located in distinct buildings, shall be included in account 45, "Power-plant machinery."

NOTE B: The cost of foundations other than those special to particular machines and other apparatus shall be included in the cost of the building and not in this account.

45 Power-plant machinery.

This account shall include the cost of machinery and other apparatus in power plants and substations for generating and transforming power used for the operation of trains and cars or to furnish power, heat, and light for stations, shops, and general purposes, and also the cost of foundations special to particular machines or other apparatus including the cost of installation.

ITEMS

Air compressors.
 Ash-conveying machinery.
 Battery-charging apparatus.
 Boiler-room appliances and tools.
 Boilers and fittings.
 Circuit breakers.
 Furnaces.
 Ice-manufacturing machinery and apparatus.
 Lubricating devices.
 Mechanical stokers.
 Metal stacks on boilers.
 Refrigerating—machinery and apparatus.
 Rotary converters.
 Sewer connection for machinery.
 Coal-conveying machinery.
 Condensers.
 Cranes.
 Draft machinery.
 Dynamos.
 Engine-room appliances and tools.
 Feed water heaters.
 Special foundations for machines.
 Steam-distribution systems within the plant.
 Switchboards.
 Tanks.
 Tractors, trailers, and trucks, permanently assigned to power plants.
 Transformers.
 Turbines.
 Water meters.
 Well pumps.

NOTE A: The cost of power machinery and other apparatus installed in a shop as part of the shop equipment shall be included in account 44, "Shop machinery."

NOTE B: The cost of power machinery and other apparatus installed in station and office buildings shall be included in account 16, "Station and office buildings."

NOTE C: The cost of buildings and the power machinery and other apparatus of plants used primarily for operating signals and interlockers shall be included in account 27, "Signals and interlockers."

NOTE D: The cost of foundations other than those special to particular machines and other apparatus shall be included in the cost of the building and not in this account.

NOTE E: The cost of machinery and buildings of detached plants for producing power both for operating purposes and for sale shall be included in this account and in account 29, "Power plants," respectively. When plants are intended and used primarily for generating power for sale to noncarriers the investment shall be included in account 737, "Property used in other than carrier operations."

Equipment

50 Equipment.

The several primary accounts included in this general account are designed to show the cost of the several classes of equipment vehicles and shop and power plant equipment owned by the carrier, or held under equipment trust agreements or other contractual obligation for purchase of the property.

52 Locomotives.

(a) This account shall include the cost of locomotives and tenders purchased or built by the carrier, and of appurtenances, furniture, and fixtures necessary to equip them for service, including the cost of inspection, setting up, and trying out after receipt from builders, and transportation charges to the carrier's line. This account may also include the cost of spare engines carried on hand for the purpose of temporarily replacing similar units removed from locomotives for overhaul, repair or other reason.

(b) Records shall be maintained to reflect separately the investment cost of locomotives on the basis of their initial identification for depreciation purposes; i.e., road passenger, road freight, road switching and yard switching.

LIST OF APPURTENANCES TO LOCOMOTIVES

Airbrake equipment and hose.
 Arm rests.
 Brake fixtures.
 Cab cushions.
 Clocks.
 Fire-extinguishing apparatus.
 Gongs.
 Headlamps.
 Metallic packing.
 Pneumatic sanding equipment.
 Radio equipment, permanently attached.
 Seat boxes.
 Signal lamps.
 Speed recorders.
 Steam-gauge lamps.
 Steam-heat equipment and hose.
 Storm doors.
 Tool boxes.
 Train-signal equipment and hose.

NOTE: Cars with motor equipment are not to be classed as locomotives.

53 Freight-train cars.

This account shall include the cost of freight-train cars of all classes, such as motor-driven cars, purchased or built

Pt. 1201

by the carrier, including all appurtenances, furniture, and fixtures necessary to equip them for service, and the cost of inspection and transportation charges to the carrier's line.

LIST OF FREIGHT-TRAIN CARS

Automobile.
Ballast (commercial).
Beer.
Box.
Cabin.
Caboose.
Charcoal.
Coal.
Coke.
Dump (commercial).
Express.
Flat.
Fruit.
Furniture.
Gondola.
Gondola (hopper).
Gondola (long).
Hay.
Lime.
Mail.
Oil tank.
Ore.
Logging.
Platform.
Polling.
Poultry.
Produce.
Rack.
Refrigerator.
Stock.
Tank and water (when used as commercial cars).

LIST OF APPURTENANCES TO FREIGHT-TRAIN CARS

Air-brake equipment, including hose.
Cooking equipment and utensils.
Heating units.
Lamps and fixtures.
Loading devices.
Refrigeration units.
Seats.
Speed recorders.
Train-signal equipment, including hose.
Water tanks.

54 Passenger-train cars.

This account shall include the cost of passenger-train cars of all classes, such as motor-driven cars, purchased or built by the carrier, including all appurtenances, furniture, and fixtures necessary to equip them for service, and cost of inspection and transportation charges to the carrier's line.

49 CFR Ch. X (10–1–96 Edition)

LIST OF PASSENGER-TRAIN CARS

Automobile.
Baggage.
Baggage-express.
Baggage-mail.
Baggage-mail-express.
Buffet.
Cafe, chair, and club.
Dining.
Library.
Milk.
Observation.
Parlor.
Parlor-baggage.
Passenger.
Passenger-baggage.
Passenger-baggage-mail.
Postal.
Refrigerator-express.
Sleeping.
Smoking.
Tourists.

LIST OF APPURTENANCES TO PASSENGER-TRAIN CARS

Air-brake equipment including hose.
Bedding.
Chairs.
Coat hooks.
Curtains and fixtures.
Cushions.
Electric bells.
Floor coverings.
Heating equipment.
Ice boxes.
Ice tanks.
Kitchen equipment and utensils.
Lighting equipment.
Mail catchers.
Parcel racks.
Ranges and boilers.
Seats.
Speed recorders.
Steam-heat hose.
Table china.
Table glassware.
Table linen.
Table silver.
Toilet equipment.
Train-signal equipment, including hose.
Water tanks.

55 Highway revenue equipment.

(a) This account shall include the cost of highway vehicles used in revenue transportation service, including pickup and delivery service, substitute line-haul service, and TOFC/COFC service; also the cost of appurtenances (such as radio communication equipment) necessary to equip them for service, and the inspection and transportation costs and charges required for delivery of the vehicles into the carrier's revenue service.

Surface Transportation Board, DOT

Pt. 1201

(b) Records shall be maintained to identify the carrier's investment in the following equipment, including appurtenances:

LIST OF HIGHWAY REVENUE EQUIPMENT

Bogies.
Buses.
Chassis.
Containers.
Semi-trailers.
Tractors.
Trailers.
Trucks.

LIST OF APPURTENANCES TO HIGHWAY REVENUE EQUIPMENT

Fire extinguishers.
Heating units.
Radio communication equipment.
Refrigeration units.
Rigging equipment.
Road dollies.
Tarpaulins.

NOTE: The cost of trucks and tractors, which are used exclusively at TOFC/COFC terminals for loading and unloading trailers and containers on and from flat cars shall be charged to account 25, "TOFC/COFC terminals."

56 Floating equipment.

This account shall include the cost of marine or floating equipment of all kinds except work equipment, purchased or built by the carrier, including all appurtenances, furniture, and fixtures necessary to equip it for service, and cost of inspection and transportation charges to the carrier's line.

LIST OF FLOATING EQUIPMENT

Barges.
Canal boats.
Car and other floats.
Ferryboats.
Lighters.
Power launches.
Power lighters.
Scows.
Steam boats.
Steamships.
Transfer boats.
Tugboats.

LIST OF APPURTENANCES TO FLOATING EQUIPMENT

Anchors.
Barometers.
Beds and bedding.
Binnacle lamps.
Blocks and tackle.
China, crockery, and glassware.

Chronometers.
Compasses.
Desks and furniture.
Engines and foundations.
Fire buckets and extinguishers.
Floor coverings.
Gangplanks.
Heating equipment.
Hoisting equipment.
Kitchen equipment.
Life preservers.
Lighting equipment.
Linen.
Logs.
Machinery and foundations.
Masts.
Boilers and foundations.
Cables.
Capstan bars.
Charts.
Pianos and other musical instruments.
Pumps.
Railings.
Rigging.
Scales.
Seats, chairs, and cushions.
Spyglasses and telescopes.
Steam distribution systems.
Steering equipment.
Ticket cases.
Tool boxes and tools.
Tracks on car floats.
Ventilating equipment.

57 Work equipment.

This account shall include the cost of work equipment, including motor-driven equipment, purchased or built by the carrier; cost of appurtenances, furniture, and fixtures necessary to equip it for service; and cost of inspection and transportation charges to the carrier's line.

LIST OF RAIL WORK EQUIPMENT

Air-brake instruction cars.
Ballast cars.
Ballast unloader cars.
Boarding cars.
Bridge cars.
Business cars.
Camp cars.
Cinder cars.
Concrete mixers (mounted).
Derrick cars.
Dirt spreaders (mounted).
Ditching cars.
Dump cars.
Dynamometer cars.
Gas tank cars.
Grading cars.
Gravel cars.
Indicator cars.
Locomotive tanks used permanently as water cars.

Pt. 1201

Locomotives.
Officers' cars.
Outfit cars.
Painters' cars.
Pay cars.
Pile drivers (mounted).
Rail cars.
Rail saws (mounted).
Salt cars.
Sanding cars.
Scale test cars.
Scraper cars.
Snow dozers.
Snow drags.
Snow plows (moved by but not attached to locomotives).
Sprinkling cars.
Steam shovels.
Steam wrecking derricks.
Supply cars.
Sweeper cars.
Tool cars.
Tool and block cars.
Water cars.
Weed burners (mounted).
Wrecking cars.

LIST OF FLOATING WORK EQUIPMENT

Derricks.
Dredges.
Pile drivers.

58 Miscellaneous equipment.

(a) This account shall include the cost of automobiles, trucks and other highway equipment not used in revenue transportation service and not provided for elsewhere; the cost of airplanes; the cost of appurtenances (such as radio communication equipment) necessary to equip them for service; and the inspection and transportation costs and charges required for delivery of the vehicles to the carrier.

(b) The cost of on and/or off-track automotive vehicles, which are permanently equipped with special-purpose machinery and used exclusively in maintenance of way and structures, shall be charged to account 37, *Roadway machines*.

LIST OF MISCELLANEOUS EQUIPMENT

Airplanes.
Automobiles.
Buses.
Emergency repair vehicles.
Road dollies.
Semi-trailers.
Tractors.
Trailers.
Trucks.
Wreckers.

49 CFR Ch. X (10–1–96 Edition)

LIST OF APPURTENANCES TO MISCELLANEOUS EQUIPMENT

Fire extinguisher.
Radio communication equipment.
Rigging equipment.
Tarpaulins.

59 Computer systems and word processing equipment.

This account shall include the cost of mainframe and mini-computers and data processing equipment as well as the cost of word processing equipment that is not dedicated to a particular function. Essentially this account consists of all computer-related equipment that remains under the control of the data processing department. This account shall also include the cost of foundations, power supply, fixtures, appurtenances and other devices to prepare this equipment for use.

ITEMS

Mainframes, Mini-computers, Word processing systems, Printers, Monitors, Modems, Storage devices.

NOTE A: The cost of micro computers, data processing equipment, and word processing equipment which are an integral part of and essential to the operation of a separate facility shall be charged to the appropriate property account for that facility.

NOTE B: Carriers desiring to adopt other methods of accounting for computers and word processing equipment that are considered more suitable for their operational structure shall submit justification and supporting documents to the Commission for consideration and decision.

[52 FR 4326, Feb. 11, 1987]

General Expenditures

70 General expenditures.

The primary accounts of this general account are designed to include expenditures made in connection with the acquisition and construction of original road and equipment, and with extension, additions, and betterments to road and equipment property, when such expenditures cannot properly be included in any of the foregoing accounts as a part of the cost of any specific work. When assignable, such expenditures shall be included in the cost of the property for which the expenditures occurred.

76 Interest during construction.

(a) When any bonds, notes, or other evidences of indebtedness are sold, or any interest-bearing debt is incurred for acquisition and construction of original road and equipment, extensions, additions, and betterments, the interest accruing on the part of the debt representing the cost of property chargeable to road and equipment accounts (less interest, if any, allowed by depositaries on unexpended balances) after such funds become available for use and before the receipt or the completion or coming into service of the property so acquired shall be charged to this account.

(b) When such securities are sold at a premium, the proportion of such premium assignable to the time between the date of the actual issuance of the securities and the time when the property acquired or the improvement made becomes available for service shall be credited to this account.

(c) This account shall also include such proportion of the discount and expense on funded debt issued for the acquisition of original road, original equipment, road extensions, additions, and betterments, as is equitably assignable to the period between the date of the actual issuance of securities and the time when the property acquired or the improvement made become available for the service for which it is intended. The proportion of discount and expense thus chargeable shall be determined by the ratio between the period prior to the completion or coming into service of the facilities or improvements acquired and the period of the entire life of the securities issued.

NOTE A: Interest on bonds, notes, or other evidences of indebtedness accruing before the proceeds from the sale of the securities become available for use shall not be included in this account, nor shall there be included any interest accruing after the property with respect to which the proceeds are expended is received or becomes available for use in connection with commercial service.

NOTE B: If securities issued or assumed by the carrier are subsequently sold or exchanged by or for the carrier, the excess of the par value and accrued interest of the securities over the actual money value of the consideration received shall be deemed a discount. In no case (except as provided in the third paragraph of this account) shall dis-

count be included as part of the cost of items included in the accounts prescribed in this classification.

NOTE C: Whenever interest, premium, or discount assignable to the construction period is incurred in connection with an expenditure covered by some specific road and equipment account or accounts, such interest, premium, or discount shall be charged directly to the specific accounts to which it is related. Unless provided for otherwise, interest costs shall be capitalized in accordance with generally accepted accounting principles.

NOTE D: This account shall not include interest during the construction period on the carrier's own funds expended in connection with the acquisition or construction of original road and equipment, extensions, additions, and betterments.

(5 U.S.C. 553; 49 U.S.C. 10321)

[42 FR 35017, July 7, 1977, as amended at 46 FR 10920, Feb. 5, 1981]

Other Property Accounts**80 Other elements of investment.**

(a) This account shall include amounts resulting from adjustment of the primary property accounts to conform with cost of property in valuation records. The amount in this account shall be cleared on a consistent basis as property is retired from service or otherwise in accordance with the rules in paragraphs (b), (c), and (d) of this account. Any material amount in this account assignable to property previously retired from service shall be cleared immediately.

(b) When property is retired from service, an equitable portion of the balance in this account assignable to such property shall be cleared when the retirement entry is made. The amount so cleared, when a debit, shall be charged to account 551, *Miscellaneous income charges*, or, when a credit, shall be recorded in account 519, *Miscellaneous income*. The exception to this general rule with respect to a credit balance assignable to property retired is that when property classified as depreciable is retired from service and the balance in the accumulated depreciation account for the property is materially deficient, because of sudden retirement or other unusual cause, the portion of a credit balance cleared for the retirement, equal to the deficiency, shall be

Pt. 1201

applied to reduce the amount of loss otherwise chargeable to the accumulated depreciation account.

(c) A carrier may apply to the Commission for authority to clear the entire balance from this account immediately or amortize the balance over a short period of time by appropriate inclusion in account 616, *Other debits to retained earnings*, or account 606 *Other credits to retained earnings*. Any amount so authorized or directed by the Commission to be cleared and written off to retained income shall be in lieu of amounts includible in accounts indicated in paragraph (b).

(d) Other plans for clearance, disposition, or classification of a balance in this account in conformity with sound accounting principles may be submitted to the Commission with suitable details for consideration. This includes application for disposition of a balance in this account attributable to reduction of capitalization in a reorganization. An accounting procedure so applied for shall become effective only after Commission approval. Each carrier shall maintain a record of items initially included in and cleared later from this account and the basis used in computing such items.

NOTE: The amounts attributable to past mergers, consolidations and purchases of property included in this account shall be merged with the adjustment made pursuant to paragraph (a) of this text.

90 Construction in progress.

This account shall include expenditures incurred by the carrier in the process of constructing road and equipment with its own forces or under contract during the period prior to the time property is placed in transportation operations, including cost of materials and supplies located at point of use and of necessary land acquired for such projects. When a project is completed or when a segment of a large project is completed and placed in service, the cost of the completed project or the completed segment thereof shall be transferred to the appropriate road and equipment primary accounts. Separate subaccounts may be maintained for road, equipment, or other classes of expenditures. Expenditures for rel-

49 CFR Ch. X (10-1-96 Edition)

atively unimportant projects may be included directly in primary accounts.

RAILWAY OPERATING REVENUE ACCOUNTS

Transportation Revenue Accounts

100 Transportation; rail line.

The primary accounts included in this general account are designed to show amounts of money which the carrier becomes entitled to receive or which accrue to its benefit from services rendered in transporting property or persons by rail line. The detail accounts include in this general account series are summarized in account 501, *Railway Operating Revenues*.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4326, Feb. 11, 1987]

101 Freight.

(a) This account shall include revenue from the transportation of freight and from transit, stop, and reconsigning privileges, upon the basis of lawful tariff rates.

(b) This account shall include collections in excess of tariff charges, except where such amounts are segregated and held subject to refund.

(c) Proceeds derived from the sale of unclaimed and refused freight which has been transported in accordance with the contract of shipment shall be credited to this account in cases where such items can be readily identified. Uncollected tariff charges on such shipments shall be charged to this account.

(d) Amounts determined to be uncollectible shall be accounted for in accordance with the text of account 63-61-00 *General—Uncollectible accounts*.

ITEMS TO BE CREDITED

(a) Revenue upon the basis of local freight tariff rates, regardless of class of train in which the freight is transported.

(b) The carrier's proportion of revenue upon the basis of through freight tariff rates, regardless of class of train on which the freight is transported.

(c) Revenue from transportation of mail matter, and empty mail pouches, at freight rates.

(d) Revenue from transportation of freight on special trains at rates based on weights of shipments.

Surface Transportation Board, DOT

Pt. 1201

(e) Revenue on basis of classifications and freight tariffs from transportation of caretakers of freight shipments.

(f) Revenue from reconsigning privileges.

(g) Revenue from stop privileges.

(h) Revenue from transit privileges.

(i) Revenue upon the basis of arbitraries out of freight, rates for water transfers (ferriage, lighterage, and floatage).

(j) Revenue from transportation of trailers and containers on flat cars in TOFC/COFC service upon the basis of all-rail line-haul freight tariff rates and under arrangements for motor carrier-railroad joint haul, and from the loading and unloading of trailers and containers on and from flat cars upon the basis of tariff rates and under arrangements for motor carrier-railroad joint haul.

ITEMS TO BE CHARGED

(a) Amounts paid as bridge and ferry arbitraries on freight.

(b) Amounts paid for completing a haul.

(c) Amounts paid for elevation of freight.

(d) Amounts paid for switching services, in connection with the transportation of freight, on the basis of switching tariffs, and allowances out of through rates, including amounts paid for switching empty cars in connection with a freight revenue movement.

(e) Amounts paid for transferring freight between stations.

(f) Arbitraries and allowances to others for lighterage and wharfage.

(g) The carrier's proportion of overcharges resulting from the use of erroneous rates, weights, classifications or computations.

(h) The carrier's proportion of refunds on account of errors in routing and billing.

(i) The carrier's proportion of uncollected revenue on freight lost or destroyed in transit.

(j) The carrier's proportion of uncollected tariff charges on damaged shipments for which charges neither shipper nor consignee is liable.

(k) Amounts paid on basis of tariff rates for loading and unloading livestock.

(l) Amounts paid to motor truck companies for hauling trailers and containers to and from TOFC/COFC terminals, and allowances to shippers who perform such service on the basis of tariff rates.

NOTE A: Amounts paid for switching empty cars other than in connection with loaded movements shall be charged to operating expense account 61-32-XX, "General—Other Expenses—Transportation—Yard—Freight," except that amounts paid for switching equipment for repairs shall be included in the appropriate equipment repair accounts.

NOTE B: Other carriers' proportion of revenue and of uncollectible undercharges paid by the carrier on account of its errors in routing and billing shall be charged to oper-

ating expense account 61-35-76, "General—Other Expenses—Transportation—Administrative Support."

NOTE C: When a lessee company transports freight over the tracks of another carrier on the basis of a proportion of revenues under a joint arrangement, it shall include the entire compensation in its revenues and statistics, charging the appropriate joint facility expense and rental accounts with the amounts paid the lessor company, and the lessor company shall credit the corresponding accounts.

NOTE D: Revenue from the transportation of caretakers of freight shipments, when not included as a part of the freight charges on the waybill covering the freight shipments, shall be credited to account 102, "Passenger."

NOTE E: This account shall be maintained so as to show separately payments and allowances for (a) terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates, further separated between (1) TOFC/COFC service, and (2) all other freight service; also (b) payments for switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement, and (c) payments on basis of tariff rates for loading and unloading livestock.

102 Passenger.

This account shall include the revenue from transportation of passengers at passenger tariff fares, from the transportation of passengers at special fares as provided by law, and from incidental charges in connection therewith.

ITEMS TO BE CREDITED

(a) Revenue from local passenger fares.

(b) The carrier's proportion of revenue from interline passenger fares.

(c) Revenue from extra fares.

(d) Revenue from additional fares or charges for exclusive use of a passenger car, drawing room, compartment, bedroom, etc.

(e) Revenue from mileage and scrip coupons honored for all services covered by this account.

(f) Revenue from transportation of passengers in special cars or on special trains when charge is based on passenger fare per capita, regardless of the number of passengers actually transported.

(g) Revenue from a guaranteed minimum amount not based on per capita fare, for transportation of passengers on special or chartered trains.

Pt. 1201

- (h) Cash fare penalty collections.
- (i) Unclaimed collections and deposits for transportation of passengers.
- (j) Passenger fare overcharges.
- (k) Revenue from transportation of corpses, based on passenger fares.
- (l) Revenue from water transfers (ferriage), bridge tolls, and transfers between railway stations or between railway stations and docks, received as arbitraries in divisions of passenger fares.

ITEMS TO BE CHARGED

- (a) Amounts paid as bridge tolls, and also for ferry, depot to depot and depot to dock passenger transfer service.
- (b) Amounts paid for switching in completing a passenger transportation movement.
- (c) Amounts paid for switching empty passenger-train cars in connection with transportation of passengers. (See note C.)
- (d) Redemptions of unused and partially unused local tickets and redemptions of carrier's proportions of unused and partially unused interline tickets.
- (e) Refund of extra fares, cash fare penalty collections, and overcharges in excess of tariff fares.
- (f) Uncollectible undercharges.

NOTE A: Gross receipts from the sale of mileage tickets, and scrip books shall be credited to a suspense account. The suspense account shall be charged and this account credited with the value of coupons as honored, in connection with any of the services provided for in *Items To Be Credited*.

NOTE B: When a lessee company transports passengers over the tracks of another company under a joint arrangement upon the basis of a proportion of the passenger revenue, it shall include the entire compensation in its passenger revenue and statistics, charging the appropriate joint facility expense and rental accounts with the amounts paid the lessor company and the lessor company shall credit the corresponding joint facility accounts.

NOTE C: Amounts paid for switching empty passenger-train cars other than in connection with loaded movements, shall be charged to account 61-42-XX, *General—Other Expenses—Transportation—Yard—Passenger*, except that when switched for repairs, the amounts paid shall be included in account 39-25-45, *Purchased Services—Repairs Billed by Others—Equipment—Other Equipment*.

NOTE D: Amounts determined to be uncollectible shall be accounted for in accordance with the text of account 63-62-00, *General—Uncollectible accounts*.

103 Passenger-related.

This account shall include the revenue from the transportation of baggage, packages, etc. on passenger

49 CFR Ch. X (10-1-96 Edition)

trains at other than freight or express tariff rates. This account shall also include the revenue from berth and seat accommodations furnished in sleeping, parlor observation, chair, and other special passenger cars, also the revenue derived from the operation of passenger trains not provided for elsewhere, and dining and buffet service.

The amounts recorded in this account shall not include aid in the form of abatement or forgiveness of taxes, assumption by local governments of station maintenance costs, and other similar special indirect benefits, contributed by governmental agencies.

104 Switching.

(a) This account shall include the revenue from switching service upon the basis of lawful tariff rates. To this account shall be credited the carrier's revenue upon the basis of tariff rates, or the carrier's allowance out of through rates, from the switching of cars of all kinds, loaded or empty, either locally at a station or within a switching district, between connecting lines, between local industries, or between connecting lines and local industries; revenue upon the basis of distinct tariff rates for *trapcar* and *ferry-car* service and for spotting cars; also the revenue from interwork switching at industrial plants, and the revenue from *penalty switching* incident to the improper delivery of cars by other carriers.

(b) To this account shall be charged amounts paid others for switching when such switching service is provided for in the switching rate charged by the carrier.

NOTE: *Penalty switching* charges paid by the carrier shall be included in expense account 61-32-XX, *General—Other Expenses—Transportation—Yard—Freight*.

105 Water transfers.

(a) This account shall include the revenue, from the transfer by water (ferriage, lighterage, and floatage) of passenger, freight, vehicles and livestock, upon the basis of lawful local tariff rates.

(b) This account also shall include revenue from water transfers of other

traffic, such as the revenue from towing beyond lighterage limits and all other towing for which an extra charge is made; insurance of freight afloat when billed out at other than cost; storage of freight afloat; grain overage in boats; pumping performed for outside parties; and from other similar sources.

(c) To this account shall be charged amounts payable to other companies or individuals for extra lighterage, extra towing, and for all other service when such payments represent revenue collected and credited to this account and not a direct expense.

NOTE: No revenue shall be included in this account for water transfers of passengers or shipments upon the basis of arbitraries out of rates for transportation involving rail line haul.

106 Demurrage.

This account shall include the revenue from the detention of cars incident to loading, unloading, reconsigning, and stops in transit upon the basis of lawful tariffs for demurrage. This account shall also include the revenue from the detention of trailers and containers used in TOFC/COFC service, incident to loading and unloading, upon the basis of tariff rates.

NOTE: This account shall be maintained so as to reflect separately (1) revenue from detention of cars, and (2) revenue from detention of trailers and containers used in TOFC/COFC service.

110 Incidental.

This account is designed to show the amounts which the carrier becomes entitled to receive from services rendered incidentally with rail-line and water-line transportation; for the use of facilities of which the expenses for operation and maintenance are not separable from railway expenses and from incidental sources not provided for elsewhere. Among the items included in this account are revenues derived from (1) hotels and restaurants, (2) operations conducted at stations and on trains by individual or companies other than railway companies, (3) storage, (4) the sale of electric power, (5) renting property operated and maintained in connection with the property used in the carrier's transportation operations

and from railway operations not provided for elsewhere.

Joint Facility Revenue Accounts

120 Joint facility.

The primary accounts included in this general account are designed to show the carrier's proportion of revenues collected by others in connection with operation of joint facilities and the amount payable by the carrier to other companies from operation of joint facilities.

121 Joint facility—credit.

This account shall include the carrier's proportion of revenue collected by others in connection with the operation of joint tracks, yards, terminals, and other facilities, including revenue from hotels, restaurants, grain elevators, sale of power, and other miscellaneous operations.

NOTE A: The purpose of this account is to show the amounts of revenue from the operation of joint tracks, yards, terminals and other facilities operated by other companies, which under existing contracts or agreements are credited by the operating company to the tenant companies which participate therein. The bill rendered by any creditor company against a debtor company for the latter's proportion of the expense of maintenance and operation of joint facilities, which includes also a credit covering a proportion of the revenue to be paid over, shall show the distribution of the credit for such proportion of the revenue separately from the distribution of the expense of operation.

NOTE B: No credits shall be made to this account representing amounts creditable by the operating company to primary accounts 101-103, 105 and 110.

122 Joint facility—debit.

This account shall include that proportion of revenue from the operation of joint tracks, yards, terminals, and other facilities, which is creditable to other companies, including revenue from hotels, restaurants, grain elevators, sale of power, and other miscellaneous operations.

NOTE A: The purpose of this account is to show the amount of revenue from operation of a terminal company or other carrier which, under the terms of existing contracts or agreements covering the joint use of

tracks, yards, and other facilities, is credited to other carriers that participate in the benefits from such joint use. The bill rendered by a creditor company against a debtor company for the latter's proportion of expense of maintaining and operating joint facilities, which includes a credit covering the debtor company's proportion of the revenues from operation of such joint facilities, shall indicate separately the proper distribution of both the revenues and the expenses included in the bill, and such distribution shall be adhered to by the debtor.

NOTE B: No debits shall be made to this account representing amounts creditable by the operating company to primary accounts 101–103, 105 and 110.

OPERATING EXPENSE ACCOUNTS

SOURCE: 52 FR 4326, Feb. 11, 1987, unless otherwise noted.

Instruction

(1) The operating expense accounts use a six-digit code. The first two digits denote natural expense, the second two digits denote activity/subactivity, and the third two digits denote detailed functions. [See Table A for an overview of the coding structure and Tables B–E for detailed functions.]

(2) The operating expense account explanations use a three-tier format. Section 1 contains natural expense explanations with applicable activity/subactivity and function assignment. Section 2 details the activity/subactivity explanations. Section 3 explains the functions appropriate for each activity/subactivity. To obtain a complete explanation for a particular account, refer to section 1 to locate the natural expense and activity/subactivity (first four digits) and read the appropriate account text. Accounts that are assigned to functions are appropriately listed. For further information, refer to section 2 and section 3.

(3) All accounts listed in Table A and section 1 are for freight only. Refer to Table F for applicable passenger or common account codes. Account numbers designated with an asterisk in section 1 denote freight only accounts, while other accounts are used for both freight and passenger or common accounts.

(4) All expense assigned to common operating accounts shall be allocated to freight and passenger accounts in accordance with Part 1242 of this chapter.

TABLE A—CODING STRUCTURE FOR RAILWAY OPERATING EXPENSE ACCOUNTS¹

	XX-00	Way and structures XX-10			Equipment XX-20			Transportation XX-30, 40, 50					XX-60
	Control	Run- ning	Switch- ing	Other	Loco- motive	Freight cars	Other equip- ment	Train	Yard	Train and yard com- mon	Spe- cialized SVDS	Admin- istra- tive support	Gen- eral and admin- istra- tive
Freight ²	XX-00	XX-11	XX-12	XX-13	XX-21	XX-22	XX-23	XX-31	XX-32	XX-33	XX-34	XX-35	XX-61
Personnel	10-00	³ 11-	³ 11-	³ 11-	³ 11-	³ 11-	11-23	³ 11-	³ 11-	³ 11-	³ 11-	³ 11-	³ 11-
Salaries and wages	11-00	11	12	13	21	22	23	31	32	33	34	35	61
Fringe benefits	12-00	12-11	12-12	12-13	12-21	12-22	12-23	12-31	12-32	12-33	12-34	12-35	12-61
Material	20-00	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-	³ 21-
Materiel, tools, supp. fuel, lubricants	21-00	11	12	13	21	22	23	31	32	33	34	35	61
Purchased services	30-00	31-11	31-12	31-13	31-21	31-22	31-23	31-31	31-32	31-33	31-34	31-35	31-61
Lease rentals—DR	31-00	32-11	32-12	32-13	32-21	32-22	32-23	32-31	32-32	32-33	32-34	32-35	32-61
Lease rentals—CR	32-00	33-11	33-12	33-13	33-21	33-22	33-23	33-31	33-32	33-33	33-34	33-35	33-61
Jt. Fac. Rent—DR	33-00	34-11	34-12	34-13	34-21	34-22	34-23	34-31	34-32	34-33	34-34	34-35	34-61
Jt. Fac. Rent—CR	34-00	35-11	35-12	35-13	35-21	35-22	35-23	35-31	35-32	35-33	35-34	35-35	35-61
Other rents—DR	35-00	36-11	36-12	36-13	36-21	36-22	36-23	36-31	36-32	36-33	36-34	36-35	36-61
Other rents—CR	36-00	37-11	37-12	37-13	37-21	37-22	37-23	37-31	37-32	37-33	37-34	37-35	37-61
Jt. facility—DR	37-00	38-11	38-12	38-13	38-21	38-22	38-23	38-31	38-32	38-33	38-34	38-35	38-61
Jt. facility—CR	38-00	³ 39-	³ 39-	³ 39-	³ 39-	³ 39-	³ 39-	39-31	39-32	39-33	39-34	39-35	39-61
Repairs billed by others—DR	39-00	11	12	13	21	22	23	31	32	33	34	35	61
Repairs billed to others—CR	40-00	³ 40-	³ 40-	³ 40-	³ 40-	³ 40-	³ 40-	40-31	40-32	40-33	40-34	40-35	40-61
Other purchase services	41-00	11	12	13	21	22	23	31	32	33	34	35	61
Claims and insurance	50-00	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-	³ 41-
Loss damage claims	51-00	11	12	13	21	22	23	31	32	33	34	35	61
Other casualties	52-00	52-11	52-12	52-13	52-21	52-22	52-23	52-31	52-32	52-33	52-34	52-35	52-61
Insurance	53-00	53-11	53-12	53-13	53-21	53-22	53-23	53-31	53-32	53-33	53-34	53-35	53-61
General	60-00	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-	³ 61-
Other expenses	61-00	11	12	13	21	22	23	31	32	33	34	35	61
Depreciation	62-00	62-11	62-12	62-13	62-21	62-22	62-23	62-31	62-32	62-33	62-34	62-35	62-61
Uncollectible account	63-00	63-11	63-12	63-13	63-21	63-22	63-23	63-31	63-32	63-33	63-34	63-35	63-61
Property taxes	64-00	64-11	64-12	64-13	64-21	64-22	64-23	64-31	64-32	64-33	64-34	64-35	64-61

¹ Each operating expense account has a six-digit code divided into three two-digit groups. The first two-digit group denotes the natural expense [see control column], the second group denotes the activity/subactivity for freight, passenger or common service [see Table F], and the third group signifies applicable function assignment [see Tables B, C, D & E].

² The account numbers shown on this matrix are for freight only. The account numbers for passenger and common are derived by applying the natural expense code (first two digits) to the activity codes shown in Table F. Natural expenses are used only in the same activities as shown for freight.

³ Expenses shall be reported by applicable functions [see account text].

TABLE B—FUNCTION CODE USE—WAY AND STRUCTURES

Code	Functions	Running			Switching			Other		
		1 F	P	C	F	P	C	F	P	C
	ADMINISTRATION									
02	Track							X	X	X
03	Bridges and buildings							X	X	X
04	Signals							X	X	X
05	Communications							X	X	X
06	Other							X	X	X
	REPAIRS AND MAINTENANCE									
10	Roadway	X	X	X	X	X	X			
11	Tunnels and subways	X	X	X	X	X	X			
12	Bridges and culverts	X	X	X	X	X	X			
13	Ties	X	X	X	X	X	X			
14	Rails and other track material	X	X	X	X	X	X			
16	Ballast	X	X	X	X	X	X			
19	Signals and interlockers	X	X	X	X	X	X			
20	Communication systems							X	X	X
21	Power systems							X	X	X
22	Highway grade crossings	X	X	X	X	X	X			
23	Station and office buildings							X	X	X
24	Shop bldgs.—Locomotives							X	X	X
25	Shop bldgs.—Freight cars							X		
26	Shop bldgs.—Other equipment							X	X	X
27	Locomotive servicing facilities							X	X	X
28	Misc. buildings and structures							X	X	X
29	Coal terminals							X		
30	Ore terminals							X		
31	TOFC/COFC terminals							X		
32	Other marine terminals							X		
33	Motor vehicle loading and distribution facilities							X		
35	Facilities—Other specialized services operations							X		
36	Roadway machines							X	X	X
37	Small tools and supplies							X	X	X
38	Snow removal							X	X	X
39	Dismantling retired property	X	X	X	X	X	X	X	X	X
48	Road property damaged	X	X	X	X	X	X	X	X	X
	OTHER									
99	Other	X	X	X	X	X	X	X	X	X

¹F—Freight; P—Passenger; C—Common.

TABLE C—FUNCTION CODE USE—EQUIPMENT

Code	Functions	Locomotives			Freight Cars			Other Equip- ment		
		1F	P	C	F	P	C	F	P	C
ADMINISTRATION										
01	Administration	X	X	X	X	.....	.....	X	X	X
REPAIR AND MAINTENANCE										
39	Dismantling retired property	X	X	X	X	.....	.....	X	X	X
41	Locomotives	X	X	X	.....	.....	.....	.....	.....	.....
42	Freight cars .....	.....	.....	.....	X	.....	.....	.....	.....	.....
43	Trucks, trailers, containers in revenue service .....	.....	.....	.....	.....	.....	.....	X	.....	.....
44	Floating equipment in revenue service .....	.....	.....	.....	.....	.....	.....	X	.....	.....
45	Passenger and other revenue equipment .....	.....	.....	.....	.....	.....	.....	X	X	X
46	Computer systems and word processing equipment .....	.....	.....	.....	.....	.....	.....	X	X	X
47	Work and other nonrevenue equipment .....	.....	.....	.....	.....	.....	.....	X	X	X
48	Equipment damaged	X	X	X	X	.....	.....	X	X	X
49	Shop machinery—locomotives .....	.....	.....	.....	.....	.....	.....	X	X	X
50	Shop machinery—freight cars .....	.....	.....	.....	.....	.....	.....	X	X	X
51	Shop machinery—other equipment .....	.....	.....	.....	.....	.....	.....	X	X	X
99	Other	X	X	X	X	.....	.....	X	X	X

¹F—Freight; P—Passenger; C—Common.

TABLE D—FUNCTION CODE USE—TRANSPORTATION

Code		Train			Yard			Train and yard common			Specialized services			Administrative support		
		*F	P	C	F	P	C	F	P	C	F	P	C	F	P	C
01	ADMINISTRATION	X	X	X	X	X	X				X			X	X	X
56	OPERATIONS															
57	Engine	X	X	X												
58	Train crews	X	X	X												
59	Dispatching trains	X	X	X	X	X	X									
60	Operating switches, signals, interlockers, retarders, humps	X	X	X	X	X	X									
61	Operating drawbridges	X	X	X	X	X	X									
62	Highway crossing protection	X	X	X	X	X	X									
63	Train inspection and lubrication	X	X	X	X	X	X									
64	Clearing wrecks	X	X	X	X	X	X									
65	Switch crews				X	X	X									
66	Controlling operations				X	X	X									
67	Yard and terminal clerical				X	X	X									
68	Locomotive fuel	X	X	X	X	X	X									
69	Power purchased/produced for motive power	X	X	X	X	X	X									
70	Servicing locomotives	X	X	X	X	X	X									
71	Cleaning car interior							X	X	X						
72	Adjusting, transferring loads							X	X	X						
73	Car loading devices and grain doors							X	X	X						
74	Pick up and delivery, marine haul, rail substitute service										X	X	X	X	X	X
75	Loading, unloading, local marine										X	X	X	X	X	X
76	Protective services															
77	Clerks and accounting employees													X	X	X
78	Communications systems operations													X	X	X
79	Loss and damage claims processing													X	X	X
99	OTHER	X	X	X	X	X	X				X			X	X	X

TABLE E—FUNCTIONAL CODE USE—GENERAL AND ADMINISTRATIVE

Code	Functions	Freight	Passenger	Common
	ADMINISTRATION			
	Administration	X	X	X
	GENERAL			
86	Accounting, auditing, finance	X	X	X
87	Management services and data and word processing	X	X	X
88	Marketing	X	X	X
89	Sales	X	X	X
90	Industrial development	X		
91	Personnel, labor relations	X	X	X
92	Legal and secretarial	X	X	X
93	Public relations and advertising	X	X	X
94	Research and development	X	X	X
	OTHER			
99	Other	X	X	X

TABLE F—ACTIVITY/SUBACTIVITY CODE USE

Activity/subactivity	Freight	Code pas- senger	Common
Way and structures:			
Running	11	14	17
Switching	12	15	18
Other	13	16	19
Equipment:			
Locomotives	21	24	26
Freight cars	22	N/A	N/A
Other	23	25	27
Transportation:			
Train	31	41	51
Yard	32	42	52
Train and yard common	33	43	53
Specialized services	34	N/A	N/A
Administrative support	35	45	55
General and administrative	61	62	63

OPERATING EXPENSE ACCOUNTS

Section 1—Natural Expense Explanations*

Personnel

Control—10–00–00

This account may be used as a control account for all accounts in the PERSONNEL Series: Salaries and Wages. Fringe Benefits Not Included in Compensation.

Salaries and Wages—Control 11–00–00

This account series includes the compensation payable to employees for services performed. It includes amounts payable in connection with profit sharing and stock option plans that are part of employee compensation. This account series also includes amounts of compensation payable to employees for paid time off as a fringe

benefit: Vacation pay, holiday pay, sick pay, and other payments considered direct compensation for time not worked. Amounts of labor billed by contractors, other companies, and joint facilities, are not considered salaries and wages of the carrier company and are not to be included in this account group. Its components shall be distributed to the following accounts in accordance with Instruction 1–12.

Salaries and Wages—Way and Structures—Running—11–11–XX

This account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's roadway and track on the line of road and outside of classification yards. Compensation payable to officers and technical and clerical employees shall only be assigned to Way and Structures—Other. This account shall be subdivided by the following functions:

Surface Transportation Board, DOT**Pt. 1201****Repair and Maintenance:**

Roadway	11-11-10
Tunnels and Subways	11-11-11
Bridges and Culverts	11-11-12
Ties	11-11-13
Rails and Other Track Material	11-11-14
Ballast	11-11-16
Signals and Interlockers	11-11-19
Highway Grade Crossings	11-11-22
Dismantling Retired Property	11-11-39
Road Property and Equipment Damaged	11-11-48
Other—Other	11-11-99

Salaries and Wages—Way and Structures—Switching—11-12-XX

This account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's roadway and track within classification yards and stations. Compensation payable to officers and technical and clerical employees shall be assigned to Way and Structures—Other. This account shall be subdivided by the following functions:

Repair and Maintenance:

Roadway	11-12-10
Tunnels and Subways	11-12-11
Bridges and Culverts	11-12-12
Ties	11-12-13
Rails and Other Track Material	11-12-14
Ballast	11-12-16
Signals and Interlockers	11-12-19
Highway Grade Crossings	11-12-22
Dismantling Retired Property	11-12-39
Road Property and Equipment Damaged	11-12-48
Other—Other	11-12-99

Salaries and Wages—Way and Structures—Other—11-13-XX

This account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's structures other than roadway and track. Each administration account (functions 02-06) includes the compensation payable to all officers and technical and clerical employees associated with the Way and Structures Activity. This account shall be subdivided by the following functions:

Administration:

Track	11-13-02
Bridges and Buildings	11-13-03
Signals	11-13-04
Communications	11-13-05
Other	11-13-06

Repair and Maintenance:

Communication Systems	11-13-20

Power Systems	11-13-21
Station and Office Buildings ...	11-13-23
Shop Buildings—Locomotives	11-13-24
Shop Buildings—Freight Cars	*11-13-25
Shop Buildings—Other	11-13-26
Locomotive Servicing Facilities	11-13-27
Miscellaneous Buildings and Structures	*11-13-28
Coal Terminals	*11-13-29
Ore Terminals	*11-13-30
TOFC/COFC Terminals	*11-13-31
Other Marine Terminals	*11-13-32
Motor Vehicle Loading and Distribution Facilities	*11-13-33
Facilities for Other Specialized Services Operations	*11-13-35
Roadway Machines	11-13-36
Snow Removal	11-13-38
Dismantling Retired Property	11-13-39
Road Property and Equipment Damaged	11-13-48
Other—Other	11-13-99

Salaries and Wages—Equipment—Locomotives—11-21-XX

This account includes the compensation payable to all officers and technical and clerical employees, repair and maintenance employees, and others who are associated with the repair and maintenance of locomotives, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General	11-21-01
Repair and Maintenance:	
Dismantling Retired Property	11-21-39
Locomotives	11-21-41
Road Property and Equipment Damaged	11-21-48
Other—Other	11-21-99

Salaries and Wages—Equipment—Freight Cars—11-22-XX*

This account includes the compensation payable to all officers, technical and clerical employees, repair and maintenance employees, and others, who are associated with the repair and maintenance of freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General	11-22-01
Repair and Maintenance:	
Dismantling Retired Property	11-22-39
Freight Cars	11-22-42
Road Property and Equipment Damaged	11-22-48
Other—Other	11-22-99

Salaries and Wages—Equipment—Other Equipment—11-23-XX

This account includes the compensation payable to all officers, technical and clerical employees, repair and maintenance employees, and others, who are associated with the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General	11-23-01
Repair and Maintenance:	
Dismantling Retired Property	11-23-39
Trucks, Trailers, Containers	
in Revenue Service	*11-23-43
Floating Equipment—Revenue	
Service	*11-23-44
Passenger and Other Revenue	
Service	11-23-45
Work and Other Non-Revenue	
Equipment	11-23-47
Road Property and Equipment	
Damaged	11-23-48
Shop Machinery—Locomotives	11-23-49
Shop Machinery—Other Equip-	
ment	11-23-51
Other—Other	11-23-99

Salaries and Wages—Transportation—Train—11-31-XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees, who are associated with the dispatching and operation of freight trains over the roadway and outside of classification yards. This account shall be subdivided by the following functions:

Administration—General	11-31-01
Operations:	
Engine Crews	11-31-56
Train Crews	11-31-57
Dispatching Trains	11-31-58
Operating Switches, Signals,	
Interlockers, Retarders,	
Humps	11-31-59
Operating Drawbridges	11-31-60
Highway Crossing Protection	11-31-61
Train Inspection and Lubrica-	
tion	11-31-62
Clearing Wrecks	11-31-63
Locomotive Fuel	11-31-67
Electric Power Purchased/Pro-	
duced for Motive Power	11-31-68
Servicing Locomotives	11-31-69
Other—Other	11-31-99

Salaries and Wages—Transportation—Yard—11-32-XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other

operational employees, who are associated with the movement of freight cars within classification yards and in terminal switching and transfer service. This account shall be subdivided by the following functions:

Administration—General	11-32-01
Operations:	
Operating Switches, Signals,	
Interlockers, Retarders,	
Humps	11-32-59
Clearing Wrecks	11-32-63
Switch Crews	11-32-64
Controlling Operations	11-32-65
Yard and Terminal Clerical	11-32-66
Locomotive Fuel	11-32-67
Electric Power Purchased/Pro-	
duced for Motive Power	11-32-68
Servicing Locomotives	11-32-69
Other—Other	11-32-99

Salaries and Wages—Transportation—Train and Yard—Common—11-33-XX

This account includes the compensation payable to all officers, performing functions incurred on behalf of both train and yard operations. This account shall be subdivided by the following functions:

Operations:	
Cleaning Car Interiors	11-33-70
Adjusting and Transferring	
Loads	*11-33-71
Car Loading Devices and Grain	
Doors	*11-33-72

Salaries and Wages—Transportation—Specialized Services—11-34-XX*

This account includes the compensation payable to all officers, technical and clerical employees, and other operational employees who are associated with operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the explanation of activities/subactivities. This account shall be subdivided by the following functions:

Administration—General	11-34-01
Operations:	
Pick Up and Delivery, Marine	
Line Haul, and Rail Sub-	
stitute Service	11-34-73
Loading, Unloading, and Local	
Marine	11-34-74
Protective Services	11-34-75
Other—Other	11-34-99

Salaries and Wages—Transportation—Administrative Support—11-35-XX

This account includes the compensation payable to all officers, are associated with

Surface Transportation Board, DOT**Pt. 1201**

providing direct administrative support for the Transportation Activity. For further clarification refer to the explanation of the Administrative Support Operations Subactivity. Each account shall be subdivided by the following functions:

Administration—General	11-35-01
Operations:	
Clerical and Accounting Employees	11-35-76
Communication Systems Operations	11-35-77
Loss and Damage Claims Processing	11-35-78
Other—Other	11-35-99

Salaries and Wages—General and Administrative—11-61-XX

This account includes the compensation payable to all employees who are associated with overall administration or other general support for carrier operations. Overall administration includes executive, legal, financial, treasury, accounting, budgeting, taxation, corporate planning, costing, marketing, advertising, traffic, corporate secretary, public relations, real estate, insurance administration, personnel administration, pension plan administration, general purchasing, labor relations, internal auditing, industrial engineering, and regulatory reporting. For further clarification refer to the explanation of the General and Administrative Activity. This account shall be subdivided by the following functions:

Administration—General	11-61-01
General:	
Accounting, Auditing, Finance	11-61-86
Marketing	11-61-88
Sales	11-61-89
Industrial Development	*11-61-90
Personnel and Labor Relations	11-61-91
Legal and Secretarial	11-61-92
Public Relations and Advertising	11-61-93
Research and Development	11-61-94
Other—Other	11-61-99

Fringe Benefits Not Included in Compensation—Control—12-00-00

This account series includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation. These benefits include the carrier portions of Railroad Retirement contributions, pension expense, unemployment taxes, dental plans, health plans, hospitalization insurance, life insurance, subsidies for employee lunchrooms, company entertainment facilities for personal use,

and other benefits to employees that are not includible in direct compensation. They exclude travel expense on company business, casualties, workmen's compensation, as well as dues, memberships, and similar items when the direct beneficiary is clearly the company rather than the employee.

Fringe Benefits Not Included in Compensation—Way and Structures—Running	12-11-00
Fringe Benefits Not Included in Compensation—Way and Structures—Switching	12-12-00
Fringe Benefits Not Included in Compensation—Way and Structures—Other	12-13-00
Fringe Benefits Not Included in Compensation—Equipment Locomotives	12-21-00
Fringe Benefits Not Included in Compensation—Equipment—Freight Cars	*12-22-00
Fringe Benefits Not Included in Compensation—Equipment—Other Equipment	12-23-00
Fringe Benefits Not Included in Compensation—Transportation—Train	12-31-00
Fringe Benefits Not Included in Compensation—Transportation—Yard	12-32-00
Fringe Benefits Not Included in Compensation—Transportation—Train and Yard Common	12-33-00
Fringe Benefits Not Included in Compensation—Transportation—Specialized Services	12-34-00
Fringe Benefits Not Included in Compensation—Transportation—Administrative Support	12-35-00
Fringe Benefits Not Included in Compensation—General and Administrative	12-61-00

Materiel Control—20-00-00

This account may be used as a control account for the MATERIEL series: Materials, Tools, Supplies, Fuels, Lubricants.

Materials, Tools, Supplies, Fuels, Lubricants—Control—21-00-00

This account group includes the cost of items installed or commodities consumed which are charged to expense in connection with carrier operations. This account group includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-

Pt. 1201

in on materials and supplies, and similar items. This account group excludes purchased services such as utilities, communications, postage and other items of similar nature. Its components shall be distributed to the following accounts:

Materials, Tools, Supplies, Fuels, Lubricants—Way and Structures—Running—21-11-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's roadway and track on the line of the road and outside of classification yards. Each account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials, and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Repair and Maintenance:	
Roadway	21-11-10
Tunnels and Subways	21-11-11
Bridges and Culverts	21-11-12
Ties	21-11-13
Rails and Other Track Material	21-11-14
Ballast	21-11-16
Signals and Interlockers	21-11-19
Dismantling Retired Property	21-11-39
Road Property and Equipment Damaged	21-11-48
Other—Other	21-11-99

Materials, Tools, Supplies, Fuels, Lubricants—Way and Structures—Switching—21-12-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's roadway and track within classification yards and stations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Repair and Maintenance:	
Roadway	21-12-10
Tunnels and Subways	21-12-11
Bridges and Culverts	21-12-12
Ties	21-12-13

49 CFR Ch. X (10-1-96 Edition)

Rails and Other Track Material	21-12-14
Ballast	21-12-16
Signals and Interlockers	21-12-19
Highway Grade Crossings	21-12-22
Dismantling Retired Property	21-12-29
Road Property and Equipment Damaged	21-12-48

Materials, Tools, Supplies, Fuels, Lubricants—Way and Structures—Other—21-13-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's structures not provided for in running or switching. Each account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Administration:	
Track	21-13-02
Bridges and Buildings	21-13-03
Signals	21-13-04
Communications	21-13-05
Other	21-13-06
Repair and Maintenance:	
Communication Systems	21-13-20
Power Systems	21-13-21
Station and Office Buildings ...	21-13-23
Shop Buildings—Locomotives	21-13-24
Shop Buildings—Freight Cars	*21-13-25
Shop Buildings—Other Equipment	21-13-26
Locomotive Servicing Facilities	21-13-27
Coal Terminals	*21-13-29
Ore Terminals	*21-13-30
TOFC/COFC Terminals	*21-13-31
Other Marine Terminals	*21-13-32
Motor Vehicle Loading and Distribution Facilities	*21-13-33
Facilities for Other Specialized Services Operations	*21-13-35
Roadway Machines	21-13-36
Snow Removal	21-13-38
Dismantling Retired Property	21-13-39
Road Property and Equipment Damaged	21-13-48
Other—Other	21-13-99

Materials, Tools, Supplies, Fuels, Lubricants—Equipment—Locomotives—21-21-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of locomotives,

Surface Transportation Board, DOT**Pt. 1201**

whether owned by the carrier or by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Administration—General	21-21-01
Repair and Maintenance:	
Locomotives	21-21-41
Road Property and Equipment	
Damaged	21-21-48
Other—Other	21-21-99

Materials, Tools, Supplies, Fuels, Lubricants—Equipment—Freight Cars—21-22-XX*

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of freight-cars, whether owned by the carrier or by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Administration—General	21-22-01
Repair and Maintenance:	
Dismantling Retired Property	21-22-39
Freight Cars	21-22-42
Road Property and Equipment	
Damaged	21-22-48
Other—Other	21-22-99

Materials, Tools, Supplies, Fuels, Lubricants—Equipment—Other Equipment—21-23-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of equipment by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Administration—General	21-23-01
Repair and Maintenance:	
Dismantling Retired Property	21-23-39
Trucks, Trailers, Containers	
in Revenue Service	*21-23-43
Floating Equipment—Revenue	
Service	*21-23-44

Passenger and Other Revenue	
Equipment	21-23-45
Computer Systems and Word	
Processing Equipment	21-23-46
Work and Other Non-Revenue	
Equipment	21-23-47
Road Property and Equipment	
Damaged	21-23-48
Shop Machinery—Locomotives	21-23-49
Shop Machinery—Freight Cars	*21-23-50
Shop Machinery—Other Equip-	
ment	21-23-51
Other—Other	21-23-99

Materials, Tools, Supplies, Fuels, Lubricants—Transportation—Train—21-31-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with the dispatching and operation of freight trains over the charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Administration—General	21-31-01
Operations:	
Engine Crews	21-31-56
Train Crews	21-31-57
Dispatching Trains	21-31-58
Operating Switches, Signals,	
Interlockers, Retarders,	
Humps	21-31-59
Operating Drawbridges	21-31-60
Highway Crossing Protection	21-31-61
Train Inspection and Lubrica-	
tion	21-31-62
Clearing Wrecks	21-31-63
Locomotive Fuels	21-31-67
Electric Power Purchased/Pro-	
duced for Motive Power	21-31-68
Servicing Locomotives	21-31-69
Other—Other	21-31-99

Materials, Tools, Supplies, Fuels, Lubricants—Transportation—Yard—21-32-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in and in terminal switching and transfer service. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Pt. 1201

Administration—General	21-32-01
Operations:	
Operating Switches, Signals, Interlockers, Retarders, Humps	21-32-59
Clearing Wrecks	21-32-63
Switch Crews	21-32-64
Controlling Operations	21-32-65
Yard and Terminal Clerical	21-32-66
Locomotive Fuel	21-32-67
Electric Power Purchased/Produced for Motive Power	21-32-68
Servicing Locomotives	21-32-69
Other—Other	21-32-99

Materials, Tools, Supplies, Fuels, Lubricants—Transportation—Train and Yard Common—21-33-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed on behalf of both train and yard operations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, supplies, and similar items. Its components shall be distributed to the following functions in accordance with Instruction 3-2:

Operations:	
Cleaning Car Interiors	21-33-70
Adjusting, Transferring Loads.	*21-33-71
Car Loading Devices and Grain Doors.	*21-33-72

Materials, Tools, Supplies, Fuels, Lubricants—Transportation—Specialized Services—21-34-XX*

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the explanation of specialized services. This account shall be subdivided by the following functions:

Administration—General	21-34-01
Operations:	
Pick Up and Delivery, Marine Line Haul, and Rail Substitute Service	21-34-73
Loading, Unloading, and Local Marine	21-34-74
Protective Services	21-34-75
Other—Other	21-34-99

49 CFR Ch. X (10-1-96 Edition)

Materials, Tools, Supplies, Fuels, Lubricants—Transportation—Administrative Support—21-35-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with providing direct administrative support for the Transportation Activity. For further clarification refer to the explanation of the Administrative Support Operations Subactivity. This account shall be subdivided by the following functions:

Administration—General	21-35-01
Operations:	
Clerks, Accounting Employees Communication Systems Operations	21-35-76
Loss and Damage Claims Processing	21-35-77
Other—Other	21-35-78
Other—Other	21-35-99

Materials, Tools, Supplies, Fuels, Lubricants—General and Administrative—21-61-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in providing overall administration or other general support for carrier operations. For further clarification refer to the definition of the General and Administrative Activity. This account shall be subdivided by the following functions:

Administration—General	21-61-01
General:	
Accounting, Auditing, Finance Management Services and Data and Word Processing ...	21-61-86
Marketing	21-61-87
Sales	21-61-88
Industrial Development	21-61-89
Legal and Secretarial	*21-61-90
Public Relations and Advertising	21-61-92
Research and Development	21-61-93
Other—Other	21-61-94
Other—Other	21-61-99

Purchased Services**Control—30-00-00**

This account may be used as a control account for all accounts in the PURCHASED SERVICES series:

Lease Rentals—Dr.
Lease Rentals—Cr.
Joint Facility Rent—Dr.
Joint Facility Rent—Cr.
Other Rents—Dr.
Other Rents—Cr.
Joint Facility—Dr.

Surface Transportation Board, DOT**Pt. 1201**

Joint Facility—Cr.
Repairs Billed by Others—Dr.
Repairs Billed to Others—Cr.
Other Purchased Services

Lease Rentals—Debit—Control—31-00-00

This account series includes the rentals of road property and equipment with terms of 30 days or more. This account excludes joint facility and joint trackage rents, insurance and maintenance elements of lease payments, and all elements of capital leases as defined in FASB Statement No. 13. Capitalized leases shall be included in the applicable property account for the particular asset leased [See Instruction 2-11b]. The components of this natural expense will be distributed to the following accounts in accordance with Instruction 3-2:

Lease Rentals—Dr.—Way and Structures—Running	31-11-00
Lease Rentals—Dr.—Way and Structures—Switching	31-12-00
Lease Rentals—Dr.—Way and Structures—Other	31-13-00
Lease Rentals—Dr.—Equipment—Locomotives	31-21-00
Lease Rentals—Dr.—Equipment—Freight Cars	*31-22-00
Lease Rentals—Dr.—Equipment—Other Equipment	31-23-00

Lease Rentals—Credit—Control—32-00-00

This account group includes the rentals of owned property and equipment or subleases of leased road property and equipment with terms of from 30 days to one year. Longer term leases are indicative of a noncarrier operation and all revenues and expenses related to such property and equipment should be classified accordingly and excluded from railroad operations. This account excludes joint facilities and joint trackage, capital leases, and portions of lease receipts covering maintenance and insurance. The components of this natural expense account will be distributed to the following accounts in accordance with Instruction 3-2:

Lease Rentals—Cr.—Way and Structures—Running	32-11-00
Lease Rentals—Cr.—Way and Structures—Switching	32-12-00

Lease Rentals—Cr.—Way and Structures—Other	32-13-00
Lease Rentals—Cr.—Equipment—Locomotives	32-21-00
Lease Rentals—Cr.—Equipment—Freight Cars	*32-22-00

Joint Facility Rents—Debits—Control—33-00-00

This account group includes amounts payable accrued as rent for equipment, tracks, yards, terminals, and other facilities owned or controlled by other carriers, companies, or individuals, and in the joint use of which the accounting company participates. Amounts paid or payable by the accounting company in reimbursement for taxes on property jointly used shall be charged to this account.

The cost of maintenance, operation, or administration of joint facilities, chargeable to the accounting company, shall be charged to the various joint facility accounts (37-XX-00). When the compensation for the use of joint facilities is a fixed amount or is based upon a charge per passenger, ton, car, or other unit, it shall be fairly apportioned between this account and Joint Facility—Dr. (37-XX-00). This apportionment shall be made by the operating company and shall be followed by the accounting company.

The components of this natural expense consist of the following accounts:

Joint Facility Rents—Dr.—Way and Structures—Running	33-11-00
Joint Facility Rents—Dr.—Way and Structures—Switching	33-12-00
Joint Facility Rents—Dr.—Way and Structures—Other	33-13-00
Joint Facility Rents—Dr. Equipment—Locomotives	*33-21-00
Joint Facility Rents—Dr. Equipment—Freight Cars	*33-22-00
Joint Facility Rents—Dr. Equipment—Other Equipment	33-23-00

Joint Facility Rents—Credit—Control—34-00-00

This account series includes amounts receivable accrued for rent of equipment, tracks, yards, terminals and other facilities owned or controlled by the accounting company and used jointly with other companies or individuals. Amounts receivable from other companies in reimbursement for taxes

Pt. 1201

on property jointly used shall be credited to this account.

The portion of the cost of maintenance, operation, or administration of joint facilities recoverable from others shall be credited to the various joint facility accounts (38-XX-00). When the compensation for the use of joint facilities is a fixed amount or is based upon a charge per passenger, ton, car, or other unit, it shall be fairly apportioned by the creditor between this account and Joint Facility—Cr. (38-XX-00).

The components of this account series shall be distributed to the following accounts:

Joint Facility Rents—Cr.—Way and Structures—Running	34-11-00
Joint Facility Rents—Cr.—Way and Structures—Switching	34-12-00
Joint Facility Rents—Cr.—Way and Structures—Other	34-13-00
Joint Facility Rents—Cr.—Equipment—Locomotives	*34-21-00
Joint Facility Rents—Cr.—Equipment—Freight Cars	*34-22-00
Joint Facility Rents—Cr.—Equipment—Other Equipment	34-23-00

Other Rents—Debit—Control—35-00-00

This account group includes the rents with terms of less than 30 days which are not renewed. This account includes all time and mileage payments for interchange locomotive, freight car, and other revenue equipment hire. The components of this account will be distributed to the following accounts in accordance with Instruction 3-2:

Other Rents—Dr.—Way and Structures—Running	35-11-00
Other Rents—Dr.—Way and Structures—Switching	35-12-00
Other Rents—Dr.—Way and Structures—Other	35-13-00
Other Rents—Dr.—Equipment—Locomotives	35-21-00
Other Rents—Dr.—Equipment—Freight Cars	*35-22-00
Other Rents—Dr.—Equipment—Other Equipment	35-23-00

Other Rents—Credit—Control—36-00-00

This account includes rents with terms of less than 30 days which are not renewed. This account includes all time and mileage receipts for inter-

49 CFR Ch. X (10-1-96 Edition)

changed locomotive, freight car, and other revenue equipment hire. The components of this account will be distributed to the following accounts in accordance with Instruction 3-2:

Other Rents—Cr.—Way and Structures—Running	36-11-00
Other Rents—Cr.—Way and Structures—Switching	36-12-00
Other Rents—Cr.—Way and Structures—Other	36-13-00
Other Rents—Cr.—Equipment—Locomotives	36-21-00
Other Rents—Cr.—Equipment—Freight Cars	*36-22-00
Other Rents—Cr.—Equipment—Other Equipment	36-23-00

Joint Facility—Debit—Control—37-00-00

This account includes joint trackage and joint facility costs, exclusive of rents, payable by the railroad to others. The components of this account will be distributed to the following accounts in accordance with Instruction 3-2:

Joint Facility—Dr.—Way and Structures—Running	37-11-00
Joint Facility—Dr.—Way and Structures—Switching	37-12-00
Joint Facility—Dr.—Way and Structures—Other	37-13-00
Joint Facility—Dr.—Equipment—Locomotives	37-21-00
Joint Facility—Dr.—Equipment—Freight Cars	*37-22-00
Joint Facility—Dr.—Equipment—Other Equipment	37-23-00
Joint Facility—Dr.—Transportation—Train	37-31-00
Joint Facility—Dr.—Transportation—Yard	37-32-00
Joint Facility—Dr.—Transportation—Specialized Services	*37-34-00
Joint Facility—Dr.—Transportation—Administrative Support	37-35-00
Joint Facility—Dr.—General and Administrative	37-61-00

Joint Facility—Credit—Control—38-00-00

This account group includes joint trackage and joint facility costs, exclusive of rents, payable by others to the railroad. The components of this account will be distributed to the following accounts in accordance with Instruction 3-2:

Surface Transportation Board, DOT**Pt. 1201**

Joint Facility—Cr.—Way and Structures—Running	38-11-00
Joint Facility—Cr.—Way and Structures—Switching	38-12-00
Joint Facility—Cr.—Way and Structures—Other	38-13-00
Joint Facility—Cr.—Equipment—Locomotives	38-21-00
Joint Facility—Cr.—Equipment—Freight Cars	*38-22-00
Joint Facility—Cr.—Equipment—Other Equipment	38-23-00
Joint Facility—Cr.—Transportation—Train	38-31-00
Joint Facility—Cr.—Transportation—Yard	38-32-00
Joint Facility—Cr.—Transportation—Specialized Services	*38-34-00
Joint Facility—Cr.—Transportation—Administrative Support	38-35-00
Joint Facility—Cr.—General and Administrative	38-61-00

Repairs Billed by Others—Debit—Control—39-00-00

This account group includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property and equipment. The components of this account shall be distributed to the following accounts in accordance with Instruction 3-2:

Repairs Billed by Others—Dr.—Way and Structures—Running—39-11-XX

This account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property associated with the carrier's roadway and track on the line of road and outside of classification yards. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Roadway	39-11-10
Tunnels and Subways	39-11-11
Bridges and Culverts	39-11-12
Ties	39-11-13
Rails and Other Track Material	39-11-14
Ballast	39-11-16
Signals and Interlockers	39-11-19
Highway Grade Crossings	39-11-22
Road Property and Equipment Damaged	39-11-48

Repairs Billed by Others—Dr.—Way and Structures—Switching—39-12-XX

This account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property as-

sociated with the carrier's roadway and track within classification yards and stations. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Roadway	39-12-10
Tunnels and Subways	39-12-11
Bridges and Culverts	39-12-12
Ties	39-12-13
Rails and Other Track Material	39-12-14
Ballast	39-12-16
Signals and Interlockers	39-12-19
Highway Grade Crossings	39-12-22
Road Property and Equipment Damaged	39-12-48

Repairs Billed by Others—Dr.—Way and Structures—Other—39-13-XX

This account includes amounts payable by the railroad to others for repair and maintenance of the carrier's structures other than roadway and track. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Communication Systems	39-13-20
Power Systems	39-13-21
Station and Office Buildings ...	39-13-23
Shop Buildings—Locomotives	39-13-24
Shop Buildings—Freight Cars	*39-13-25
Shop Buildings—Other Equipment	39-13-26
Locomotive Servicing Facilities	39-13-27
Miscellaneous Buildings and Structures	39-13-28
Coal Terminals	*39-13-29
Ore Terminals	*39-13-30
TOFC/COFC Terminals	*39-13-31
Other Marine Terminals	*39-13-32
Motor Vehicle Loading and Distribution Facilities	*39-13-33
Facilities for Other Specialized Services Operations	*39-13-35
Roadway Machines	39-13-36
Snow Removal	39-13-38
Road Property and Equipment Damaged	39-13-48

Repairs Billed by Others—Dr.—Equipment—Locomotives—39-21-XX

This account includes amounts payable by the railroad to others for repair and maintenance under the Locomotive subactivity. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Locomotives	39-21-41
Road Property and Equipment Damaged	39-21-48

Pt. 1201**Repairs Billed by Others—Dr.—Equipment—Freight Cars—39-22-XX***

This account includes amounts payable by the railroad to others for repair and maintenance under the Freight Car subactivity. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Freight Cars	39-22-42
Road Property and Equipment	
Damaged	39-22-48

Repairs Billed by Others—Dr.—Equipment Other Equipment—39-23-XX

This account includes amounts payable by the railroad to others for the repair and maintenance of equipment not pertaining to the Locomotive or Freight Car subactivity. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Trucks, Trailers, and Containers in Revenue Service	*39-23-43
Floating Equipment—Revenue Service	*39-23-44
Passenger and Other Revenue Equipment	39-23-45
Computer Systems and Word Processing Equipment	39-23-46
Work and Other Non-Revenue Equipment	39-23-47
Road Property and Equipment	
Damaged	39-23-48
Shop Machinery—Locomotives	39-23-49
Shop Machinery—Freight Cars	*39-23-50
Shop Machinery—Other Equipment	39-23-51

Repairs Billed to Others—Cr.—Control 40-00-00

This account series includes amounts payable by others to the railroad for repair and maintenance of others' road property and equipment. The components of this account shall be distributed to the following accounts in accordance with Instruction 3-2:

Repairs Billed to Others—Cr.—Way and Structures—Running—40-11-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' roadway and track on the line of road and outside of classification yards. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Roadway	40-11-10
Tunnels and Subways	40-11-11
Bridges and Culverts	40-11-12

49 CFR Ch. X (10-1-96 Edition)

Ties	40-11-13
Rails and Other Track Material	40-11-14
Ballast	40-11-16
Signals and Interlockers	40-11-19
Highway Grade Crossings	40-11-22
Road Property and Equipment	
Damaged	40-11-48

Repairs Billed to Others—Cr.—Way and Structures Switching—40-12-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' roadway and track within classification yards and stations. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Roadway	40-12-10
Tunnels and Subways	40-12-11
Bridges and Culverts	40-12-12
Ties	40-12-13
Rails and Other Track Material	40-12-14
Ballast	40-12-16
Signals and Interlockers	40-12-19
Highway Grade Crossings	40-12-22
Road Property and Equipment	
Damaged	40-12-48

Repairs Billed to Others—Cr.—Way and Structures—Other—40-13-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' structures other than roadway and track. This account shall be subdivided by the following functions:

Repair and Maintenance:	
Communication Systems	40-13-20
Power Systems	40-13-21
Station and Office Buildings ...	40-13-23
Shop Buildings Locomotives	40-13-24
Shop Buildings—Freight Cars	*40-13-25
Shop Buildings—Other Equipment	40-13-26
Locomotive Servicing Facilities	40-13-27
Miscellaneous Buildings and Structures	40-13-28
Coal Terminals	*40-13-29
Ore Terminals	*40-13-30
TOFC/COFC Terminals	*40-13-31
Other Marine Terminals	*40-13-32
Motor Vehicle Loading and Distribution Facilities	*40-13-33
Facilities for Other Specialized Services Operations	*40-13-35
Roadway Machines	40-13-36
Snow Removal	40-13-38
Road Property and Equipment	
Damaged	40-13-48

Surface Transportation Board, DOT**Pt. 1201****Repairs Billed to Others—Cr.—Equipment Locomotives—40-21-XX**

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' locomotives. This account shall be subdivided by the following functions:

Repair and Maintenance:

Locomotives	40-21-41
Road Property and Equipment	
Damaged	40-21-48

Repairs Billed to Others—Cr.—Equipment—Freight Cars—40-22-XX*

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' freight cars. This account shall be subdivided by the following functions:

Repair and Maintenance:

Freight Cars	40-22-42
Road Property and Equipment	
Damaged	40-22-48

Repairs Billed to Others—Cr.—Equipment—Other Equipment—40-23-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' other equipment. Each account shall be subdivided by the following functions:

Repair and Maintenance:

Trucks, Trailers, and Containers in Revenue Service	*40-23-43
Floating Equipment—Revenue Service	*40-23-44
Passenger and Other Revenue Equipment	40-23-45
Computer Systems and Word Processing Equipment	40-23-46
Road Property and Equipment	
Damaged	40-23-48
Shop Machinery—Locomotives	40-23-49
Shop Machinery—Freight Cars	*40-23-50
Shop Machinery—Other Equipment	40-23-51

Other Purchased Services—Control—41-00-00

This account group includes amounts charged or credited to operating expenses for purchased advertising; purchased printing; outside professional services such as legal, accounting, audit, engineering, and consulting; payments for detour of trains; utilities, telephone, postage, subscriptions, communications, purchased electric power for train and locomotive propulsion;

and other services purchased. The components of this account group shall be distributed to the following accounts in accordance with Instruction 3-2:

Other Purchased Services—Way and Structures—Running—41-11-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Repair and Maintenance:

Roadway	41-11-10
Tunnels and Subways	41-11-11
Bridges and Culverts	41-11-12
Ties	41-11-13
Rails and Other Track Material	41-11-14
Ballast	41-11-16
Signals and Interlockers	41-11-19
Highway Grade Crossings	41-11-22
Dismantling Retired Property	41-11-39
Road Property and Equipment	
Damaged	41-11-48
Other—Other	41-11-99

Other Purchased Services—Way and Structures—Switching—41-12-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Repair and Maintenance:

Roadway	41-12-10
Tunnels and Subways	41-12-11
Bridges and Culverts	41-12-12
Ties	41-12-13
Rails and Other Track Material	41-12-14
Ballast	41-12-16
Signals and Interlockers	41-12-19
Highway Grade Crossings	41-12-22
Dismantling Retired Property	41-12-39
Road Property and Equipment	
Damaged	41-12-48
Other—Other	41-12-99

Other Purchased Services—Way and Structures—Other—41-13-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration:

Track	41-13-02
Bridges and Buildings	41-13-03
Signals	41-13-04
Communications	41-13-05

Pt. 1201

Other	41-13-06
Repair and Maintenance:	
Communication Systems	41-13-20
Power Systems	41-13-21
Station and Office Buildings ...	41-13-23
Shop Buildings—Locomotives ..	41-13-24
Shop Buildings—Freight Cars ..	*41-13-25
Shop Buildings—Other Equip- ment	41-13-26
Locomotive Servicing Facili- ties	41-13-27
Miscellaneous Buildings and Structures	41-13-28
Coal Terminals	*41-13-29
Ore Terminals	*41-13-30
TOFC/COFC Terminals	*41-13-31
Other Marine Terminals	*41-13-32
Motor Vehicle Loading and Distribution Facilities	*41-13-33
Facilities for Other Special- ized Services Operations	*41-13-35
Roadway Machines	41-13-36
Snow Removal	41-13-38
Dismantling Retired Property ..	41-13-39
Road Property and Equipment Damaged	41-13-48
Other—Other	41-13-99

**Other Purchased Services—Equip-
ment—Locomotives—41-21-XX**

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administrative—General	41-21-01
Repair and Maintenance:	
Dismantling Retired Property ..	41-21-39
Locomotives	41-21-41
Road Property and Equipment Damaged	41-21-48
Other—Other	41-21-99

**Other Purchased Services—Equip-
ment—Freight Cars—41-22-XX***

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administrative—General	41-22-01
Repair and Maintenance:	
Dismantling Retired Property ..	41-22-39
Freight Cars	41-22-42
Road Property and Equipment Damaged	41-22-48
Other—Other	41-22-99

**Other Purchased Services—Equip-
ment—Other Equipment—41-23-XX**

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account

49 CFR Ch. X (10-1-96 Edition)

41-00-00. This account shall be subdivided by the following functions:

Administrative—General	41-23-01
Repair and Maintenance:	
Dismantling Retired Property ..	41-23-39
Trucks, Trailers, Containers in Revenue Service	41-23-43
Floating Equipment—Revenue Service	*41-23-44
Passenger and Other Revenue Equipment	41-23-45
Computer Systems and Word Processing Equipment	41-23-46
Work and Other Non-Revenue Equipment	41-23-47
Road Property and Equipment Damaged	41-23-48
Shop Machinery—Locomotives ..	41-23-49
Shop Machinery—Freight Cars ..	*41-23-50
Shop Machinery—Other Equip- ment	41-23-51
Other—Other	41-23-99

Other Purchased Services—Transportation—Train—41-31-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—General	41-31-01
Operations:	
Engine Crews	41-31-56
Train Crews	41-31-57
Dispatching Trains	41-31-58
Operating Switches, Signals, Interlockers, Retarders, Humps	41-31-59
Operating Drawbridges	41-31-60
Highway Crossing Protection ..	41-31-61
Train Inspection and Lubrica- tion	41-31-62
Clearing Wrecks	41-31-63
Locomotive Fuel	41-31-67
Electric Power Purchased/Pro- duced for Motive Power	41-31-68
Servicing Locomotives	41-31-69
Other—Other	41-31-99

Other Purchased Services—Transportation—Yard—41-32-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—General	41-32-01
Operations:	
Operating Switches, Signals, Interlockers, Retarders, Humps	41-32-59
Clearing Wrecks	41-32-63

Surface Transportation Board, DOT**Pt. 1201**

Switch Crews	41-32-64
Controlling Operations	41-32-65
Yard and Terminal Clerical	41-32-66
Locomotive Fuel	41-32-67
Electric Power Purchased/Pro- duced for Motive Power	41-32-68
Servicing Locomotives	41-32-69
Other—Other	41-32-99

Other Purchased Services—Transportation—Train and Yard Common—41-33-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Operations:	
Cleaning Car Interiors	41-33-70
Adjusting, Transferring Loads	41-33-71
Car Loading Devices and Grain Doors	41-33-72

Other Purchased Services—Transportation—Specialized Services—41-34-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—General	41-34-73
Operations:	
Pick Up and Delivery, Marine Line Haul, and Rail Sub- stitute Service	41-34-73
Loading, Unloading, and Local Marine	41-34-74
Protective Services	41-34-75
Other—Other	41-34-99

Other Purchased Services—Transportation—Administrative Support—41-35-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—General	41-35-01
Operations:	
Clerks, Accounting Employees	41-35-76
Communication Systems Op- erations	41-35-77
Loss and Damage Claims Proc- essing	41-35-78
Other—Other	41-35-99

Other Purchased Services—General and Administrative—41-61-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—General	41-61-01
General:	
Accounting, Auditing, Finance Management Services and Data and Word Processing ...	41-61-86
Marketing	41-61-87
Sales	41-61-88
Industrial Development	41-61-89
Personnel and Labor Relations	*41-61-90
Legal and Secretarial	41-61-91
Public Relations and Advertis- ing	41-61-92
Research and Development	41-61-93
Other—Other	41-61-94
	41-61-99

Claims and Insurance**Control—50-00-00**

This account may be used as a control account for all accounts in the CLAIMS AND INSURANCE series: Loss and Damage Claims, Other Casualties, Insurance.

Loss and Damage Claims—Control—51-00-00

This account series includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service. Loss and damage claims should not be allocated. When specific identification of loss and damage claims is possible, the related expenses shall be directly assigned to the Train, Yard, or Specialized service Subactivity. If a solely related determination cannot be made the loss and damage claim shall be charged to the Train and Yard Subactivity. This account series excludes amounts payable to employees or other parties for injuries sustained or loss of life; for damage to real property of others or personal property not carried in revenue services; all payments for other damages of any kind; and related insurance premiums. These costs are appropriately charged to the following accounts:

Loss and Damage Claims—Trans- portation—Train	51-31-00

Pt. 1201

Loss and Damage Claims—Transportation—Yard	51-32-00
Loss and Damage Claims—Transportation—Train and Yard Common	51-33-00
Loss and Damage Claims—Transportation—Specialized Services	*51-34-00

Other Casualties—Control—52-00-00

This account includes amounts payable to employees or other parties for injuries sustained or loss of life in connection with the construction, maintenance, operations, and administration of railroad property and equipment; for damage to real property, property of others or personal property not carried in revenue service; all payments for other damages of any kind. This account excludes freight and other goods carried in a revenue service, and insurance premiums related to the casualties chargeable to this account.

NOTE: The costs of clearing wrecks and repairing casualty-caused damage to the railroad's property and equipment are properly classified under other natural expense accounts as appropriate and further classified by relevant activities and functions. These costs are appropriately charged to the following accounts:

Other Casualties—Way and Structures—Running	52-11-00
Other Casualties—Way and Structures—Switching	52-12-00
Other Casualties—Way and Structures—Other	52-13-00
Other Casualties—Equipment—Locomotives	52-21-00
Other Casualties—Equipment—Freight Cars	*52-22-00
Other Casualties—Equipment—Other Equipment	52-34-00
Other Casualties—Transportation—Train	52-31-00
Other Casualties—Transportation—Yard	52-32-00
Other Casualties—Transportation—Specialized Services	*52-34-00
Other Casualties—Transportation—Administrative Support	52-35-00
Other Casualties—General and Administrative	52-61-00

Insurance—Control—53-00-00

This account series include premiums for insurance to cover property and equipment loss and damage, liability, business interruption, and the like. These costs are appropriately charged to the following accounts:

49 CFR Ch. X (10-1-96 Edition)

Insurance—Way and Structures—Running	53-11-00
Insurance—Way and Structures—Switching	53-12-00
Insurance—Way and Structures—Other	53-13-00
Insurance—Equipment—Locomotives	53-21-00
Insurance—Equipment—Freight Cars	*53-22-00
Insurance—Equipment—Other Equipment	53-23-00
Insurance—Transportation—Train	53-31-00
Insurance—Transportation—Yard	53-32-00
Insurance—Transportation—Specialized Services	*53-34-00
Insurance—Transportation—Administrative Support	53-35-00
Insurance—General and Administrative	53-61-00

General**Control—60-00-00**

This account may be used as a control account for all accounts in the GENERAL series: Other Expenses, Depreciation, Uncollectible Accounts, Property Taxes, Other Taxes.

Other Expenses—Control—61-00-00

This account series includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property and equipment retirement losses, and other items of a general nature.

Other Expenses—Way and Structures—Running—61-11-XX

Each account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's roadway and track on the line of road and outside of classification yards. Each account shall be subdivided by the following functions:

Repair Maintenance:	
Roadway	61-11-10
Tunnels and Subways	61-11-11
Bridges and Culverts	61-11-12
Ties	61-11-13
Rails and Other Track Material	61-11-14
Ballast	61-11-16
Signals and Interlockers	61-11-19
Highway Grade Crossings	61-11-22

Surface Transportation Board, DOT**Pt. 1201**

Dismantling Retired Property	61-11-39
Road Property and Equipment	
Damaged	61-11-48
Other—Other	61-11-99

Other Expenses—Way and Structures—Switching—61-12-XX

Each account includes amount charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's roadway and track within classification yards and stations. Each account shall be subdivided by the following functions:

Repair and Maintenance:

Roadway	61-12-10
Tunnels and Subways	61-12-11
Bridges and Culverts	61-12-12
Ties	61-12-13
Rails and Other Track Material	61-12-14
Ballast	61-12-16
Signals and Interlockers	61-12-19
Highway Grade Crossings	61-12-22
Dismantling Retired Property	61-12-39
Road Property and Equipment	
Damaged	61-12-48
Other—Other	61-12-99

Other Expenses—Way and Structures—Other—61-13-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's structures other than roadway and track. This account shall be subdivided by the following functions:

Administration:

Track	61-13-02
Bridges and Buildings	61-13-03
Signals	61-13-04
Communications	61-13-05
Other	61-13-06

Repair and Maintenance:

Communication Systems	61-13-20
Power Systems	61-13-21
Station and Office Buildings ...	61-13-23
Shop Buildings—Locomotives	61-13-24
Shop Buildings—Freight Cars	*61-13-25
Shop Buildings—Other Equipment	61-13-26
Locomotive Servicing Facilities	61-13-27

Miscellaneous Buildings and Structures	61-13-28
Coal Terminals	*61-13-29
Ore Terminals	*61-13-30
TOFC/COFC Terminals	*61-13-31
Other Marine Terminals	*61-13-32
Motor Vehicle Loading and Distribution Facilities	*61-13-33
Facilities for Other Specialized Services Operations	*61-13-35
Roadway Machines	61-13-36
Snow Removal	61-13-38
Dismantling Retired Property	61-13-39
Road Property and Equipment	
Damaged	61-13-48
Other—Other	61-13-99

Other Expenses—Equipment—Locomotives 61-21-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees and equipment retirement losses, associated with the repair and maintenance of locomotives, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General

Administration—General	61-21-01
Repair and Maintenance:	
Dismantling Retired Property	61-21-39
Locomotives	61-21-41
Road Property and Equipment	
Damaged	61-21-48
Other—Other	61-21-99

Other Expenses—Equipment—Freight Cars—61-22-XX*

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, equipment retirement losses, associated with the repair and maintenance of freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General

Administration—General	61-22-01
Repair and Maintenance:	
Dismantling Retired Property	61-22-39
Freight Cars	61-22-42
Road Property and Equipment	
Damaged	61-22-48
Other—Other	61-22-99

Other Expenses—Equipment—Other Equipment—61-23-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, equipment retirement losses, associated with the repair and maintenance

Pt. 1201

of equipment other than locomotives and freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—General	61-23-01
Repair and Maintenance:	
Dismantling Retired Property	61-23-39
Trucks, Trailers, Containers	
in Revenue Service	*61-23-43
Floating Equipment—Revenue	
Service	*61-23-44
Passenger and Other Revenue	
Equipment	61-23-45
Computer Systems and Word	
Processing Equipment	61-23-46
Work and Other Non—Revenue	
Equipment	61-23-47
Road Property and Equipment	
Damaged	61-23-48
Shop Machinery—Locomotives	61-23-49
Shop Machinery—Freight Cars	*61-23-50
Shop Machinery—Other Equip-	
ment	61-23-51
Other—Other	61-23-99

Other Expenses—Transportation—Train—61-23-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, associated with the dispatching and operations of freight-trains over the roadway and outside of classification yards. This account shall be subdivided by the following functions:

Administration—General	61-31-01
Operations:	
Engine Crews	61-31-56
Train Crews	61-31-57
Dispatching Trains	61-31-58
Operating Switches, Signals,	
Interlockers, Retarders,	
Humps	61-31-59
Operating Drawbridges	61-31-60
Highway Crossing Protection	61-31-61
Train Inspection and Lubrica-	
tion	61-31-62
Clearing Wrecks	61-31-63
Locomotive Fuel	61-31-67
Electric Power Purchased/Pro-	
duced for Motive Power	61-31-68
Servicing Locomotives	61-31-69
Other—Other	61-31-99

Other Expenses—Transportation—Yard—61-32-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature associated with the movement of

49 CFR Ch. X (10-1-96 Edition)

freight cars within classification yards and in terminal switching and transfer service. This account shall be subdivided by the following functions:

Administration—General	61-32-01
Operations:	
Operating Switches, Signals,	
Interlockers, Retarders,	
Humps	61-32-59
Clearing Wrecks	61-32-63
Switch Crews	61-32-64
Controlling Operations	61-32-65
Yard and Terminal Clerical	61-32-66
Locomotive Fuel	61-32-67
Electric Power Purchased/Pro-	
duced for Motive Power	61-32-68
Servicing Locomotives	61-32-69
Other—Other	61-32-99

Other Expenses—Transportation—Specialized Services—61-34-XX*

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the explanation of activities/ subactivities. This account shall be subdivided by the following functions:

Administration—General	61-34-01
Operations:	
Pick Up and Delivery, Marine	
Line Haul, and Rail Sub-	
stitute Service	61-34-73
Loading, Unloading, and Local	
Marine	61-34-74
Protective Services	61-34-75
Other—Other	61-34-99

Other Expenses—Transportation—Administrative Support—61-35-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in association with providing direct administrative support for the Transportation Activity. This account shall be subdivided by the following functions:

Administration—General	61-35-01
Operations:	
Clerks, Accounting Employees	61-35-76
Communication Systems Op-	
erations	61-35-77
Loss and Damage Claims Proc-	
essing	61-35-78
Other—Other	61-35-99

Surface Transportation Board, DOT**Pt. 1201****Other Expenses—General and Administrative—61-61-XX**

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in providing overall administration or other support for carrier operations. This account shall be subdivided by the following functions:

Administration—General	61-61-01
General:	
Accounting, Auditing, Finance Management Services and Data Processing	61-61-86
Marketing	61-61-87
Sales	61-61-88
Industrial Development	61-61-89
Personnel Labor Relations	*61-61-90
Legal and Secretarial	61-61-91
Public Relations and Advertising	61-61-92
Research and Development	61-61-93
Other—Other	61-61-94
	61-61-99

Depreciation—Control—62-00-00

This account group includes the amounts charged to operating expenses for depreciation of owned road property and equipment, and the depreciation element of road property held under capital lease in accordance with FASB Statement No. 13. These costs are appropriately charged to the following accounts:

Depreciation—Way and Structures—Running	62-11-00
Depreciation—Way and Structures—Switching	62-12-00
Depreciation—Way and Structures—Other	62-13-00
Depreciation—Equipment—Locomotives	62-21-00
Depreciation—Equipment—Freight Cars	*62-22-00
Depreciation—Equipment—Other Equipment	62-23-00

Uncollectible Accounts—Control— 63-00-00

This account includes charges to operating expenses for the writedown of accounts and notes due to the railroad, whether classified as current or long-term. This account includes any credits to allowance accounts for collectibility and total writeoff of receivables. This account does not include writedowns of property, equipment, or investments (except accounts, notes, or

other receivables held as investments). Proper adjustments of incorrect receivables are not to be charged to this account. Collections of amounts previously written off or down are to be credited to this account. The total of this account shall be charged to the following account:

Uncollectible Accounts—General and Administrative	63-61-00

Property Taxes—Control—64-00-00

This account includes only taxes based on the value of real estate and personal property used in railroad operations. The total of this account shall be charged to the following account:

Property Taxes—General and Administrative	64-61-00

Other Taxes—Control—65-00-00

This account includes taxes on gross receipts, franchise fees, excise taxes, and similar items. This account excludes property taxes and taxes chargeable as employee benefits. The total of this account shall be charged to the following account:

Other Taxes—General and Administrative	65-61-00

OPERATING EXPENSE ACCOUNTS*Section 2—Activity/Subactivity Explanations***Way and Structures Activity—(XX-10-XX)**

(A) *Way and Structures* activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring right-of-way and trackage, structures, buildings, and facilities. It includes all natural expense object subclassifications such as salaries and wages, fringe benefits, material and supplies, lease rentals, purchased services, casualties, depreciation and retirements, where such objects are in the performance or support of the above functions. Specifically included are all natural expense objects in the performance of the above described functions on property of the type included in property accounts 2 through 45, excluding 44, whether such

property is owned or leased. It includes the costs of operating work trains in support of this activity.

This activity excludes all expenses related to transportation and other equipment described in property accounts 44, 46 and 52 through 58, all of which should be charged to the Equipment activity. It also excludes expenses in performance or support of Transportation, General and Administrative activities, property used for noncarrier operations, non-operating property, and interest or other fixed charges.

Running Subactivity—(XX-11-XX)

(1) *Running* subactivity of the Way and Structures activity refers to the functions of repairing, maintaining, leasing, renting, depreciating, and retiring right-of-way, trackage, signals and interlockers, and highway grade crossings for running tracks, passing tracks, crossovers, etc., including turnouts from those tracks, passing clearance points. It includes all natural expense object subclassifications under the Way and Structures activity that are applicable to right-of-way and trackage as defined above. This subactivity specifically excludes expenses incurred in operating signals and interlockers and highway grade crossings, which are properly charged to the Transportation activity.

Switching Subactivity—(XX-12-XX)

(2) *Switching* subactivity of the Way and Structures activity refers to the function of repairing, maintaining, leasing, renting, depreciating, and retiring right-of-way, trackage, signals and interlockers, and highway grade crossings for yards where separate switching services are maintained, including classification, house, team, industry, and other tracks switched by yard locomotives, and for station, team, industry, and other switching tracks for which no separate switching service is maintained. It includes all natural expense object subclassifications under the Way and Structures activity that are applicable to right-of-way and trackage as defined above. This subactivity specifically excludes expenses incurred in operating signals and interlockers, and highway grade

crossings, which are properly charged to the Transportation activity.

Other Subactivity—(XX-13-XX)

(3) *Other* subactivity of the Way and Structures activity refers to the function of repairing, maintaining, leasing, renting, depreciating, and retiring other roadway property structures, buildings, and facilities not provided for in the Running and Switching subactivities. It includes all natural expense object subclassifications under the Way and Structures activity that are applicable to the structures, buildings, and facilities as defined above. The specifically excludes expenses incurred in operating such structures, buildings, and facilities, which are properly charged to the Equipment, Transportation, and General and Administrative activities.

Equipment Activity—(XX-20-XX)

(B) *Equipment* activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring transportation and other operating equipment. It includes all natural expense object subclassifications such as salaries and wages, fringe benefits, material and supplies, lease rentals, purchased services, casualties, depreciation, and retirements. Specifically included are all natural expense objects in the performance of the above functions on property of the type included in property accounts 44, 46 and 52 through 58, whether such property is owned or leased. The costs of operating work trains in support of the Equipment activity are to be included herein.

This activity excludes all expenses related to road property as described in property accounts 2 through 45, excluding account 44, all of which should be charged to the Way and Structures activity. It also excludes expenses in performance of, or support for Transportation, General and Administrative activities, property used for noncarrier operations, nonoperating property, and interest or other fixed charges.

Locomotives Subactivity—(XX-21-XX)

(1) *Locomotives* subactivity of the Equipment activity refers to repairing,

maintaining, leasing, renting, depreciating, and retiring locomotives. It includes all natural expense object subclassifications under the Equipment activity that are applicable to locomotives. This subactivity specifically excludes expenses incurred in operating locomotives, such as locomotive fuel and lubricants, train crew wages, operating supplies, servicing (as opposed to maintaining or repairing), and cleaning which are includable in the Transportation activity, except when locomotive use is clearly in support of other activities or subactivities. When locomotives are operated in support of repairing or maintaining locomotives, the operating costs shall be charged to this subactivity.

Freight Train Cars Subactivity—(XX-22-XX)

(2) *Freight Train Cars* subactivity of the Equipment activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring freight train cars. It includes all natural expense object subclassifications under the Equipment activity that are applicable to freight train cars. This subactivity pertains to all freight train cars described in property account 53, whether owned or leased, including freight cars used for hauling freight in company service and cabooses. It does not pertain to work equipment. This subactivity specifically excludes expenses incurred in running trains or operating freight cars, such as for locomotive fuel and lubricants, train crew wages, inspecting trains, operating supplies, servicing (as opposed to maintaining or repairing), and cleaning, which are includable in the Transportation activity, except where such costs are clearly in support of repairing or maintaining freight cars, other activities or subactivities. When locomotives or trains are operated in support of repairing or maintaining freight cars, the operating costs shall be charged to this subactivity.

Other Equipment Subactivity—(XX-23-XX)

(3) *Other Equipment* subactivity of the Equipment activity refers to repairing, maintaining, leasing, renting, depreciating, and retiring other equipment.

It includes all natural expense object subclassifications under the Equipment activity which are applicable to other equipment. The subactivity pertains to all equipment described in property accounts 44, 46 and 54 through 58, whether such property is owned or leased. This subactivity specifically excludes expenses incurred in operating other equipment, such as for fuel and lubricants, crew wages, inspecting equipment, operating supplies, servicing (as opposed to maintaining or repairing), and cleaning, which are includable in the Transportation activity, except where such costs are clearly in support of other activities or subactivities. When locomotives, trains, or other equipment are operating in support of repairing or maintaining other equipment, the operating costs shall be charged to this subactivity.

Transportation Activity—(XX-30-XX)

(C) *Transportation* activity refers to operating, servicing, inspecting, weighing, assembling, and switching trains; operating highway revenue services; operating facilities in connection with carrier transportation operations including coal and ore terminals, intermodal terminals, terminal grain elevators, and others; operating carfloat and carferry services and related facilities; operating communications systems which primarily support train operations; and joint facility transportation operations. It includes various administrative functions directly supporting transportation operations including those described in the Administrative Support Operations subactivity. Work train costs in support of the Way and Structures or the Equipment activities should be charged to those activities. However, shipments of company materials, handled in predominantly revenue freight trains, are appropriately included in this activity. This activity includes all natural expense object subclassifications such as salaries and wages, fringe benefits, material and supplies, purchased services, lost or damaged freight, and casualties.

Train Operations Subactivity—(XX-31-XX)

This activity excludes all expenses assignable to the Way and Structures,

Equipment, and General and Administrative activities, as well as those expenses for noncarrier operations and nonoperating functions.

(1) *Train Operations* subactivity of the Transportation activity refers to operations of all trains except those performing yard functions in terminals. It includes running trains in road or way service; switching trains except where such switching is performed within yards or terminals; and making customer pick-ups and deliveries except in yards and terminals.

It also provides for dispatching, controlling, reporting, and monitoring road train movements; inspecting and lubricating trains; servicing, fueling, and cleaning (not repairing or maintaining) locomotives; purchasing or producing electric power for motive power; and operating supporting activities such as communications, signaling, crossing protection, and interlockings.

This subactivity also includes crew calling and transporting; crew lodging, meals, and other expenses; lost or damaged freight; casualties and insurance; clearing wrecks; and operating joint tracks and facilities except for yards or specialized services. It also includes salaries and wages, fringe benefits, material and supplies, fuel and lubricants, purchased services, casualty and damages, and other natural expense elements incurred in operating trains.

The Train Operations subactivity excludes the operation of specialized services, all of which should be charged to the Specialized Services Operations subactivity. However, road or way switching between trains and specialized service facilities outside of terminal areas belongs to the Train Operations subactivity.

Work and other nonrevenue train operating costs are to be charged to the appropriate supported activity. Shipments of company materials normally should be charged to this subactivity, except where the train movement is exclusively or predominantly for such nonrevenue purpose where the supported activity should bear the train operating costs.

Yard Operations Subactivity—(XX–32–XX)

(2) *Yard Operations* subactivity of the Transportation activity refers to classifying cars to make-up or break-down trains; sorting and handling waybills in connection with freight car classification and switching in yards or terminals; inspecting, servicing, fueling, and cleaning (not repairing or maintaining) locomotives and cabooses used to provide yard or terminal services; purchasing or producing electric power for motive power; diverting or holding cars; and reporting operating and car movement data related to yards and terminals. It also includes operating supporting activities in yards or terminals, such as communications, signaling, and interlockings; yard crew calling and transporting; yard crew lodging, meals, and other expenses; lost or damaged freight specifically traceable to occurrences resulting from the performance of yard operations; casualties and insurance related to yard operations; clearing wrecks which occurred in the performance of yard operations; and operating joint yards and terminals.

Within terminals, this subactivity includes pick-up or delivery of freight cars from or to customer spur tracks, team tracks, freight houses, interchange tracks, rip tracks, and specialized service facilities. It also includes salaries and wages, fringe benefits, material and supplies, fuel and lubricants, purchased services, casualty and damages, and other natural expense elements incurred in operating yards and terminals.

The Yard Operations subactivity includes the cost of switching operations within facilities for Specialized Services and switching or transfer operations between yards and the specialized service facilities. The latter is not limited or affected by definitions or restrictions contained in carrier operating rules or labor agreements. It is related solely to the defined operations when they are performed in a yard or terminal area.

**Train and Yard Common Subactivity—
(XX-33-XX)**

(3) *Train and Yard Common* subactivity of the Transportation activity refers to the function of adjusting and transferring loads; and placing and removing car loading devices and grain doors. It also includes lost or damaged freight not specifically traceable to numerous activities resulting from performance of train, yard, or specialized services operations. It also includes salaries and wages, fringe benefits, material and supplies, purchased services, and other natural expense elements incurred in performing the functions defined above. It excludes the natural expense elements of casualties and insurance, which shall be charged to the Train Operations and Yard Operations subactivities.

Specialized Services Operations Subactivity—(XX-34-XX)

(4) *Specialized Services Operations* subactivity of the Transportation activity refers to operating services which are specialized in nature and in cost characteristics, including all of those so designated by the Commission. The purpose of segregating the cost of such services is primarily to preclude distortion of general costs applicable to the Train Operations and Yard Operations subactivities. Secondly, further breakout of the costs of operating individual specialized services can be provided in less detail than the full range of natural expense accounts, in reports used for recurring cost analysis purposes pertaining to each type of specialized service.

The designated specialized services operations are as follows:

(a) *TOFC/COFC Operations* refers to the function of operating rail-to-ground or water and ground or water-to-rail transfer facilities for handling trailers or containers, including related storage; and the highway movement of trailers or containers within a terminal area for purposes of pick-up, delivery, or interchange.

The service includes loading, tie-down, and/or unloading flat cars or dollies and piggyback trailers to or from highway tractors; moving trailers, dollies, or containers within the facility; servicing, cleaning, and fueling (but

not repairing or maintaining) facility equipment; operating storage areas; and casualties, claims, and insurance relating to the facility.

TOFC/COFC Operations do not include Plan V or other arrangements, where there is a division of revenues between the rail and motor carrier. They do not include switching services performed within the facility by yard or road crews. They also do not include the functions of the Way and Structures, Equipment, and General and Administrative activities, or the Train, Yard, Train and Yard Common, or Administrative Support Operations subactivities.

(b) *Floating Operations* refers to operations of water vessels and equipment in revenue service. They include the operation of carferries, tugs, barges, lighterage, and all other forms of water craft.

Floating operations exclude operations includable in the Administrative Support Operations subactivity, and the switching transfer of cars between general yards or trains and the facility or a dedicated yard serving the facility, or switching within the dedicated supporting terminal facility when performed by yard crews. They also do not include costs appropriate to the Way and Structures, Equipment, or General and Administrative activities.

Floating operations should be classified by line and terminal operations. The distribution should be made based on the nature of the operation and not the facility or equipment. When the service occurs between distinct terminals, the operation should be considered a line operation. When the service is conducted within a general terminal or harbor area, the operation should be considered a terminal operation.

(c) *Coal Terminal Operations and Ore Terminal Operations* refers to operations of rail-to-water or water-to-rail transloading facilities for coal or for ores, including related storage, blending, and other processing or handling at the facility. These operations include loading and/or unloading rail cars or water vessels at the facility; moving commodities within the facility by whatever means; operating the facility's pollution control equipment; operating and directing the operations of

moorings and tugboats; servicing, cleaning, and fueling (but not repairing or maintaining) facility equipment; operating storage areas; and casualties, claims, and insurance relating to the facility.

These terminal operations do not include costs appropriate to the Way and Structures, Equipment, or General and Administrative activities. They also do not include costs appropriate to the Train Operations, Yard Operations, Train and Yard Operations Common, or Administrative Support Services Operations subactivities. Switching transfer of cars between general yards or trains and the facility or a dedicated yard serving the facility and switching within the dedicated supporting terminal facility when performed by yard crews should be charged to the Yard Operations subactivity.

(d) *Other Marine Terminal Operations* refers to the operations of marine terminals other than those for which a separate designated specialized service operation category is provided.

(e) *Motor Vehicle Loading and Distribution Facility Operations* refers to the operations of facilities for loading, unloading, or storing motor vehicles.

(f) *Protective Service Operations* refers to the function of servicing, cleaning, and fueling (but not repairing or maintaining) mechanical protective service equipment.

(g) *Other Specialized Services Operations* refers to the function of performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations, livestock feeding operations, and other specialized services designated by the Commission. It includes the transportation operating expenses of only those services listed above.

Administrative Support Operations Subactivity—(XX-35-XX)

(5) *Administrative Support Operations* subactivity refers to operations providing direct administrative support to the overall Transportation activity. It includes administrative support for the Common, and the Specialized Services Operations subactivities. The administrative support operations includes re-

ceiving and processing customer orders, requesting cars, preparing waybills, rating shipments, billing customers, collecting customer receivables in the ordinary course of business (not to include treasury, legal, general accounting, revenue accounting, or credit operations, all of which are chargeable to the General and Administrative activity), billing and recording demurrage, reporting interchanges, reporting advances, and the initial reporting and summarization of input documents for purposes of cash collection and accounting. Any operations beyond the initial summarization and reporting of input data are assignable to the General and Administrative activity except for those otherwise included in the definition of this subactivity.

Carrier staff, administrative, or clerical operations related to operating or transportation department general administration should not be charged to this subactivity. The Administrative Support Operations subactivity may be performed at local stations, regional offices, or even at the general offices; however, the location of the operation performance does not affect its nature. The operations included in this subactivity should reasonably correlate to the quantity of shipments or to the quantity of carloadings.

General and Administrative Activity—(XX-60-XX)

(D) *General and Administrative* activity refers to the providing of overall administration or other general support for carrier operations. It comprehends only that portion of general and administrative activities that relates to carrier operations (as distinguished from noncarrier operations or nonoperating activities) including executive, legal, financial, treasury, accounting, budgeting, taxation, corporate planning, costing, marketing, advertising, traffic, corporate secretary, public relations, real estate, insurance administration, personnel administration, pension plan administration, general purchasing, labor relations, internal auditing, industrial engineering, and regulatory reporting.

This activity excludes expenses incurred for noncarrier operations of the

carrier company as well as for general administration of the corporate entity and nonoperating income or expenses. It also excludes expenses in performance of or direct support for Way and Structures, Equipment, and Transportation activities, with particular attention to the Administrative Support Operations subactivity.

OPERATING EXPENSE ACCOUNTS

Section 3—Function Explanations

NOTE: Functions do not necessarily correlate to organizational structure. A particular department may not have a specific USOA expense function code. However, its costs may be includable under various function codes. Costs not properly chargeable to specific functions should be assigned to Function Code 99, Other.

(a) Functions Related to the Way and Structures Activity

(1) Administration Functions.

(02) Administration, Track—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of track. Used only in Way and Structures—Other. Included are:

- General engineering and design.
- Valuation engineering for maintenance and improvements.
- Planning and supervision of repair and maintenance work.
- Budget preparation, clerical support, and similar functions.

(03) Administration, Bridges and Buildings—General administration and supervision of central, regional and divisional engineering functions related to repair and maintenance of bridges and buildings. Used only in Way and Structures—Other. Included are:

- General engineering and design.
- Valuation engineering for maintenance and improvements.
- Planning and supervision of repair and maintenance work.
- Budget preparation, clerical support, and similar functions.

(04) Administration, Signals—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of signals. Used only in

Way and Structures—Other. Included are:

- General engineering and design.
- Valuation engineering for maintenance and improvements.
- Planning and supervision of repair and maintenance work.
- Budget preparation, clerical support, and similar functions.

(05) Administration, Communications—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of communication facilities. Used only in Way and Structures—Other. Included are:

- General engineering and design.
- Valuation engineering for maintenance and improvements.
- Planning and supervision of repair and maintenance work.
- Budget preparation, clerical support, and similar functions.

(06) Administration, Other—General administration and supervision of central, regional, and divisional engineering functions related to repair and maintenance of other roadway property. Used only in Way and Structures—Other. Included are:

- General engineering and design.
- Valuation engineering for maintenance and improvements.
- Planning and supervision of repair and maintenance work.
- Budget preparation, clerical support, and similar functions.

(2) Repair and Maintenance Functions—These functions include:

- Repair and maintenance work on road property and equipment, including gang foreman, shop foreman, and other supervisors with direct authority over workers; all higher levels of supervision are included in the Administration function.
- Work train service. Crew wages are to be charged directly; other work train expenses except fuel may be apportioned if not solely identifiable to work train service.
- Store expense and shop expense.

(10) Repair and Maintenance, Roadway—Roadway, cuts, fills, banks, embankments, subgrade, roadbed, ditches, drains, landscaping; cutting and removing grass, brush, debris; dressing ballast; preventing and extinguishing fires; patrolling and inspection; roadway relocation.

(11) Repair and Maintenance, Tunnels and Subways—Repaving, ventilating, lighting, other maintenance.

(12) Repair and Maintenance, Bridges and Culverts—Bridges, trestles, culverts and elevated structures which carry tracks; repairing, filling, dredging, cleaning, watching these structures.

(13) Repair and Maintenance, Ties—Cross, switch, bridge, and other track ties. This function includes expenses associated with unloading, distributing and placing ties in tracks.

(14) Repair and Maintenance, Rails and Other Track Material—All track material used in repair of tracks except ballast and ties. This function includes expenses associated with unloading and installing Rail and Other Track Material.

(16) Repair and Maintenance, Ballast—Gravel, stone, slag, cinders, sand, and like material.

(19) Repair and Maintenance, Signals and Interlockers—Signals and interlockers and related apparatus governing train movement.

(20) Repair and Maintenance, Communications Systems—Telephone, telegraph, radio, radar, inductive train communication, and other communication systems, including terminal equipment.

(21) Repair and Maintenance, Power Systems—Power plants, substations, transmission and distribution systems.

(22) Repair and Maintenance, Highway Grade Crossings—Highway grade crossing signals, gates, and related apparatus.

(23) Repair and Maintenance, Station and Office Buildings—Station and office buildings, fixtures, appurtenances, and grounds.

(24) Repair and Maintenance, Shop Buildings—Locomotives—Shops and buildings, fixtures, appurtenances, and grounds, used for the repair, maintenance and servicing of locomotives.

(25) Repair and Maintenance, Shop Buildings—Freight Cars—Shops and buildings, fixtures, appurtenances, and grounds, used for the repair, maintenance, and servicing of freight cars.

(26) Repair and Maintenance, Shop Buildings—Other—Shops and buildings, fixtures, appurtenances, and grounds, used for the repair, maintenance, and

servicing of revenue service equipment other than locomotives and freight cars; roadway machines; work equipment and the like.

(27) Repair and Maintenance, Locomotive Servicing Facilities—Fuel and water stations, fixtures, appurtenances, and grounds.

(28) Repair and Maintenance, Miscellaneous Buildings and Structures. All permanent buildings and structures, and their fixtures, appurtenances, and grounds, not otherwise provided for. (Includes storehouses.)

(29) Repair and Maintenance, Coal Terminals—Wharves, docks, and other loading or unloading facilities for handling coal, including conveyors, machinery and fixtures.

(30) Repair and Maintenance, Ore Terminal—Wharves, docks, and other loading or unloading facilities for handling ores and other bulk mineral commodities, including conveyors, machinery and fixtures.

(31) Repair and Maintenance, TOFC/COFC—Terminals—TOFC/COFC terminal structures, fixtures, machinery and appurtenances, used for transfer of trailers and containers.

(32) Repair and Maintenance, Other Marine Terminals—Marine terminal structures, fixtures, machinery and appurtenances not otherwise provided for.

(33) Repair and Maintenance, Motor Vehicle Loading and Distribution Facilities—Buildings, structures, fixtures, machinery and appurtenances used for receipt, loading, unloading, and distribution of motor vehicles.

(35) Repair and Maintenance Facilities for Other Specialized Services Operations—Buildings, structures, machinery, fixtures and grounds, used as part or whole of a revenue-producing specialized service.

(36) Repair and Maintenance, Roadway Machines—Machines and equipment used for repairs of roadway and structures.

(37) Small tools and Supplies—Cost of small tools and supplies used in repair and maintenances.

(38) Snow Removal—Removal of snow and ice; plow and flange service; setting up, taking down and storing fences. If the amount of labor expense is not substantial, the wages of those

Surface Transportation Board, DOT

Pt. 1201

employees who perform snow removal duties may be included in the appropriate expense accounts for the duties they are normally assigned.

(39) Dismantling Retired Property—Dismantling retired road property when the property is not to be replaced through normal maintenance, addition or betterment.

(48) Road Property Damaged—Repair of roadway property and structures, used in revenue service, and all equipment not used in revenue service, when damage is caused by derailments, collision, fire, explosions, sabotage, other casualties, and excluding damage resulting through normal operations or use; such as part failures, overloads, overheating, short circuits and similar events. Part failures through normal operations are those where the resulting damage is restricted to the unit of road property which experienced the failure. When the damage extends to other units of road property, related expenses shall be charged to this function.

(3) Other Function.

(99) Other—All expenses not properly includable in the above functions.

(b) Functions Related to the Equipment Activity

(1) Administrative Functions.

(01) Administration, General—General administration and supervision of central, regional, and divisional repair and maintenance functions. Included are:

- General engineering and design.
- Valuation engineering for maintenance and improvements.
- Planning and supervision of repair and maintenance of equipment.
- Budget preparation, clerical support, and similar functions.

(2) Repair and Maintenance Functions—These functions include:

- Repair and maintenance work on equipment including gang foreman, shop foreman, and other supervisors with direct authority over workers; all higher levels of supervision are included in the Administrative function.
- Store expense and shop expense.

(39) Dismantling Retired Property—Dismantling retired equipment when the property is not to be replaced

through normal maintenance, addition or betterment.

(40) [Reserved]

(41) Repair and Maintenance, Locomotives—Repair of locomotives in revenue service.

(42) Repair and Maintenance, Freight Cars—Repair of freight cars and attached motor equipment in revenue service.

(43) Repair and Maintenance, Trucks, Trailers, Containers in Revenue Service—Repair, inspection, and lubrication of trucks, trailers and containers in revenue service.

(44) Repair and Maintenance, Floating Equipment in Revenue Service—Floating equipment including appurtenances.

(45) Repair and Maintenance, Passenger and Other Revenue Equipment—Repair, inspection and lubrication of passenger train cars and attached motor equipment, and other equipment used in revenue service.

(46) Repair and Maintenance, Computer Systems and Word Processing Systems—Computers and attached peripheral equipment; data recording and punch-card processing equipment; word processing equipment.

(47) Repair and Maintenance, Work and Other Non-Revenue Equipment—Rail and floating work equipment and appurtenances, and all other equipment not used in revenue service and not provided for elsewhere.

(48) Equipment Damaged—Repair of locomotives, freight cars, other equipment used in revenue service, and all equipment not used in revenue service, when damage is caused by derailment, collision, fire, explosions, sabotage, washouts, or other casualties, and excluding damage resulting through normal operations or use, such as part failures, overloads, overheating, short circuits and the like. Part failures through normal operations are those where the resulting damage is restricted to the equipment that experienced the failure. When the damage extends to other units of equipment, related repairs shall be charged to this function.

(49) Repair and Maintenance, Shop Machinery—Locomotives—Repair of shop machinery and other apparatus, including special foundations used for

the repair, maintenance and servicing of locomotives.

(50) Repair and Maintenance, Shop Machinery—Freight Cars—Repair of shop machinery and other apparatus, including special foundations for the repair, maintenance and servicing of freight cars.

(51) Repair and Maintenance, Shop Machinery—Other Equipment—Repair of shop machinery and other apparatus, including special foundations for the repair, maintenance and servicing of other equipment.

(3) Other Function.

(99) Other—All equipment expenses not properly includable in the above functions.

(c) Functions Related to the Transportation Activity

(1) Administrative Function.

(01) Administration, General—General administration and supervision of central, regional, and divisional operational functions. Included are:

- Planning and supervision of train, yard, common, specialized services and support operations.
- Budget preparation, clerical support, and similar functions.

[Not applicable to the Train and Yard Common Subactivity.]

(2) Operations Functions.

(56) Engine Crews—Operation of trains in line-haul revenue service by enginemen, including crew meals, lodging, deadheading and other expenses.

(57) Train Crews—Operation of trains in line-haul revenue service by trainmen, including crew meals, lodging, deadheading, and other expenses.

(58) Dispatching Trains—Costs include dispatchers, supporting staff, train order stations and operators, office and supplies expense.

(59) Operating Switches, Signals, Interlockers, Retarders, Humps—Operators, switch tenders, supplies, etc.

(60) Operating Drawbridges—Engineers, tenders, watchmen, supplies, etc.

(61) Highway Crossing Protection—Gatekeepers, flagmen, lighting, supplies, etc.

(62) Train Inspection and Lubrication—Inspection and lubrication of trains (cars and locomotives), including minor repairs made by inspectors. This includes the inspection of train lo-

comotives when indistinguishable from the inspection and lubrication of train cars.

(63) Clearing Wrecks—Removal of equipment, freight or other goods, and property of others damaged in wrecks; note that repair of wreck damage caused to roadway property and equipment is classified as function Code 48—Road Property and Equipment Damaged.

(64) Switch Crews—Operation of trains and locomotives in yard and terminal revenue switching service by enginemen and trainmen, including associated expenses.

(65) Controlling Operations—Directing the operations of yard and terminal interchange and classification service, including office and supplies expense.

(66) Yard and Terminal Clerical—Clerical work in support of the operation of yard and terminal switching and classification service, including office and supplies expense.

(67) Locomotive Fuel—Cost of locomotive fuel used in all service, including the receipt, storage, and dispensing of the fuel.

(68) Electric Power Purchased/Produced for Motive Power—Purchase cost and cost of producing electric power for use by electrically-powered motive equipment in all service.

(69) Servicing Locomotives—Preparing locomotives for switching service in yards and for train service, including moving locomotives around engine yards. This includes the inspection and lubrication of yard locomotives and may include the inspection and lubrication of train locomotives where distinguishable from the inspection and lubrication of train cars.

(70) Cleaning Car Interiors—Cleaning and preparing car interiors for revenue service, including minor repairs made by car cleaners. This includes payment for cleaning cars due to spoilage of perishable shipments.

(71) Adjusting and Transferring Loads—Transferring, picking up, straightening, and reloading freight in the ordinary course of transportation.

(72) Car Loading Devices and Grain Doors—Servicing car loading devices and placing and removing grain doors.

Surface Transportation Board, DOT

Pt. 1201

(73) Pickup & Delivery, Marine Line Haul & Rail Substitute Service—Operation of trucks, floating equipment, and all other specialized equipment providing line haul movement for revenue including TOFC/COFC pick-up and delivery.

(74) Loading & Unloading and Local Marine—All other specialized services in the transportation activity such as TOFC/COFC loading, unloading, and tie down; coal and ore loading and unloading; and other similar functions.

(75) Protective Services—Inspecting, servicing, cleaning, and fueling protective equipment and devices.

(76) Clerical and Accounting Employees—Direct administrative support to the Transportation Activity, including receiving and processing customer orders, requesting cars, preparing waybills, rating shipments, billing customers, collecting customer receivables in the ordinary course of business, billing and recording demurrage, reporting interchanges, reporting advances, and the initial summarization and reporting of input data.

(77) Communications Systems Operation—Cost of operating communications systems; when such operations are an integral part of other functions, only specifically identifiable costs of operating communications systems are to be allocated to this function.

(78) Loss and Damage Claims Processing—Receipt, investigation, other handling, and adjustment and settlement of claims for loss or damage of freight or other goods carried in revenue service. Does not include handling claims for personal injury or for loss or damage of other property.

(3) Other Function.

(99) Other—All transportation expenses not properly includable in the above functions.

(d) Functions Related to the General and Administration Activity

(1) Administrative Function.

(01) Administration, General—General administration and supervision of central, regional, and divisional general functions. Included are:

- Planning and supervision of general and administrative functions.
- Budget preparation, clerical support, and similar functions. It includes the overall re-

sponsibility for two or more of the General and Administrative functions listed below or the responsibility that expands to more than one activity.

(2) General Functions.

(86) Accounting, Auditing, Finance—General and corporate accounting, auditing by internal auditors and outside accountants, treasury, tax accounting and returns, financial reporting, corporate planning related to investment decisions and budgeting.

(87) Management Services and Data and Word Processing—Systems planning and design, programming, computer operations, data control, key entry of data, and related activities; This includes operating expenses associated with a particular computer system or word processing equipment that is dedicated to more than one activity. This does not include expenses associated with computer systems or word processing equipment dedicated exclusively to the Way and Structure, Equipment or Transportation Activity; these expenses shall be charged to the appropriate subactivity/function.

(88) Marketing—Market planning and analysis, traffic analysis, costing, pricing, and related activities.

(89) Sales—Traffic solicitation and related sales efforts.

(90) Industrial Development—Efforts to locate industries on real estate accessible to the railroad's lines for the purpose of creating future revenues.

(91) Personnel and Labor Relations—Efforts to attract and retain employees, handle fringe benefit plans, monitor and negotiate labor contracts, maintain employee data and records, coordinate training programs, handle grievances, handle employee transfers, operate job safety and equal opportunity programs, and related activities.

(92) Legal and Secretarial—Legal functions handled by attorneys and supporting staff; including lawsuits, injury and damage claims, commerce matters, and similar functions; corporate secretarial functions involving shareholder records, corporate minutes, stock certificates, and similar items.

(93) Public Relations and Advertising—Public relations activities with governmental bodies, shippers, and the

general public; advertising in the media, booklets, publications; open houses and tours; and similar activities.

(94) Research and Development—Research into the use of methods, procedures, practices, equipment, machinery tools, and plant, and in determining and measuring the impact of factors or costs not previously known, with the intention of finding ways to improve maintenance, operations, administration, rates, productivity, environmental impact, and similar items. Does not include specific studies or development efforts for which an implementation decision has already been made.

(3) Other Function.

(99) Other—All general and administration expenses not properly includable in the above functions.

INCOME ACCOUNTS

Ordinary Items

501 Railway operating revenues.

This account is a summarization of Railway Operating Revenue Accounts 101 to 122. It excludes transfers from governmental authorities except when the transfer payment is for specific services for transporting property or persons by rail line other than commuter operations and local rail service subsidies granted under authority of the Railroad Revitalization and Regulatory Reform Act of 1976 [See Instruction 1–15(e)(2)].

[52 FR 4346, Feb. 11, 1987]

502 Railway operating revenues—transfers from government authorities for current operations.

This account shall include amounts received or receivable from Federal, state, or municipal authorities which are specifically designated to offset operating expenses, or which may be applied at the discretion of the railroad to operating expenses and/or railroad property.

This account shall also include amounts received from government authorities to offset operating costs sustained on specific lines or in certain regions. Examples are: (1) Local Rail

Service Assistance Subsidies granted to the carrier under authority of the Railroad Revitalization and Regulatory Reform Act of 1976, and (2) payments by regional transit authorities in connection with specified operations performed by the carrier.

This account shall also include indirect receipts which reduce operating expenses, such as assumption of station maintenance costs, abatement of taxes, or other indirect contributions by government agencies, if clearly identifiable and measurable.

NOTE: This account shall not include receipts from government authorities designated for the acquisition, addition to, or improvement of railway operating property. (See instruction 1–15.)

(49 U.S.C. 304, 320)

[43 FR 30558, July 17, 1978]

503 Railway operating revenues—amortization of deferred transfers from government authorities.

This account shall include the amortization applicable to amounts representing the cost of acquisition, addition to, or improvement of depreciable operating property received from Federal, state, or municipal authorities. (See instruction 1–15, and account 783, “Deferred Revenues—Transfers from Government Authorities.”)

(49 U.S.C. 304, 320)

[43 FR 30558, July 17, 1978]

506 Revenues from property used in other than carrier operations.

This account shall include the total revenues derived from property used in other than carrier operations, the cost of which is includible in balance-sheet account 737, “Property used in other than carrier operations.”

510 Miscellaneous rent income.

(a) This account shall include such rents of property owned and controlled by the accounting carrier as are not provided for in the foregoing accounts.

(b) This account shall be charged with the cost of maintenance of the property rented, also specific incidental expenses in connection with such property, such as the cost of negotiating contracts, advertising for tenants,

Surface Transportation Board, DOT

Pt. 1201

fees paid conveyancers, collectors' commissions, and analogous items.

NOTE A: Taxes on property the rent of which is creditable to this account shall be charged to account 64-61-00, Property Taxes.

NOTE B: The rent from property carried in account 737, Property used in other than carrier operations, shall not be included in this account. Such rents shall be included in account 506, Revenues from property used in other than carrier operations.

NOTE C: Rent and other income from real estate acquired for new lines or for additions and betterments shall be credited to the appropriate road and equipment accounts until the completion or coming into service of the property.

NOTE D: Rent and other income from real estate acquired for new lines or for additions and betterments shall be credited to the appropriate road and equipment accounts until the completion or coming into service of the property.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4346, Feb. 11, 1987]

512 Separately operated properties; profit.

(a) This account shall include amounts earned under the terms of agreements or contracts whereby the net income resulting from the operation by others or properties of other companies having a separate corporate existence is to be paid, in whole or in part, to the accounting company.

(b) In determining the amount earned by the accounting company, consideration shall be given not only to the operating revenues and operating expenses but also to other items of income or deduction which affect that amount.

NOTE A: The amount payable by the operating company shall be charged by it to account 550, Income Transferred under Contracts and Agreements.

NOTE B: Dividends or other returns upon securities issued by separately operated companies, and held or controlled by the accounting company, shall be included in accounts 513, "Dividend income," 514, "Interest income," or 516, "Income from sinking and other funds," as may be appropriate.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

513 Dividend income.

(a) This account shall include dividends declared on railway and other stocks, the income from which is the

property of the accounting company, whether such stocks are owned by the accounting company and held in its treasury or deposited in trust, or are controlled through lease or otherwise.

(b) Dividends declared shall not be credited prior to actual collection unless their payment is reasonably assured by past experience, guaranty, anticipated provision, or otherwise. (See note C to account 708, "Interest and dividends receivable.")

(c) Accruals of guaranteed dividends may be included in this account if their payment is reasonably assured.

NOTE A: This account shall not include credits for dividends on stocks issued or assumed by the accounting company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in sinking or other funds.

NOTE B: Dividends on stocks of other companies held in sinking or other funds shall be credited to account 516, "Income from sinking and other funds."

514 Interest income.

(a) This account shall include the interest on securities and debenture stock of other companies, the income from which is the property of the accounting company whether such securities are owned by the accounting company and held in its treasury or deposited in trust, or are controlled through lease or otherwise.

(b) The account shall also include interest on notes and other evidences of indebtedness and interest on bank balances, open accounts, and other analogous items, including discount or short-term notes. Interest shall not be accrued unless its payment is reasonably assured by past experience, guaranty, anticipated provision, or otherwise. (See note C to account 708, "Interest and dividends receivable.")

(c) At the option of the accounting company there may be included each year in this account the portion, applicable to the fiscal period, of the amount requisite to extinguish, during the interval between the date of acquisition and the date of maturity, the discount or premium on securities of other companies owned (other than short-term notes). Amounts thus credited or charged shall be concurrently charged or credited to the account in

which the cost of the securities is carried. The discount on short-term notes shall be distributed through equal monthly credits, over the terms of the notes.

NOTE A: This account shall not include interest on securities issued or assumed by the accounting company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in sinking or other funds.

NOTE B: Interest on securities other than those of the accounting company, and on other assets held in sinking or other funds shall be included in account 516, "Income from sinking and other funds."

NOTE C: Discount on bills for material purchased shall be credited to the accounts to which is charged the cost of the material with respect to which the discount is allowed.

516 Income from sinking and other funds.

(a) This account shall include the income on cash, securities, and other assets (not including securities issued or assumed by the accounting company) held in sinking and other funds. (See note C to account 708, "Interest and dividends receivable.")

(b) At the option of the accounting company there may be included each year in this account the portion, applicable to the fiscal period, of the amount requisite to extinguish, during the interval between the date of acquisition and the date of maturity, the discount or premium on funded securities held in sinking or other funds. Amounts thus credited or charged shall be concurrently charged or credited to the account in which the cost of the securities is carried.

517 Release of premiums on funded debt.

This account shall include, during each fiscal year, such proportion of the premiums on outstanding funded debt as may be applicable to the period. (See instruction 5–3.)

518 Reimbursement received under contracts and agreements.

(a) This account shall include amounts received or receivable from other companies or individuals, representing the whole or a part of the net loss of the accounting company, when

under the terms of agreements or contract, no obligation for subsequent reimbursement is incurred.

(b) In determining the amount receivable by the accounting company, consideration shall be given not only to the operating revenues and operating expenses, but also to other items of income or deduction which affect that amount.

NOTE: The amount payable shall be charged by the contributing company to account 545, "Separately operated properties—Loss."

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

519 Miscellaneous income.

(a) This account shall include all items, not provided for elsewhere, properly creditable to income accounts during the current year. Among the items which shall be included in this account are:

Cancellation of balance sheet accounts representing unclaimed wages and vouchered accounts written off because of carrier's inability to locate the creditor.

Profit from sale of securities carried as temporary cash investments.

Profit from sale of land used for transportation purposes, of noncarrier property and of securities acquired for investment purposes.

Profit from company bonds reacquired.

Decreases in the valuation allowance (contained within account 702) for the marketable equity securities included in current assets.

(b) Gains from extinguishment of debt shall be aggregated and, if material, credited to account 570, "Extraordinary Items," upon approval by the Commission; however, gains from extinguishment of debt (excluding debt maturing serially) which is made to satisfy sinking fund requirements, shall be recorded in this account regardless of amount.

531 Railway operating expenses.

This account shall include total expenses caused by operations, as shown in the primary expense accounts provided in these regulations.

534 Expenses of property used in other than carrier operations.

This account shall include depreciation, rent, taxes, and other expenses incurred on property used in other than carrier operations.

NOTE: If property for which rent expense is includable in this account is sublet, the rent from the sublease shall be included in account 506, Revenues from property used in other than carrier operations.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

544 Miscellaneous taxes.

This account shall include all accruals for taxes not provided for elsewhere, such as taxes on securities owned, and taxes on income from securities owned.

545 Separately operated properties; loss.

(a) This account shall include amounts payable under the terms of agreements or contracts whereby the net loss resulting from the operation by others of properties of other companies having a separate corporate existence is to be paid, in whole or in part, by the accounting company.

(b) In determining the amount payable by the accounting company, consideration shall be given not only to the operating revenues and operating expenses, but also to other items of income or deductions which affect that amount.

NOTE A: The amounts receivable by the operating company shall be credited by it to account 518, Reimbursements received under contracts and agreements.

NOTE B: Dividends or other returns upon securities issued by separately operated companies and held or controlled by the accounting company shall not be included in this account to offset a deficit payable, but in accounts 513, "Dividend income," or 514, "Interest income," as may be appropriate.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

546 Interest on funded debt.

This account shall include the current accruals of interest on all classes of long-term debt, the principal of which is includable in accounts 765, Funded debt unmatured; 766, Equipment obligations; 767, Receivers' and

trustees' securities; 768, Debt in default; and 769, Accounts Payable; affiliated companies.

NOTE A: This account shall not include charges for interest on funded debt obligations issued or assumed by the accounting company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or in sinking or other funds.

NOTE B: When funded debt is incurred for new lines or extensions, or for addition and betterment purposes, the accruals of interest on such funded debt (less interest received on unexpended balances), to the date of completion or coming into service of the property so acquired shall be includable in the road and equipment accounts.

NOTE C: This account shall be maintained so as to show separately: (a) Fixed interest which will be paid, or for which provision for payment will be made, when the interest matures; (b) interest in default; and (c) contingent interest determined to be payable.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

547 Interest on unfunded debt.

This account shall include interest accrued on unfunded debt, such as short-term notes payable on demand or having maturity dates of one year or less from dates of issue, and open accounts, including discount and expense on demand and short-term loans, interest on receipts outstanding for installments paid on capital stock, interest on deferred payments for public improvements, interest on tax deficiencies, overcharge claims and court awards, and other analogous items. The discount on short-term notes, if of a considerable amount shall be distributed through equal monthly charges, over the term of the notes.

NOTE: When short-term notes or other evidences of unfunded indebtedness are issued for new lines or extensions or for addition and betterment purposes the accrual of interest to the date of completion or coming into service of the property shall be included in the road and equipment accounts.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

548 Amortization of discount on funded debt.

(a) This account shall be charged during each fiscal period with the proportion of the discount on funded debt obligations applicable to that period.

This proportion shall be determined according to a rule the uniform application of which through the interval between the date of sale and the date of maturity will extinguish the discount on funded debt.

(b) The charge to this account for any period must not be either greater or less than the proportion of the balance remaining unamortized applicable to that period so long as any portion of the discount remains unextinguished. However, the entire amount for the discount and expense applicable to any particular issue of obligations may be charged directly to this account at time of issue when the aggregate of such amounts does not appreciably affect the accounts. (See instruction 5–3(b).)

549 Maintenance of investment organization.

This account shall include the directly assignable administration expenses of the accounting company which are incident to its investments in leased or nonoperating physical property, and in stocks, bonds, or other securities.

ITEMS OF EXPENSE

Advertising annual reports (lessor companies only).
Calls for bonds in accordance with sinking fund provisions of mortgages.
Directors' fees.
Printing and mailing dividend checks.
Publishing and mailing annual reports and other corporate statements to shareholders.
Publishing notices of declaration of dividends.
Law expenses.
Office expenses.
Salaries of officers, clerks, and attendant.
Stationery and printing.

NOTE: Administration expenses incident to railway operation are includible in the primary accounts provided for in operating expense general account series 60–00–00.

550 Income transferred under contracts and agreements.

(a) This account shall include the whole or any portion of the income of the accounting company payable to another company under the terms of agreements or contracts without obligation for reimbursement.

(b) In determining the amount payable by the accounting company, consideration shall be given not only to operating revenues and operating expenses, but also to other items of income or deduction which affect that amount.

NOTE A: The amount receivable by the other company shall be credited by it to account 512, "Separately operated properties—Profit."

NOTE B: Dividends or other payments upon securities issued or assumed by the accounting company shall not be included in this account.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

551 Miscellaneous income charges.

(a) This account shall include items, not otherwise provided for in the other income accounts. This includes:

Income tax on the interest on the accounting company's funded debt when these taxes are assumed by the company.
Payments of old accounts previously written off.
Penalties and fines for violation of the Interstate Commerce Act or other federal and state laws.
Loss on sale of securities carried as temporary cash investments.
Loss on sale of land used for transportation purposes and of noncarrier property.
Loss on sale of securities acquired for investment purposes, and charges to write down the ledger value of such securities because of impairment in their value.
Loss from company bonds reacquired.
Increases in the valuation allowance (contained within account 702) for the marketable equity securities included in current assets.

Contributions for charitable, social, or community welfare purposes that do not have a direct relation to the protection of company property, development of its business, or welfare of its employees.

(b) Losses from extinguishment of debt shall be aggregated and, if material, charged to account 570, "Extraordinary Items," upon approval by the Commission; however, losses from extinguishment of debt (excluding debt maturing serially) which is made to satisfy sinking fund requirements, shall be included in this account regardless of amount.

(c) Contributions for charitable, social, or community welfare purposes

Surface Transportation Board, DOT

Pt. 1201

that have a direct relation to the protection of company property, development of its business, or welfare of its employees should be charged to account 61-61-99, Other Expenses—General and Administrative—Other.

(49 U.S.C. 12, 20, 304, 913, and 1012)

[42 FR 35017, July 7, 1977, as amended at 42 FR 64350, Dec. 23, 1977; 52 FR 4347, Feb. 11, 1987]

553 Uncollectible accounts.

This account shall include losses on receivable, notes, or claims that are not includible in account 63-61-00. “General—Uncollectible Accounts—General and Administrative.”

555 Unusual or infrequent items (debit) credit.

This account shall include material items unusual in nature or infrequent in occurrence, but not both, accounted for in the current year in accordance with the text of instruction 1-2(d), upon approval by the Commission.

556 Income taxes on ordinary income.

This account shall include accruals for Federal, State and other income taxes applicable to ordinary income. See the text of account 590, for recording other income tax consequences.

557 Provision for deferred taxes.

(a) This account shall include the net tax effect of all material timing differences [See definition 20(e)] originating and reversing in the current accounting period and the future tax benefits of loss carryforwards recognized in accordance with Instruction 1-10.

(b) This account shall include credits for the amortization of the investment tax credit if the carrier elected to use the deferred method of accounting for the investment tax credit. (See instruction 1-10.)

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

560 Income or loss from operations of discontinued segments.

This account shall include the results of operations of a segment of a business (see definition 23(a)), after giving effect to income tax consequences, that has been or will be discontinued in accord-

ance with the text of instruction 1-2(d), upon approval by the Commission.

562 Gain or loss on disposal of discontinued segments.

This account shall include the gain or loss from the disposal of a segment of a business, after giving effect to income tax consequences, in accordance with the text of instruction 1-2(d), upon approval by the Commission.

570 Extraordinary items (net).

(a) This account shall include extraordinary items accounted for during the current accounting year in accordance with the text of instruction 1-2(d), upon submission of a letter from the carrier's independent accountants, approving or otherwise commenting on the item and upon approval by the Commission.

(b) This account shall be maintained in a manner sufficient to identify the nature and gross amount of each debit and credit.

(c) Income tax consequences of charges and credits to this account shall be recorded in account 590, “Income taxes on extraordinary items,” or account 591, “Provision for deferred taxes—extraordinary items.”

590 Income taxes on extraordinary items.

This account shall include the estimated income tax consequences (debit or credit) assignable to the aggregate of items of both taxable income and deductions from taxable income which for accounting purposes are classified as unusual and infrequent, and are recorded in account 570, “Extraordinary Items (Net).” The tax effect of any timing differences caused by recognizing an item in the account provided for extraordinary items in different periods in determining accounting income and taxable income shall be included in account 591, “Provision for deferred taxes—extraordinary items.”

591 Provision for deferred taxes—extraordinary items.

This account shall include debits or credits for the current accounting period for income taxes deferred currently, or for amortization of income

Pt. 1201

taxes deferred in prior accounting periods applicable to items of revenue or expense included in account 570, "Extraordinary Items (Net)." (See instruction 1-10.)

592 Cumulative effect of changes in accounting principles.

This account shall include the cumulative effect of changing to a new accounting principle, after giving effect of income tax consequences, in accordance with instruction 1-2(d), upon approval by the Commission.

FORM OF INCOME STATEMENT

I. Ordinary Items

501	Railway operating revenues (exclusive of transfers from government authorities) .....	.....
502	Railway operating revenues—transfers from government authorities for current operations .....	.....
502	Railway operating revenues (amortization of deferred transfers from government authorities) .....	.....
531	Railway operating expenses .....	.....

Net Revenue from Railway Operation ¹

II. Other Income

506	Revenues from property used in other than carrier operations .....	.....
510	Miscellaneous rent income .....	.....
512	Separately operated properties—profit .....	.....
513	Dividend income .....	.....
514	Interest income .....	.....
516	Income from sinking and other funds .....	.....
517	Release of premiums on funded debt .....	.....
518	Contributions from other companies .....	.....
519	Miscellaneous income .....	.....
Income from affiliated companies:		
Dividends .....	.....	.....
Equity in undistributed earnings (losses) .....	.....	.....
Total income from affiliated companies .....		.....
Total other income .....		.....
Total income .....		.....

III. Miscellaneous Deductions From Income

534	Expenses of property used in other than carrier operations .....	.....
535	Taxes on property used in other than carrier operations .....	.....
543	Miscellaneous rent expense .....	.....
544	Miscellaneous taxes .....	.....
545	Separately operated properties—loss .....	.....
549	Maintenance of investment organization .....	.....
550	Income transferred to other companies .....	.....
551	Miscellaneous income charges .....	.....
553	Uncollectible accounts .....	.....

Total miscellaneous deductions

Income available for fixed charges

IV. Fixed Charges

546	Interest on funded debt:	
(a)	Fixed interest not in default .....	.....
(b)	Interest in default .....	.....

49 CFR Ch. X (10-1-96 Edition)

FORM OF INCOME STATEMENT—Continued

547	Interest on unfunded debt .....	.....
548	Amortization of discount on funded debt .....	.....

Total fixed charges .....	.....
Income after fixed charges .....	.....

V. Other Deductions

546	Interest on funded debt: (c) Contingent interest	

VI. Unusual or Infrequent Items

555	Unusual or infrequent items (debt) credit .....	.....
Income (loss) from continuing operations (before income taxes) .....		.....

VII. Provision for Income Taxes

556	Income taxes on ordinary income:	
Federal income taxes .....	.....	.....
State income taxes .....	.....	.....
Other income taxes .....	.....	.....
557	Provision for deferred income taxes .....	.....
Income from continuing operations .....		.....

VIII. Discontinued Operations

560	Income or loss from operations of discontinued segments (less applicable income taxes of \$—) .....	.....
562	Gain or loss on disposal of discontinued segments (less applicable income taxes of \$—) .....	.....

Income (loss) before extraordinary items

IX. Extraordinary Items and Accounting Changes

570	Extraordinary items (net) .....	.....
590	Income taxes on extraordinary items .....	.....
591	Provision for deferred taxes—extraordinary items .....	.....

Total extraordinary items

592	Cumulative effect of changes in accounting principles (less applicable income taxes of \$—)	

Net income

¹Reconciliation of net railway operating income (NROI):

Net revenues from railway operations .....		.....
(556)	Income taxes on ordinary income .....	.....
(557)	Provision for deferred income taxes .....	.....
(560)	Taxes applicable to income or loss from operations of discontinued segments .....	.....
(562)	Taxes applicable to gain or loss on disposal of discontinued segments .....	.....
Income from lease of road and equipment (formerly account 509) .....		.....
Rent for leased roads and equipment (formerly account 542) .....		.....

Net railway operating income

(49 U.S.C. 304, 320)

[42 FR 35017, July 7, 1977, as amended at 43 FR 30558, July 17, 1978]

RETAINED EARNINGS ACCOUNTS

Credit

601 Credit balance (at beginning of calendar year).

This account shall include the net credit balance in the retained earnings

Surface Transportation Board, DOT

Pt. 1201

account at the beginning of the calendar year.

601.5 Prior period adjustments to beginning retained earnings account.

This account shall include adjustments net of assigned income taxes, in accordance with the text of instruction 1-2(d), to the balance in the retained earnings account at the beginning of the calendar year, upon approval by the Commission.

602 Credit balance transferred from income.

This account shall show the net credit balance brought forward from the income account for the calendar year.

603 Appropriations released.

This account is provided to return to unappropriated retained earnings the amount of appropriations no longer required. The account shall be subdivided to show the nature of the appropriations being released and the circumstances of the release shall be fully described.

606 Other credits to retained earnings.

This account shall include other credit adjustments, net of assigned income taxes, not provided for elsewhere in this system but only after such inclusion has been authorized by the Commission.

Debit

611 Debit balance (at beginning of calendar year).

This account shall include the net debit balance in the retained earnings account at the beginning of the calendar year.

612 Debit balance transferred from income.

This account shall show the net debit balance brought forward from the income account for the calendar year.

616 Other debits to retained earnings.

(a) This account shall include losses from resale of reacquired capital stock, and charges which reduce or write-off discount on capital stock issued by the company, but only to the extent that

such charges exceed credit balances in account 795, "Other capital," applicable to net gains from reacquisition and resale or retirement of such subclass of capital stock. See instruction 5-4.

(b) This account shall also include other debit adjustments, net of assigned income taxes, not provided for elsewhere in this system but only after such inclusion has been authorized by the Commission.

620 Appropriations for sinking and other funds.

This account shall be charged and account 797, "Retained earnings; Appropriated," shall be credited with amounts appropriated pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts requiring payments into sinking funds, capital funds, and other funds.

621 Appropriations for other purposes.

This account shall be charged and account 797, "Retained earnings; Appropriated," shall be credited with the amount of appropriations for general contingencies, indefinite possible future losses and other corporate purposes not provided for elsewhere. The appropriations shall be released when their respective purposes have been served.

623 Dividends.

This account shall be charged with the amount of dividends declared on actually outstanding capital stock issued or assumed by the company. If the dividend is not payable in cash, the securities or other property to be distributed shall be described with sufficient particularity to identify the distribution. This account shall be subdivided to show separately the dividends declared on the various subclasses of capital stock.

NOTE: This account shall not include charges for dividends on capital stock issued or assumed by the company and owned by it, whether pledged as collateral or held in its treasury, in special deposits, or sinking or other funds.

GENERAL BALANCE SHEET ACCOUNTS EXPLANATIONS

Assets

CURRENT ASSETS

701 Cash.

(a) This account shall include money, checks, sight drafts, and sight bills of exchange in the hands of the accounting company's financial officers and agents, or in transit from its agents and conductors for which such agents and conductors have received credit. It shall include, also, deposits with banks and trust companies available for use on demand, and savings accounts subject to the usual clause reserving the right to defer payment for a specified number of days.

(b) The amount of checks and drafts, which have been transmitted to payees and which remain unpaid at the close of the accounting period, shall be credited to this account. When the amount of such checks and drafts cannot be determined with absolute accuracy, an estimate of the amount shall be used. Amounts not transmitted to payees shall be included in the appropriate liability accounts.

NOTE: Compensating balances under an agreement which legally restricts the use of such funds shall not be included in this account. Such balances shall be included in account 703, "Special Deposits," or 717, "Other Funds," as appropriate.

702 Temporary cash investments.

This account shall include the cost of securities and other obligations acquired for the purpose of temporarily investing cash, such as United States Treasury certificates, marketable securities, time drafts receivable, demand loans, time loans, time deposits with banks and trust companies, and other similar investments of a temporary character, which are readily convertible into cash at substantially their recorded cost.

This account shall be subdivided to reflect the marketable equity securities portion (and its corresponding valuation allowance) and other temporary investments. (See instruction 5–2.)

703 Special deposits.

This account shall include cash deposits, either placed in the hands of trustees or under the direct control of the reporting company, which are restricted for specific purposes. Examples are those deposits made for the payment of dividends and interest due within one year, the liquidation of other current liabilities, to guarantee fulfillment of current contract obligations to meet specific operating requirements, or compensating balances (See definition 24) under an agreement which legally restricts the use of such funds, and which constitute support for short-term borrowing arrangements. Subaccounts may be set up, if necessary, to account for special deposits for specific purposes.

NOTE: Deposits available for general company purposes shall be included in account 701, "Cash."

704 Loans and notes receivable.

This account shall include the book value of all collectible obligations in the form of demand or time loans and notes receivable, or other similar evidences (except interest coupons) of money receivable within a time not exceeding one year from date of issue.

NOTE A: Current loans and notes receivable from affiliated companies shall be included in account 708.5, "Receivables from affiliated companies."

NOTE B: Obligations held as investments which mature more than one year after date of issue shall be included in accounts 721, "Investments and advances: Affiliated companies," or 722, "Other investments and advances," as appropriate.

NOTE C: Loans and notes receivable acquired for the purpose of temporarily investing cash shall be included in account 702, "Temporary cash investments."

705 Accounts receivable; interline and other balances.

This account shall include the net debit balances receivable from other companies representing items such as interline freight, passenger, switching, and baggage revenues, charges for equipment interchanged on a per diem or mileage basis, and charges, for car repairs, loss and damage freight claims, and overcharge claims.

Surface Transportation Board, DOT

Pt. 1201

NOTE: The amount to be entered in this account is not the net balance between this account and account 752, "Accounts payable; Interline and other balances." Net credit balances payable to other companies shall be included in account 752.

706 Accounts receivable; customers.

This account shall include amounts currently due from customers for transportation and other charges incidental to transportation, and from agents and other representatives charged with the collection or custody of current revenues.

NOTE: Amounts advanced to general and special agents as working funds shall be included in account 710, "Working funds."

707 Accounts receivable; other.

This account shall include amounts due in audited accounts, such as those due from the United States or other Governments for the transportation of mails and Government property, and from express companies for express facilities furnished under contract; miscellaneous bills against other railway companies, corporations, firms, and individuals; and other similar items.

NOTE A: The amount to be entered in this account is not the net balance between this account and account 754, "Accounts payable; Other."

NOTE B: Amounts due from affiliated companies for miscellaneous bills and other items subject to current settlement shall be included in account 708.5, "Receivables from affiliated companies."

708 Interest and dividends receivable.

This account shall include the amount of interest accrued to the date of the balance sheet on bonds, mortgages, notes, and other commercial paper owned, on loans made, open accounts, bank deposits, and the amount of dividends declared on stocks owned, and dividends accrued on such stocks when contracts require that the dividends be paid at stated times.

NOTE A: No amount representing interest or dividends receivable shall be included in this account unless its payment is reasonably assured by past experience, anticipated provision, or otherwise.

NOTE B: No dividends or other returns on securities issued or assumed by the accounting company shall be included in this account.

NOTE C: If settlement of amounts included in this account is not made when due, such amounts that are not subject to current settlement shall be transferred to account 741, "Other assets," at their estimated realizable value. Items of current character but of doubtful value, as well as noncurrent items, shall be written off to the extent of any estimated uncollectible portion by charge to account 553, "Uncollectible accounts". If notes are taken in settlement of amounts included in this account, the amounts shall be transferred to account 704, "Loans and notes receivable," or account 741, as appropriate. (See instruction 5-1.)

NOTE D: Current interest and dividends receivable from affiliated companies shall be included in account 708.5, "Receivables from affiliated companies," and noncurrent amounts receivable shall be included in account 721, "Investments and advances; Affiliated companies."

708.5 Receivables from affiliated companies.

This account shall include amounts due from affiliated companies which are subject to current settlement such as deposits, demand or time loans, notes receivable, interest, dividends, miscellaneous bills and similar items.

NOTE: Receivables from affiliated companies, representing net debit balances for items such as operating revenues, charges for equipment interchanged, car repairs and claims, shall not be included in this account but in account 705, "Accounts receivable; Interline and other balances."

709 Accrued accounts receivable.

This account shall include estimates of all unaudited current items receivable by the carrier to the date of the balance sheet, including those which are creditable to revenue, expense, or income accounts. Among the items which shall be included in this account are:

Amounts receivable from others for unreported interline traffic.

Amounts receivable from others for use of facilities, including equipment, for which bills have not been rendered.

Amounts receivable from others for services for which bills have not been rendered.

Rents receivable for which bills have not been rendered.

709.5 Allowance for uncollectible accounts.

This account shall be credited with amounts provided for receivables which

may become uncollectible, and shall be maintained to show the amount of each separate allowance set out below and the amounts of debits and credits thereto:

(a) Allowance for receivables applicable to transportation operations. Credits to this subdivision shall be concurrently charged to account 636000, “Uncollectible Accounts; General and administrative.”

(b) Allowances for receivables not applicable to transportation operations. Credits to this subdivision shall be concurrently charged to account 553, “Uncollectible accounts.”

710 Working funds.

This account shall include amounts advanced to general and special agents, and to other officers and employees, as working funds from which certain expenditures are to be made and accounted for. It also includes advances to fast freight lines and to demurrage and other bureaus.

NOTE: Advances to jointly owned or used terminal companies and other companies for permanent working funds or capital purposes shall be included in accounts 721, “Investments and advances; Affiliated companies,” or 722, “Other investments and advances,” as appropriate.

711 Prepayments.

This account shall include the balances in the accounts representing short-term prepaid rents chargeable to the appropriate rent accounts as the term is consumed for which the rents are paid; also short-term interest, and insurance premiums, taxes and licenses, and similar items paid in advance of their accrual, which are to be apportioned and charged, as they accrue, to the appropriate accounts.

712 Material and supplies.

(a) This account shall include the balances representing the cost of all unapplied material, such as road and shop material, articles in process of manufacture by the accounting company, fuel, stationery, and dining car and other supplies. In determining the cost of material and supplies suitable allowance shall be made for any purchase discounts allowed. The cost shall include all specifically assignable

transportation charges incurred in obtaining the delivery of such materials and supplies upon the premises of the carrier including loading and unloading, and a suitable proportion of purchasing and store expenses. The cost shall also include sales and excise taxes on material purchases; however, sales and excise taxes may be charged to account 656000, “Other taxes; General and administrative,” provided this procedure will not adversely affect the accounts and is consistently followed. Taxes on gasoline, other motor fuel, and motor oil are also includible in this account.

(b) Materials recovered for reuse in connection with construction, maintenance, or the retirement of property shall be charged to this account at cost, or average cost, estimated if not known, less accumulated depreciation, if any, plus the cost to restore the materials to a serviceable condition, or current market value, whichever is lower. (See definition 17, *Salvage value*.)

(c) Scrap and other nonusable materials, including obsolete parts, shall be included in account 713, “Other current assets,” at the estimated salvage value when the sale of the materials is imminent and there is a relatively firm market price. Obsolete parts not subject to imminent sale shall be included in account 741, “Other assets,” at their net realizable value.

(d) Material and supplies shall be credited to this account and charged to the appropriate operating expense or other account on the basis of recorded cost, average cost, or other recognized pricing system, provided that such system is consistently applied and is based on the cost of such material and supplies.

(e) An inventory of material and supplies shall be taken during each calendar year and the necessary adjustments to bring this account into harmony with the actual inventory balances shall be made in the accounts of the year in which the inventories are taken. In effecting this adjustment, determined differences in accounting for important classes of material shall be equitably assigned among the accounts to which the classes of material are ordinarily chargeable. Other differences shall be equitably apportioned among

Surface Transportation Board, DOT

Pt. 1201

the primary accounts to which material has been charged since the last inventory. (Also see instruction 5-1(b).)

NOTE: Balances representing the cost of unapplied construction material and supplies located at the point of use, which have been purchased for projected new roads and extensions, or for new railroad equipment, shall be included in account 90, "Construction in progress."

713 Other current assets.

This account shall include amounts for other current assets which are not includible in the foregoing current asset accounts.

714 Deferred income tax debits.

This account shall include the current portion of deferred income tax debits and credits determined in accordance with Instruction 1-10, when the balance is a net debit. A net credit balance shall be included in account 762, "Deferred income tax credits".

(49 U.S.C. 10321, 11145; 5 U.S.C. 553)

[47 FR 12350, Mar. 23, 1982]

SPECIAL FUNDS

715 Sinking funds.

(a) This account shall include the amount of cash, the ledger value of live securities of other companies, and other assets which are held by trustees of sinking and other funds for the purpose of redeeming outstanding obligations, including such assets held in the hands of the accounting company's treasurer when the assets are segregated in a distinct fund.

(b) This account shall include amounts deposited with trustees on account of mortgaged property sold, where the proceeds are held for the redemption of securities; and also the par value (or the amount recorded for no par stock) of live securities issued or assumed by the accounting company and held in such funds.

(c) A separate subaccount shall be kept for each fund. The title of each subaccount shall designate the obligation redeemable from the fund.

NOTE: In stating the balance sheet in the annual reports to the Commission the total amount of the funds and the par value (or the amount recorded for no par stock) of securities issued or assumed by the accounting

company and held in the funds shall be shown in the short columns, and the net amount of the funds (total amount less securities issued or assumed) shall be shown in the long column.

716 Capital funds.

(a) This account shall include cash and the ledger value of other assets held by trustees or by the accounting company's treasurer when segregated in distinct funds that have been (1) realized from the sale of equipment obligations or other long-term obligations and not yet applied toward the specific purposes for which the obligations were incurred, and (2) set aside in accordance with governmental, mortgage, or contractual requirements in connection with reorganizations or otherwise. This account shall also include funds deposited with trustees to be held until mortgaged property sold is replaced.

(b) An appropriate record shall be maintained for securities issued or assumed by the accounting company and held in the funds, identifying those that are nominally issued or nominally outstanding.

NOTE: Funds specifically set aside for sinking fund purposes shall be included in account 715, "Sinking funds." If one purpose of a capital fund is to provide contributions to a sinking fund under specified conditions, the entire amount of the fund shall be included in this account until the contributions to the sinking fund are made, at which time the amounts thereof shall be transferred to account 715.

NOTE: The ledger value of assets of the character indicated in paragraph (a)(2) of this section, shall be transferred to the appropriate current asset account when the assets are definitely assigned in advance of expenditure to the payment of interest or other current liabilities payable within one year.

717 Other funds.

This account shall include the amount of cash and the ledger value of securities of other companies and other assets which are in the hands of trustees or managers of insurance, employees' pension, savings, relief, hospital, and other funds which have been raised and specifically set aside or invested for specific purposes not provided for elsewhere; also the par value (or the amount recorded for no par stock) of

securities issued or assumed by the accounting company and held in such funds. A separate subaccount shall be kept for each fund.

NOTE A: Sinking funds and capital funds are provided for in accounts 715, “Sinking funds,” and 716, “Capital funds,” respectively.

NOTE B: In stating the balance sheet in the annual reports to the Commission, the total amount of the funds and the par value (or the amount recorded for no par stock) of securities issued or assumed by the accounting company and held in the funds shall be shown in the short columns, and the net amount of the funds (total amount less securities issued or assumed) shall be shown in the long column.

NOTE C: This account shall not include funds held by the accounting company solely as trustee and in which it has no beneficial interest.

NOTE D: This account shall include compensating balances (see definition 24) under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements.

INVESTMENTS

721 Investments and advances; affiliated companies.

(a) This account shall include the ledger value of the accounting company’s investment in securities issued or assumed by affiliated companies other than securities held in special deposits or special funds; and also investment advances made to affiliated companies not subject to current settlement; notes receivable from affiliated companies which mature later than 1 year from date of the balance sheet; and similar noncurrent items of affiliated companies.

(b) This account shall be maintained in such manner as to show each of the following classes of investment in each affiliated company:

- (1) Stocks.
- (2) Bonds.
- (3) Other secured obligations.
- (4) Unsecured notes.
- (5) Investment advances.

(c) A complete record of securities pledged shall be maintained to show separately the ledger value of securities pledged and unpledged in the annual report to the Commission.

NOTE A: Accounts with affiliated companies which are subject to current settlement,

if their collection is reasonably assured, shall be classed as current assets, and if settlement is deferred beyond one year such items shall be transferred to this account.

NOTE B: The term affiliated companies (also see definition 4) includes:

1. Controlled companies, including companies solely controlled by the accounting company, and also companies jointly controlled by the accounting company and others under a joint arrangement.
2. Controlling companies, including both companies solely controlling the accounting company, and companies which jointly control the accounting company under a joint arrangement.
3. Companies controlled by controlled companies.
4. Companies controlled by controlling companies.

By *control* (also see definition 4) is meant the ability to determine the action of a corporation. For the purposes of this account, the following are to be considered forms of control:

(a) Right through title to securities issued or assumed to exercise the major part of the voting power in the controlled corporation.

(b) Right through agreement or source other than title to securities, to name the majority of the board of directors, managers, or trustees of the controlled corporation.

(c) Right to foreclose a first lien upon all or a major part in value of the tangible property of the controlled corporation.

(d) Right to secure control because of advances made for construction of the operating property of the controlled corporation.

(e) Right to control only in a specific respect the action of the controlled corporation.

A leasehold interest in the property of a corporation is not considered a form of control over the lessor corporation.

Sole control is that which rests in one corporation.

Joint control is that which rests in two or more corporations and which is held under a joint arrangement.

NOTE C: The value of securities borrowed by the accounting company and pledged shall not be included in this account. A memorandum record shall be kept.

NOTE D: The value of securities pledged for purposes other than that of security for funded debt or short-term loans shall be included in accounts 715, “Sinking funds,” 716,

“Capital funds,” or 717, “Other funds,” as appropriate.

721.5 Adjustments; investments and advances—affiliated companies.

(a) This account shall be credited with amounts charged to account 551, “Miscellaneous income charges,” to provide for impairment in the value of investment securities and other assets included in account 721, “Investments and advances; affiliated companies.”

(b) If provision is made for anticipated losses in specific assets, when the assets are written down or written off, or are sold or otherwise disposed of at a loss, the reduction in the book value or the losses sustained shall be charged to this account to the extent of the credit balance in the account applicable to the particular items involved, and the remainder, if any, shall be charged to account 551, “Miscellaneous income charges.” Where a general provision for losses in unspecified asset values is maintained, all such losses resulting from write-downs, write-offs, etc., shall be charged to this account to the extent of the total credit balance in the account, and the remainder, if any, shall be charged to account 551, “Miscellaneous income charges.”

722 Other investments and advances.

(a) This account shall include the ledger value of the accounting company’s investment in securities issued or assumed by nonaffiliated companies other than securities held in special deposits or special funds; and also investment advances made to nonaffiliated companies not subject to current settlement; notes receivable from nonaffiliated companies which mature later than 1 year from date of the balance sheet; and similar noncurrent items of nonaffiliated companies.

(b) This account shall be maintained in such manner as to show each of the following classes of investment in each nonaffiliated company:

- (1) Stocks.
- (2) Bonds.
- (3) Other secured obligations.
- (4) Unsecured notes.
- (5) Investment advances.

(c) A complete record of securities pledged shall be maintained to show separately the ledger value of securities

pledged and unpledged in the annual report to the Commission.

NOTE A: Accounts with nonaffiliated companies which are subject to current settlement, if their collection is reasonably assured, shall be classed as current assets, and if settlement is deferred beyond one year such items shall be transferred to account 741, “Other assets.”

NOTE B: The term *nonaffiliated companies* includes all companies other than those defined as affiliated in note B of account 721, “Investments and advances: Affiliated companies.”

NOTE C: The value of securities borrowed by the accounting company and pledged shall not be included in this account. A memorandum record shall be kept.

NOTE D: The value of securities pledged for purposes other than that of security for funded debt or short-term loans shall be included in accounts 715, “Sinking funds,” 716, “Capital funds,” or 717, “Other funds,” as appropriate.

723 Adjustments; other investments and advances.

(a) This account shall be credited with amounts charged to account 551, “Miscellaneous income charges,” to provide for impairment in the value of investment securities and other assets included in account 722, “Other investments and advances.”

(b) If provision is made for anticipated losses in specific assets, when the assets are written down or written off, or are sold or otherwise disposed of at a loss, the reduction in the book value or the losses sustained shall be charged to this account to the extent of the credit balance in the account applicable to the particular items involved, and the remainder, if any, shall be charged to account 551, “Miscellaneous income charges.” Where a general provision for losses in unspecified asset values is maintained, all such losses resulting from write-down, write-offs, etc., shall be charged to this account to the extent of the total credit balance in the account, and the remainder, if any shall be charged to account 551, “Miscellaneous income charges.”

724 Allowance for net unrealized loss on noncurrent marketable equity securities—Cr.

This account shall reflect the amount by which aggregate cost exceeds market value for the noncurrent

marketable equity securities found in accounts 721 and 722. This account shall be debited or credited so that the balance at the balance sheet date shall reflect such difference. (Refer to instruction 5–2.)

This account shall *not* include amounts by which aggregate cost exceeds market value if such differences are judged to be other than temporary. (Such differences should be charged to account 723.)

TANGIBLE PROPERTY

731 Road and equipment property.

This account shall include the accounting company's investment in road and equipment (including that held under contract for purchase), used or held for use as transportation property in existence at the date of the balance sheet. When property is retired from service, this account shall be credited with the ledger value of the property retired.

NOTE A: This account shall not include any items representing titles to securities.

NOTE B: When equipment or other property is acquired under an agreement which provides that the cost shall be paid in installments, the cost (its money value at time of purchase) shall be charged to the appropriate road and equipment accounts at the time the equipment is delivered to the carrier, and included in this account in the same manner as the cost of equipment purchased outright. When the par value of notes or other securities issued in payment, or in part payment, for such equipment is more (or less) than the actual cash value of the equipment at the time of the purchase, or of the proportion to which the securities are applicable, the difference between the par value of the securities and the actual cash value of the equipment, or of the proportion paid for by the securities, shall be charged (or credited) to the proper discount and premium accounts.

NOTE C: Held for use, as referred to above, implies the ability of the carrier to substantiate within a reasonable period of time, by plan or policy, the probable future use which is to be made of the property.

732 Improvements on leased property.

(a) This account shall include the cost of improvements made by the lessee to property which is held under lease from others or through control of the company owning the property, where such improvements are used by

the lessee in transportation service, and the lessee is not to be reimbursed by the lessor for such improvements. (See instruction 2–18.)

(b) The carrier's records shall be kept in such manner as to show the debits and credits to this account in accordance with the provisions for road and equipment.

NOTE A: This account shall not include any items representing titles to securities.

NOTE B: When the lessor company includes in account 731, "Road and equipment property," the cost of improvements made by the lessee to property, leased by it from the lessor and settlement is not made at the time for the cost thereof, the lessee, pending settlement with the lessor, shall include the cost thereof in account 721, "Investments and advances; Affiliated companies," or 722, "Other investments and advances," as appropriate.

733 Accumulated depreciation; improvements on leased property.

(a) This account shall be credited with amounts concurrently charged to operating expenses or other authorized accounts for depreciation accrued on improvements to leased property, the cost of which is included in account 732, "Improvements on leased property."

(b) The service value of each unit of property retired (and also of each minor item, less than a unit, retired and not replaced) for which this accumulated depreciation account has been established shall be charged to this account.

(c) Instructions for depreciation accounts, rates of depreciation, and records to be maintained, as contained in instruction 4 for owned property, shall also apply to improvements on leased property.

734 Accumulated amortization; improvements on leased property—defense projects.

This account shall include the amounts of accumulated past provisions for amortization of improvements to leased property applicable to defense projects, the cost of which is included in account 732, "Improvements on leased property." This account shall be charged with the amount of the credit balance applicable to specific property at the time the property is retired. The

accounting company shall maintain separate subaccounts for amortization of (1) road property and (2) equipment.

735 Accumulated depreciation; road and equipment property.

(a) This account shall be credited with amounts concurrently charged to operating expenses or other authorized accounts to cover the loss in service value of depreciable road and equipment property. It shall also include adjustments which the Commission may authorize the accounting company to make such as adjustments for past accruals of depreciation, and provision for material abandonment or other losses applicable to nondepreciable property.

(b) The service value of each unit of depreciable property retired (and also of each minor item, less than a unit, retired and not replaced) shall be charged to this account. This account shall also be charged for amounts for losses applicable to nondepreciable property retired for which provision was previously made by approval of the Commission, and any resultant adjustment of such provision shall be referred to the Commission for consideration and decision.

(c) Comprehensive instructions pertaining to depreciation accounts, rates of depreciation, and records to be maintained, are contained in instruction 4.

736 Accumulated amortization; road and equipment property—defense project.

This account shall include the amount of accumulated past provisions for amortization of road and equipment defense projects, the cost of which is included in account 731, "Road and equipment property." This account shall be charged with the amount of the credit balance applicable to specific property at the time the property is retired. The accounting company shall maintain separate subaccounts for amortization of (1) road property and (2) equipment.

737 Property used in other than carrier operations.

This account shall include the accounting company's investment in

property other than property assignable to accounts 731, "Road and equipment property," and 732, "Improvements on leased property," such as hotels, restaurants, powerplants, which are not operated by the accounting company or another carrier in connection with its transportation service.

ITEMS OF INVESTMENT

Coal and other mines.
Commercial power plants.
Hotels and restaurants.
Lands and buildings not used in transportation operations.
Lands and other property acquired and held in anticipation of future use.
Mineral and timber lands.
Rails and other track material leased to others.
Saw mills and other manufacturing plants not operated in connection with transportation service.

738 Accumulated depreciation; property used in other than carrier operations.

This account shall be credited with amounts charged to income or other authorized accounts for depreciation accrued on property, the cost of which is included in account 737, "Property used in other than carrier operations." When such property is destroyed, sold, or otherwise retired from service, this account shall be charged with the amount of the credit balance applicable to the property retired.

INTANGIBLE PROPERTY

739 Organization expenses.

This account shall include all fees paid to governments for the privilege of incorporation, and office and other expenditures incident to organizing the corporation and putting it in readiness to do business; cost of preparing and distributing prospectuses; special counsel fees; cost of preparing and issuing certificates of stock; cost of procuring the necessary certificates from State authorities; and other like costs necessary and proper in organizing the enterprise.

NOTE: Cost of soliciting for loans or for the sale of bonds or other evidences of indebtedness shall be charged to balance sheet account 743, "Other deferred debits." (See instruction 5-3.)

OTHER ASSETS AND DEFERRED DEBITS

741 Other assets.

This account shall include the estimated value of salvage recoverable from property retired when the recovery of the salvage is deferred for any reason. (See instruction 2–5 and 2–7.) This account shall also include the estimated realizable amount for other assets of doubtful value, collection of which within one year is not assured; also other deferred assets and miscellaneous assets not otherwise provided for in general balance sheet accounts. (See instruction 5–1.)

743 Other deferred debits.

(a) This account shall include the amount of debit balances in suspense accounts that cannot be cleared and disposed of until additional information is received, such as freight claims paid when found to be correct, but in advance of investigation with other carriers; unextinguished discount on short-term notes; unadjusted debit items not otherwise provided for and similar items the proper disposition of which is uncertain

(b) This account shall also include the aggregate amount of the expenses incurred in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations, such as fees for listing long-term obligations on stock exchanges, legal and other fees, cost of tax stamps and similar items. (See definition 9.) Separate subdivisions shall be maintained for each issue of such obligations. (See instruction 5–3.)

744 Accumulated deferred income tax debits.

This account shall include the amount of deferred noncurrent income tax debits and credits determined in accordance with Instruction 1–10 when the balance is a net debit. A net credit balance shall be included in account 786, "Accumulated deferred income tax credits".

(49 U.S.C. 10321, 11145; 5 U.S.C. 553)

[47 FR 12350, Mar. 23, 1982]

Liabilities and Shareholders' Equity

CURRENT LIABILITIES

751 Loans and notes payable.

(a) This account shall include the balances representing obligations outstanding in the form of loans and notes payable or other similar evidence (except interest coupons) of indebtedness payable on demand or within a time not exceeding one year from date of issue.

(b) This account shall be kept in such form so as to show separately the amounts of notes payable within one year from date of issue that are secured by collateral.

NOTE A: Loans and notes payable to affiliated companies which are subject to current settlement shall be included in account 757, "Payables to affiliated companies," and non-current obligations in account 769, "Accounts payable; Affiliated companies."

NOTE B: This account shall not include obligations due within one year which are intended to be refinanced on a long-term basis. Long-term refinancing of short-term obligations means: (1) Replacement with long-term obligations or equity securities, or (2) renewal, extension, or replacement with short-term obligations for an uninterrupted period extending beyond one year from the balance sheet date.

The intention to refinance on a long-term basis shall be supported by the ability to refinance. Evidence of this ability includes either: (1) The actual issuance of an obligation, after the balance sheet date but before the balance sheet is issued, or (2) before the balance sheet is issued, the existence of a financing agreement which is long-term and based on terms readily determinable with no existing violations of its provisions, and with a lender which is financially capable of honoring the agreement.

752 Accounts payable; interline and other balances.

This account shall include the net credit balances payable to other companies representing items such as interline freight, passenger, switching and baggage revenues, charges for equipment interchanged on a per diem or mileage basis, and charges for car repairs, loss and damage freight claims, and overcharge claims.

NOTE: The amount to be entered in this account is not the net balance between this account and account 705, "Accounts receivable;

Surface Transportation Board, DOT

Pt. 1201

Interline and other balances.” Net debit balances receivable from other companies shall be included in account 705.

753 Audited accounts and wages payable.

This account shall include the amount of audited vouchers or accounts and audited payrolls unpaid on the date of the balance sheet. It shall include balances representing unclaimed wages and outstanding pay and time or discharge checks issued in payment of wages and all other unpaid vouchered items.

NOTE: The amount of checks and drafts, which have been transmitted to payees and which remain unpaid at the close of the accounting period, shall be credited to account 701, “Cash.”

754 Accounts payable; other.

This account shall include outstanding drafts drawn by station agents, conductors’ refund and extra-fare checks not presented for redemption, taxes collected from employees and others for the account of taxing agencies, and other items of the nature of demand liabilities not covered by accounts 751, 752, 753, 755, 756, and 757.

NOTE A: The amount to be reported under this account is not the net balance between this account and account 707, “Accounts receivable; Other.”

NOTE B: The amount of checks and drafts, which have been transmitted to payees and which remain unpaid at the close of the accounting period, shall be credited to account 701, “Cash.” When the amount of such checks and drafts cannot be determined with absolute accuracy an estimate of the amount shall be used.

NOTE C: Deposits and other items of affiliated companies subject to current settlement shall be included in account 757, “Payables to affiliated companies.”

755 Interest payable.

This account shall include the amount of matured and unpaid interest on funded debt, and other obligations of the accounting company for which provision has been made for current settlement. This account shall also include the amount of interest subject to current settlement accrued to the date of the balance sheet, but payable after that date, on obligations of the accounting company.

NOTE: Interest payable on debt to affiliated companies, if subject to current settlement, shall be included in account 757, “Payables to affiliated companies.” Noncurrent interest shall be included in account 769, “Accounts payable; Affiliated companies.” Interest payable to others which is not paid when it matures shall be included in account 781. “Interest in default,” if not subject to current settlement. Where interest is in default, subsequent accruals shall be credited directly to account 781.

756 Dividends payable.

This account shall include the amount of dividends payable on capital stock but unpaid, at the date of the balance sheet.

NOTE: Dividends payable to affiliated companies shall be included in account 757, “Payables to affiliated companies.”

757 Payables to affiliated companies.

This account shall include amounts payable to affiliated companies which are subject to current settlement such as deposits, demand or time loans, notes payable, interest, dividends, miscellaneous bills, and similar items.

NOTE: Payables to affiliated companies, representing net credit balances for items such as revenues, charges for equipment interchanged, car repairs and claims, shall not be included in this account but in account 752, “Accounts payable; Interline and other balances.”

759 Accrued accounts payable.

This account shall include estimates of unaudited items payable by the carrier to the date of the balance sheet, including those which are chargeable to revenue, expense, or income accounts. Among the items which should be included in this account are:

Rents payable.
Amounts payable to others for unreported interline traffic.
Amounts payable to others for use of facilities, including equipment, for which bills have not been rendered.
Amounts payable to others for services for which bills have not been rendered.
Estimated amounts payable within one year covering liability for claims for injuries to persons, loss and damage, and similar items.
Amounts payable (estimated if necessary) within one year pursuant to agreements with labor organizations or otherwise for employees vacations now earned.

760 Federal income taxes accrued.

This account shall be credited with the amount accrued for Federal income taxes which has been concurrently charged to the appropriate income or other authorized accounts. Credits to this account that are based upon estimates shall be adjusted during the year so that this account may show, as nearly as practicable the approximate amount of the carrier's unpaid liability for such taxes. Payments of taxes for which accruals have been made shall be debited to this account.

761 State and other income taxes accrued.

This account shall be credited with the amounts accrued for state and other income taxes which have been concurrently charged to the appropriate income or other authorized accounts. Credits to this account that are based upon estimates shall be adjusted during the year so that this account may show, as nearly as practicable, the approximate amount of the carrier's unpaid liability for such taxes. Payments of taxes for which accruals have been made shall be debited to this account.

761.5 Other taxes accrued.

(a) This account shall be credited with the accruals of all taxes, other than income taxes, which have been concurrently charged to the appropriate income or other accounts for taxes. Such accruals may be based upon estimates, provided such estimates shall be adjusted during the year so that this account may show, as nearly as practicable, the approximate amount of the carrier's unpaid liability for such taxes. Payments of taxes for which accruals have been made shall be debited to this account.

(b) The records supporting the entries in this account shall be kept to show separately by classes of taxes the amount of the tax accruals for the current year and adjustments of accruals for prior years.

NOTE: Amounts for prepayments of taxes shall be included in account 711, "Prepayments."

762 Deferred income tax credits.

This account shall include the current portion of deferred income tax charges and credits determined in accordance with Instruction 1–10 when the balance is a net credit. A net debit balance shall be included in account 714, "Deferred income tax debits".

(49 U.S.C. 10321, 11145; 5 U.S.C. 553)

[47 FR 12350, Mar. 23, 1982]

763 Other current liabilities.

There shall be included in this account the principal amount of unrepresented bonds drawn for redemption through the operation of sinking and redemption fund agreements, also the principal amount of unrepresented fund debt obligations, and receivers' and trustees' securities which have matured (for which provision has been made for current settlement), and other current liabilities not includible in the foregoing current liability accounts.

764 Equipment obligations and other long-term debt due within one year.

This account shall include the total amount of bonds, equipment obligations, and other long-term debt, including obligations maturing serially or payable in installments which are due and payable within one year, and for which arrangements for long-term refinancing have not been made (See note B to account 751, "Loans and notes payable") or for which no sinking funds have been provided. This account shall be subdivided according to the different classes of debt.

LONG-TERM DEBT DUE AFTER ONE YEAR**765 Funded debt unmatured.**

(a) This account shall include the total par value of unmatured debt (other than equipment obligations), maturing more than one year from the close of the accounting period, including obligations due within one year which are expected to be refinanced on a long-term basis (see note B to account 751, "Loans and notes payable"), whether the securities were issued by the accounting company or the payment was assumed by the accounting company after being issued as the debt

of other companies. (See account 764, "Equipment obligations and other long-term debt due within one year.")

(b) The amounts included in this account shall be divided to show the par value of (1) certificates or other evidences of funded debt (pledged and unpledged) held in the company's treasury, by its agents or trustees, or otherwise subject to its control, including both those reacquired after actual issue and those nominally but never actually issued; and (2) certificates or other evidences of funded debt issued and actually outstanding, being those not held by the company, its agents or trustees, or subject to its control.

(c) The amounts included herein shall be further divided so as to show the amount of each class of funded debt, as follows:

(1) *Mortgage bonds.* Bonds secured by lien on physical property and not includible in the other subdivisions of this account.

(2) *Collateral trust bonds.* Bonds and notes secured by a lien on securities or other negotiable paper; and stock trust certificates that are similar in character to collateral trust bonds.

(3) *Income bonds.* Bonds which are a lien on a carrier's revenue alone, or bonds which, while being a lien on its property and franchises, can claim payment of interest only in case interest is earned.

(4) *Miscellaneous obligations.* All funded obligations not provided for by the other subdivisions of this account, also notes, unsecured certificates of indebtedness, debenture bond, plain bonds, real estate mortgages executed or assumed and other similar obligations maturing more than one year from date of issue, but excluding liabilities for assessments for public improvements and those evidenced by conditional or deferred equipment purchase contracts for which provision is made in accounts 782, "Other liabilities," and 766, "Equipment obligations," respectively.

(5) *Receipts outstanding for funded debt.* Receipts for payments on account of funded debt. When certificates are issued for such payments, the par value shall be included in the account covering the class of funded debt for which the certificates are issued.

(d) Each of the above classes shall also be divided into subclasses according to differences in mortgage or other lien or security therefor, rate of interest, interest dates, or date of maturity. Parts of any issue agreeing in other characteristics but maturing serially may be treated as of the same subclass.

(e) Records shall be maintained in such manner as to show (1) securities the issuance or assumption of which has been authorized by the Commission under provisions of the Interstate Commerce Act, and similar securities issued or assumed prior to the effective date of such provisions of the Act, and (2) other obligations of a kind which may legally be issued or assumed without such authorization.

NOTE A: Securities (other than equipment obligations) maturing one year or less from date of issue shall be included in accounts 757, "Payables to affiliated companies," 769, "Accounts payable; Affiliated companies," or 751, "Loans and notes payable," as appropriate, except that where an issue of securities maturing serially over a period of years contains short-term obligations such obligations may be included as funded debt. Mature funded debt shall be included in account 763, "Other current liabilities," if provision has been made for current settlement. If no provision has been made for current settlement, matured funded debt shall be included in account 768, "Debt in default," except that when the collection of matured funded debt of affiliated companies is not enforced by controlling companies, the principal amount (to the extent held by a controlling company) shall be included in account 769, "Accounts payable; Affiliated companies."

NOTE B: See definitions 2, actually issued; 3, actually outstanding; 13, nominally issued; and 14, nominally outstanding.

NOTE C: Nonnegotiable notes having a maturity of more than one year after date of issue, held by affiliated companies, shall be included in account 769, "Accounts payable; Affiliated companies."

NOTE D: Securities nominally issued or reacquired and held in the company's treasury, except securities held by trustees in sinking or other funds, shall be included in a subdivision of this account. In the general balance sheet statement the total unmatured funded debt included in this account shall be shown in the first short column. The amount nominally but not actually issued and the amount nominally outstanding shall be shown in the second short column, and in the long column shall be shown the amount actually outstanding.

766 Equipment obligations.

(a) This account shall include the par value of equipment securities and the principal amount of contractual obligations for the purchase of equipment, excluding principal or obligations maturing serially or payable in installments within one year from the close of the accounting period, and including obligations due within one year which are expected to be refinanced on a long-term basis (see account 764, “Equipment obligations and other long-term debt due within one year”); for explanation of long-term refinancing, see note B to account 751, “Loans and notes payable.”

(b) The amounts included herein shall be divided as follows:

(1) Principal amount of equipment securities including those maturing serially, issued or assumed by the accounting company or by receivers and trustees, which have been authorized by the Commission under provisions of the Interstate Commerce Act and similar securities issued or assumed prior to the effective date of such provisions of the act.

(2) Principal sums of obligations for equipment purchased under conditional or deferred payment contracts, which may be legally entered into or assumed by the accounting company or by receivers and trustees, without authorization by the Commission.

766.5 Capitalized lease obligations.

(a) Long-term leases which are clearly in substance installment purchases shall be capitalized. The liability under such leases which have been capitalized in fixed asset accounts shall be recorded in this account. (See instruction 2–20.)

(b) This account shall be kept so as to show the liability under each lease obligation.

NOTE A: The portion of the liability for long-term leases which is payable within 1 year of the close of the accounting period is includible in account 764, Equipment obligations and other long-term debt due within one year.

NOTE B: Leases which merely state the right to use property and a related obligation to pay specific rents over a definite fu-

ture period shall not be considered to be assets and liabilities.

(49 U.S.C. 12, 20, 304, 913 and 1012)

[42 FR 56611, Oct. 27, 1977]

767 Receivers’ and trustees’ securities.

When receivers or trustees acting under the orders of a court are in possession of the property of the company, and under the order of such court issue or assume evidences of indebtedness (other than equipment securities or obligations) the par value of such evidences shall be credited to this account.

NOTE: The par value of equipment securities or the principal amount of obligations incurred for the purchase of equipment under conditional or deferred payment contracts shall be included in account 766, “Equipment obligations.”

768 Debt in default.

This account shall include amounts transferred from other accounts representing matured funded securities or obligations, receivers’ and trustees’ securities, equipment obligations and short-term notes, when maturity dates of such obligations have not been extended

NOTE A: The principle amount of matured funded debt of affiliated companies the collection of which is not enforced by the controlling company shall (to the extent of the principal amount held by the controlling company) be included in account 769, “Accounts payable; Affiliated companies.”

NOTE B: The principal amount unrepresented funded debt obligations which have matured, and for which provision has been made for payment shall be included in account 763, “Other current liabilities.”

769 Accounts payable; affiliated companies.

This account shall include the par value of nonnegotiable notes issued to affiliated companies; also matured funded debt of affiliated companies held by controlling companies where there is no agreement for an extension as to time of payment and collection of the principal is not enforced; credit balances in open accounts with such companies other than credit balances classable as current liabilities, and interest accrued on notes, matured funded debt of affiliated companies and open accounts included in this account,

Surface Transportation Board, DOT

Pt. 1201

when such interest is not subject to current settlements. The amounts included herein shall be divided as follows:

(a) Notes, including not only non-negotiable notes that run longer than a term of one year, but also such notes payable on demand or within one year from the date of issue when it is mutually agreed that the notes shall not be enforced as current assets by the holder.

(b) Par value of matured funded debt of affiliated companies held by controlling companies where there is no agreement for an extension of time and collection is not enforced.

(c) Open accounts not subject to current settlement.

(d) Interest accrued on amounts included in this account when not subject to current settlement.

NOTE A: Accounts with affiliated companies which are subject to current settlement shall be classed as current assets or current liabilities, as appropriate.

NOTE B: No item shall be included in this account which is not known to be the property of an affiliated company.

NOTE C: The term *affiliated companies* includes:

1. Controlled companies, including companies solely controlled by the accounting company, and also companies jointly controlled by the accounting company and others under a joint arrangement. (See definition 4.)

2. Controlling companies, including both companies solely controlling the accounting company, and companies which jointly control the accounting company under a joint arrangement.

3. Companies controlled by controlled companies.

4. Companies controlled by controlling companies.

By *control* (See definition 8) is meant the ability to determine the action of a corporation. For the purposes of this account, the following are to be considered forms of control:

(a) Right through title to securities issued or assumed to exercise the major part of the voting power in the controlled corporation.

(b) Right through agreement of some character or through some source other than title to securities, to name the majority of the board of directors, managers, or trustees of the controlled corporation.

(c) Right to foreclose a first lien upon all or a major part in value of the tangible property of the controlled corporation.

(d) Right to secure control in consequence of advances made for construction of the operating property of the controlled corporation.

(e) Right to control only in a specific respect the action of the controlled corporation.

A leasehold interest in the property of a corporation is not to be classed as a form of control over the lessor corporation.

Sole control is that which rests in one corporation.

Joint control is that which rests in two or more corporations and which is held under a joint arrangement.

770.1 Unamortized debt discount.

This account shall include the total of the net debit balances representing the excess of the discount over the premium in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations. Separate subdivisions shall be maintained for each issue of such obligations. (See instruction 5-3.)

NOTE A: Issue costs related to long-term debt (debt expense) shall be included in account 743, "Other deferred debits." (See instruction 5-3.)

NOTE B: When long-term obligations are refinanced the balance of debt discount and expense pertaining to the old obligations shall be transferred to account 551, "Miscellaneous income charges."

770.2 Unamortized premium on debt.

This account shall include the total of all credit balances representing the excess of the premium over the discount and expenses in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations. Separate subdivisions shall be maintained for each issue of obligations. (See instruction 5-3.)

OTHER LONG-TERM LIABILITIES

771 Accrued liability; pension and welfare.

(a) This account shall include the credit balances accrued representing the estimated liability of the carrier for amounts provided by charges to operating expenses, including amounts contributed by employees, irrespective of whether carried in special funds or

in general funds of the carrier, for pensions, accident and death benefits, savings, relief, hospital, or other provident purposes.

(b) The carrier may use the “full accrual basis” to account for pension costs upon prior approval of the Commission. Full accrual basis as used herein means recording in the accounts now and hereafter costs of employees pensions accrued, including credits for past services, upon the basis of actuarial computations, even though the sum has not been funded by payment to the trustees. Applications for such accounting shall show the method of computation, together with the carrier’s proposal for recording in the accounts the related income tax credits to be realized in subsequent years.

(c) This account shall be charged when payments are made to retired employees, or disbursements are made for the purposes for which liability was provided.

(d) Separate subaccounts shall be maintained to show the amount provided for each liability and the nature of and amounts of debits and credits to the subaccounts.

772 Accrued liability; leased property.

(a) This account shall be credited with amounts concurrently charged to operating expenses or other accounts to cover the accrued liability on leased road and equipment when settlement between the accounting carrier and the lessor is not made currently. The amounts recorded shall include unsettled rent, based on depreciation or other factors, and liability for property retired.

(b) This account shall be divided to show the liability to (1) affiliated companies (See definition 4), and (2) others.

774 Accrued liability; casualty and other claims.

(a) This account shall be credited with the amounts charged to operating expense to provide for estimated liabilities for claims for deaths of or injuries to employees and others, and for damages to property not owned or held under lease by the carrier; for claims for loss, destruction, damage, or delays to property entrusted to the carrier for transportation or storage; for revenue

over charges, such as those covered by reparation claims; and for similar items. No credits shall be made to this account for amounts recoverable from insurance companies or others.

(b) Separate subaccounts shall be maintained to show the amount provided for each liability and the nature of and amounts of debits and credits to the subaccounts.

(c) If settlements for claims when audited are charged to this account, the balances for each year shall be kept separately until all items have been adjusted and cleared. If the settlements when audited are charged to the appropriate expense accounts, the balance in this account shall be adjusted through the expense accounts so as to reflect the probable liability at the close of each accounting period for claims which have been or may be filed for actuarial occurrences.

(d) Estimates of amounts payable within one year covering liability for claims shall be transferred from this account to account 759, “Accrued accounts payable.”

775 Other accrued liabilities.

(a) This account shall be credited with the amounts accrued for estimated liabilities or losses provided by charges to operating expense or income accounts which are not provided for in any of the preceding accrued liability accounts.

(b) Separate subaccounts shall be maintained to show the amount provided for each liability and the nature of and amounts of debits and credits to the subaccounts.

(c) Upon accomplishment of the purpose for which each accrued liability was provided in this account, any remaining balance in the applicable subaccount shall be cleared to the appropriate operating expense or other account. Prior Commission approval shall be required for clearance of balances in accrued liability subaccounts which were originally established by authority of the Commission.

(d) Estimates of amounts payable within one year covering any liability included in this account shall be transferred to account 759, “Accrued accounts payable.”

Surface Transportation Board, DOT

Pt. 1201

781 Interest in default.

This account shall include the amount of matured and unpaid interest (for which no provision has been made for current settlement) on all indebtedness issued or assumed by the accounting company except interest which is added to the principal of the debt on which incurred. Where interest is in default, subsequent accruals shall be credited to this account.

NOTE: Interest matured and unpaid on debt to affiliated companies, if not subject to current settlement, shall be included in account 769, "Accounts payable; Affiliated companies."

782 Other liabilities.

This account shall include assessments for public improvements; retained amounts due governmental agencies for construction work; percentages due contractors to be paid upon completion of contracts; deposits for construction of side tracks to be refunded on basis of an agreed portion of the earnings from the traffic handled over the tracks and similar liabilities not payable within one year. This account shall also include other deferred and noncurrent liabilities not otherwise provided for in general balance sheet accounts. Assessments for public improvements and amounts due governmental agencies and others for payments to be made within one year, shall be included in account 763, "Other current liabilities," or other appropriate current liability account.

783 Deferred revenues—transfers from government authorities.

This account shall include amounts representing the cost of acquisition, addition to, or improvement of depreciable operating property received, or receivable from Federal, state, or local authorities. Items to be included in this account shall be determined in accordance with instruction 1-15.

An appropriate record shall be maintained of each asset associated with these transfers showing: (1) Original cost to carrier (or fair value if not purchased), (2) accumulated depreciation, and (3) estimated salvage value, if any.

This account shall be charged periodically, and account 503, "Railway Operating Revenues—Amortization of De-

ferred Transfers from Government Authorities," shall be credited with amounts equal to the depreciation costs of the assets to which they apply. When such assets are retired or otherwise disposed of, this account shall be charged, and account 503 concurrently credited with any remaining associated amounts. (See instruction 1-15.)

NOTE A: This account shall not include government transfers in the form of, or designated for the purchase of land or other non-depreciable property. Transfers of this type are includible in account 795, "Other Capital."

NOTE B: This account shall not include transfers from the Federal Government to either Amtrak or ConRail representing the cost of depreciable and non-depreciable operating property.

(49 U.S.C. 304, 320)

[43 FR 30558, July 17, 1978]

DEFERRED CREDITS

784 Other deferred credits.

(a) This account shall include the amount of credit balances in suspense accounts that cannot be disposed of until services are performed or additional information is received, such as amounts received from sale of mileage tickets, to be disposed of as mileage is honored; amounts received from sales of excess baggage script, to be disposed of as coupons are honored; interchangeable mileage credential ticket redemption funds, amounts collected from the sale of damaged, unclaimed, and over freight held pending final disposition, unadjusted credit items not otherwise provided for; and similar items, the proper disposition of which is uncertain.

786 Accumulated deferred income tax credits.

(a) This account shall be credited with the noncurrent portions of deferred income tax debits and credits when the balance is a net credit, as determined by Instruction 1-10. A net debit balance shall be included in account 744, "Accumulated deferred income tax debits".

(b) This account shall be credited with the amount of investment tax credits utilized in the current year for income tax purposes but deferred for

accounting purposes (see Instruction 1–10).

(c) This account shall be concurrently debited with amounts credited to account 557, “Provision for deferred taxes,” representing amortization of amounts for investment tax credits deferred in prior accounting periods.

(d) This account shall be maintained in such a manner as to show separately:

(1) the unamortized balance of deferred income taxes and deferred investment tax credit separately as of the beginning and as of the end of each year (2) the entries that affected the account balance, and (3) the current year’s net credits or charges applicable to timing differences and deferred investment tax credits.

NOTE A: For definitions of income tax terminology see Definition 20, Account 557, “Provision for deferred taxes”, and account 591, “Provision for deferred taxes—Extraordinary item,” shall concurrently be charged (credited) with the net effect of material timing effects. Other related deferred income tax balance sheet accounts are:

Account 714, “Deferred income tax debit.”

Account 744, “Accumulated deferred income tax debits.”

Account 762, “Deferred income tax credits.”

(49 U.S.C. 10321, 11145; 5 U.S.C. 553)

[47 FR 12350, Mar. 23, 1982]

SHAREHOLDERS’ EQUITY

791 Capital stock.

(a) This account shall include the par value of stocks with par value; the stated value of no par stock having a stated value; and the cash value of the consideration received or the amount approved by the Commission for no par stocks without stated value for all shares of capital stock or other form of proprietary interest in the accounting company which have been issued to bona fide purchasers and have not been reacquired and canceled, also shares of stock nominally issued.

(b) This account also shall include amounts transferred from retained earnings for no par stock without stated value when approved by the Commission.

(c) The amount of the consideration received from the sale of par value stock and no par stock having a stated value in excess of the amount credited

to this account shall be credited to account 794, “Premiums and assessments on capital stock.”

(d) When capital stock is retired or canceled, this account shall be charged with the amount at which such stock is carried in this account. In the case of no par stock without stated value, the amount to be charged shall be the proportion, applicable to the reacquired shares immediately prior to reacquisition, of the total book liability included herein of actually outstanding shares of the particular class and series of stock of which the reacquired shares are a part.

(e) The amounts included in this account shall be recorded so as to show (1) par value of shares of par value stock; the stated value of shares of no par stock, and the amount paid in or approved by the Commission for no par stock without stated value (pledged or unpledged), held in the company’s treasury, by its agents or trustees, or otherwise subject to its control, including shares nominally but never actually issued and (2) par value of shares of par value stock, the stated value of shares of no par stock, and the amount paid in or approved by the Commission for shares of no par stock without stated value, issued and actually outstanding, being the shares not held by the company, its agents, or trustees, or subject to its control.

(f) The amounts recorded shall be further divided so as to show the amount of each class of stock issued, separated as between par value and no par value stock, as follows:

(1) *Common stock.* Stocks which have no preference over other issues of stock in distribution of dividends or of assets.

(2) *Preferred stock.* Stocks having preference over other issues of stock in distribution of dividends or of assets.

(3) *Debenture stock.* Stock issued under a contract to pay a specified return at specified intervals.

(4) *Receipts outstanding for installments paid.* Receipts for payments on account of subscriptions to capital stock.

(g) When the subscriber has paid his subscription in full and is entitled to receive certificates representing the shares for which he has subscribed, the par value of stocks having par value,

the stated value of no par stock, or the agreed purchase price or the price authorized by the Commission for no par stock without stated value, as appropriate, shall be included in the division for the class for which the certificates are issued.

(h) Each of the above classes shall also be divided into subclasses according to differences in dividend or interest rights, voting rights, or conditions under which the securities may be retired.

NOTE A: When a general levy or assessment is made against the holders of capital stock requiring the payment of any sum in addition to the consideration agreed upon at the time of sale, the amount collected shall be credited to account 794, "Premiums and assessments on capital stock."

NOTE B: When no par stock without stated value is issued in exchange for par stock, or no par stock with stated value, amounts included in account 794, "Premiums and assessments on capital stock," for the retired stock, shall be transferred to this account, and any amounts included in the discount account for the retired stock shall be charged to account 795, "Other capital"; *Provided, however,* That any excess over the amount of accumulated net gains applicable to the subclass exchanged included in account 795 shall be charged to account 616, "Other debits to retained earnings."

NOTE C: An appropriate record shall be maintained with respect to shares of capital stock showing the number of shares nominally issued, nominally outstanding, actually issued and actually outstanding.

NOTE D: See definitions 2, actually issued; 3, actually outstanding; 13, nominally issued; and 14, nominally outstanding.

792 Capital stock to be distributed.

This account shall include the company's liability under agreements to exchange its capital stock for the outstanding securities of companies whose physical property has been acquired under such agreements, but whose securities have not yet been surrendered for exchange. This account shall also include stock dividends declared that remain undistributed at the end of an accounting period.

[42 FR 35017, July 7, 1977, as amended at 52 FR 4347, Feb. 11, 1987]

793 Discount on capital stock.

This account shall include the excess of the par or stated value recorded in

account 791, "Capital stock," (at the time of original sale of par value stock and no par stock with a stated value) plus accrued dividends, if any, over the cash value of the consideration received.

794 Premiums and assessments on capital stock.

(a) This account shall include the excess of the actual cash value of the consideration received (at the time of original sale of par value stock and no par stock with a stated value) over the par or stated value of the stock issued, plus accrued dividends, if any, and subsequent assessments against stockholders representing payments required in excess of par or stated value.

(b) Separate subdivisions shall be maintained for premiums and for assessments on each class and series of stock.

(c) When capital stock is retired and canceled, this account shall be charged with the amount of assessments and premiums originally recorded for the shares of stock retired and canceled.

795 Other capital.

(a) This account shall include all other capital not classified as retained earnings. It shall include such items as the amount of consent dividends on the accounting company's capital stock; capital arising from donations by stockholders of capital stock of the company or other contribution to capital; amounts representing reduction of the par or recorded value of the accounting company's capital stock, including reductions arising in merger of a railroad and pooling of interest (see instruction 2-15(d)); capital from reorganization of the company (see instruction 2-16); and amounts of forfeited subscriptions to the accounting company's capital stock. This account shall also include gains from the acquisition, retirement, or resale of reacquired shares of the accounting company's capital stock; and forgiveness by stockholders as a contribution to capital of long-term debt owed to them.

(b) This account shall be charged with amounts included herein when

capitalized by stock dividends or otherwise with the approval of the Commission, and losses from retirement or resale of reacquired shares up to an amount not in excess of credits included herein applicable to the reacquired shares; and may be charged with the amortization of discount on capital stock to the extent of credits herein for such stock.

(c) This account shall be subdivided to show each source of other capital.

(d) This account shall be subdivided to show the cumulative amounts representing the cost of nondepreciable operating property received from government authorities, in accordance with the provisions of instruction 1–15.

(e) This account shall also be subdivided to show the cumulative amounts representing the cost of depreciable and nondepreciable operating property received by Amtrak or Conrail from the Federal Government. (See instruction 1–15.)

(49 U.S.C. 304, 320)

[42 FR 35017, July 7, 1977, as amended at 43 FR 30558, July 17, 1978]

797 Retained earnings; appropriated.

This account shall include the accumulated amount of retained earnings which has been appropriated and set aside according to provisions of mortgages, deeds of trust, reorganization plans, or other agreements requiring payments into capital funds, sinking funds, or other funds; and also appropriations for general contingencies, possible future losses (not in the category of liabilities actually incurred), and other corporate purposes. This account shall be subdivided by classes of appropriations showing the purpose for which each appropriation is made.

798 Retained earnings; unappropriated.

(a) This account shall include the net balance (debit or credit) of the amounts included in accounts 601 to 623, inclusive. It shall not include transfers either to or from account 795, “Other capital,” unless authorized upon application to the Commission.

(b) Any balance representing retained earnings not segregated at the date of the balance sheet shall be included in a subdivision of this account.

(c) The balance of accounts 601 to 623, inclusive, shall be closed into this account at the end of each calendar year.

798.1 Net unrealized loss on noncurrent marketable securities.

This account shall include the accumulated changes in account 724 to the extent that these changes represent a net unrealized loss (aggregate cost exceeds market value).

798.5 Treasury stock.

(a) This account shall include in subdivisions for each class the reacquisition cost of capital stock which has been actually issued or assumed by the carrier, then reacquired, and is neither retired nor canceled, nor properly includable in sinking or other funds.

(b) This account shall be maintained to reflect separately securities pledged and unpledged.

(c) This account shall be shown on the balance sheet as a deduction in arriving at stockholders’ equity.

NOTE: The accounting for the reacquisition and resale of capital stock shall be in accordance with instruction 5–4, paragraphs (e) through (g).

FORM OF GENERAL BALANCE SHEET STATEMENT

The classified form of general balance sheet statement is designed to show the financial condition of the accounting company at any specified date.

ASSETS

Current assets:

- 701. Cash.
- 702. Temporary cash investments.
- 703. Special deposits.
- 704. Loans and notes receivable.
- 705. Accounts receivable; Interline and other balances.
- 706. Accounts receivable; Customers.
- 707. Accounts receivable; Other.
- 708. Interest and dividends receivable.
- 708.5. Receivables from affiliated companies.
- 709. Accrued accounts receivable.
- 709.5. Allowance for uncollectible accounts.
- Net receivables.
- 710. Working funds.
- 711. Prepayments.
- 712. Material and supplies.
- 713. Other current assets.
- 714. Deferred income tax debits.
- Total current assets.

Special funds:

- 715. Sinking funds.
- 716. Capital funds.
- 717. Other funds.
- Total special funds.

Surface Transportation Board, DOT

Pt. 1201

ASSETS—Continued

Investments:	
721.	Investments and advances; affiliated companies.
	Undistributed earnings from certain investments in account 751.
721.5.	Adjustments; investments and advances—affiliated companies.
	Net—investments and advances—affiliated companies.
722.	Other investments and advances.
723.	Adjustments; Other investments and advances.
724.	Allowance for net unrealized loss on noncurrent marketable equity securities—Cr.
	Net—other investments and advances.
	Total investments.
Tangible property:	
731.	Road and equipment property.
735.	Accumulated depreciation; Road and equipment property.
736.	Accumulated amortization; Road and equipment property—Defense projects.
	Net road and equipment property.
732.	Improvements on leased property.
733.	Accumulated depreciation; Improvements on leased property.
734.	Accumulated amortization; Improvements on leased property—Defense projects.
	Net improvements on leased property.
	Total carrier property.
737.	Property used in other than carrier operations.
738.	Accumulated depreciation; Property used in other than carrier operations.
	Net—property used in other than carrier operations.
	Total tangible property.
Intangible property:	
739.	Organization expenses.
Other assets and deferred debits:	
741.	Other assets.
743.	Other deferred debits.
744.	Accumulated deferred income tax debits.
	Total other assets and deferred debits.
	Total assets.
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities:	
751.	Loans and notes payable.
752.	Accounts payable; Interline and other balances.
753.	Audited accounts and wages payable.
754.	Accounts payable; Other.
755.	Interest payable.
756.	Dividends payable.
757.	Payables to affiliated companies.
759.	Accrued accounts payable.
760.	Federal income taxes accrued.
761.	State and other income taxes accrued.
761.5.	Other taxes accrued.
762.	Deferred income tax credits.
763.	Other current liabilities.

ASSETS—Continued

764.	Equipment obligations and other long-term debt due within one year.
	Total current liabilities.
	Long-term debt due after one year: ¹
765.	Funded debt unmatured.
766.	Equipment obligations.
766.5.	Capitalized lease obligations.
767.	Receivers' and trustees' securities.
768.	Debt in default.
769.	Accounts payable; Affiliated companies.
770.1	Unamortized debt discount.
770.2	Unamortized premium on debt.
	Total long-term debt due after one year.
	Other long-term liabilities:
771.	Accrued liability; Pension and welfare.
772.	Accrued liability; Leased property.
774.	Accrued liability; Casualty and other claims.
775.	Other accrued liabilities.
781.	Interest in default.
782.	Other liabilities.
	Total other long-term liabilities.
	Deferred credits:
783.	Deferred revenues—transfers from government authorities.
784.	Other deferred credits.
786.	Accumulated deferred income tax credits.
	Total deferred credits.
	Shareholders' equity:
	Capital stock:
791.	Capital stock.
792.	Liability for conversion of capital stock.
793.	Discount on capital stock.
	Total capital stock.
	Additional capital:
794.	Premiums and assessments on capital stock.
795.	Other capital.
	Total additional capital.
	Retained earnings:
797.	Retained earnings; Appropriated.
798.	Retained earnings; Unappropriated.
798.1	Net unrealized loss on noncurrent marketable equity securities.
	Total retained earnings.
798.5	Treasury stock.
	Total shareholders' equity.
	Total liabilities and shareholders' equity.

¹To be divided as to "Total issued" and "Held by or for company."

(49 U.S.C. 12, 20, 304, 913 and 1012)

[42 FR 35017, July 7, 1977, as amended at 42 FR 56611, Oct. 27, 1977; 43 FR 30558, July 17, 1978]

CONVERSION TABLES

Operating Expense Accounts.

Transportation Operating Revenue Accounts.

Income Accounts.

Retained Income Accounts.

General Balance Sheet Accounts.

OPERATING EXPENSE ACCOUNTS—CONVERSION TABLE

[See footnotes at end of table]

System of accounts effective prior to Jan 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No. ¹				
Maintenance of Roadway and Structures						
Superintendence	201	11-13-02	21-13-02	.....	41-13-02	61-13-02
		11-13-03	21-13-03	.....	41-13-03	61-13-03
		11-13-04	21-13-04	.....	41-13-04	61-13-04
		11-13-05	21-13-05	.....	41-13-05	61-13-05
		11-13-06	21-13-06	.....	41-13-06	61-13-06
Roadway maintenance	202	11-11-10	21-11-10	39/40-11-10	41-11-10	61-11-10
		11-12-10	21-12-10	39/40-12-10	41-12-10	61-12-10
		11-11-11	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-11	21-12-11	39/40-12-11	41-12-11	61-12-48
Tunnels and subways	206	11-11-11	21-11-11	39/40-11-11	41-11-11	61-11-11
		11-12-11	21-12-11	39/40-12-11	41-12-11	61-12-11
		11-11-48	21-11-48	39/40-11-48	41-12-48	61-12-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Bridges, trestles and culverts	208	11-11-12	21-11-12	39/40-11-12	41-11-12	61-11-12
		1-12-12	21-12-12	39/40-12-12	41-12-12	61-12-12
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Elevated structures	210	11-11-12	21-11-12	39/40-11-12	41-11-12	61-11-12
		11-12-12	21-12-12	39/40-12-12	41-12-12	61-12-12
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Ties	212	.....	21-11-13	.....	.....	.....
		.....	21-12-13	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....
Rails	214	.....	21-11-14	.....	.....	.....
		.....	21-12-14	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....
Other track material	216	.....	21-11-15	.....	.....	.....
		.....	21-12-15	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....
Ballast	218	.....	21-11-16	.....	.....	.....
		.....	21-12-16	.....	.....	.....
		.....	21-11-48	.....	.....	.....
		.....	21-12-48	.....	.....	.....
Track laying and surfacing	220	11-11-17	21-11-17	39/40-11-17	41-11-17	61-11-17
		11-12-17	21-12-17	39/40-12-17	41-12-17	61-12-17
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Fences, snowsheds and signs	221	11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Station and office buildings	227	11-13-23	21-13-23	39/40-13-23	41-13-23	61-13-23
		11-13-33	21-13-33	39/40-13-33	41-13-33	61-13-33
		11-13-35	21-13-35	39/40-13-35	41-13-35	61-13-35
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Roadway buildings	229	11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Water stations	231	11-13-27	21-13-27	39/40-13-27	41-13-27	61-13-27
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Fuel stations	233	11-13-27	21-13-27	39/40-13-27	41-13-27	61-13-27
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Shops and enginehouses	235	11-13-24	21-13-24	39/40-13-24	41-13-24	61-13-24
		11-13-25	21-13-25	39/40-13-25	41-13-25	61-13-25
		11-13-26	21-13-26	39/40-13-26	41-13-26	61-13-26
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Grain elevators	237	11-13-35	21-13-35	39/40-13-35	41-13-35	61-13-35

Surface Transportation Board, DOT

Pt. 1201

OPERATING EXPENSE ACCOUNTS—CONVERSION TABLE—Continued

[See footnotes at end of table]

System of accounts effective prior to Jan 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No. ¹				
Storage warehouses	239	11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
		11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Wharves and docks	241	11-13-32	21-13-32	39/40-13-32	41-13-32	61-13-32
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Coal and ore wharves	243	11-13-29	21-13-29	39/40-13-29	41-13-29	61-13-29
		11-13-30	21-13-30	39/40-13-30	41-13-30	61-13-30
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
TOFC/COFC terminals	244	11-13-31	21-13-31	39/40-13-31	41-13-31	61-13-31
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Communication systems	247	11-13-20	21-13-20	39/40-13-20	41-13-20	61-13-20
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Signals and interlockers	249	11-11-19	21-11-19	39/40-11-19	41-11-19	61-11-19
		11-12-48	21-12-48	39/40-12-48	41-12-18	61-12-18
		11-11-48	21-11-48	39/40-11-48	41-11-48	61-11-48
		11-12-48	21-12-48	39/40-12-48	41-12-48	61-12-48
Power plants	253	11-13-21	21-13-21	39/40-13-21	41-13-21	61-13-21
		11-13-24	21-13-24	39/40-13-24	41-13-24	61-13-24
		11-13-28	21-13-25	39/40-13-25	41-13-25	61-13-25
		11-13-26	21-13-26	39/40-13-26	41-13-26	61-13-26
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Power transmission systems	257	11-13-21	21-13-21	39/40-13-21	41-13-21	61-13-21
		11-13-24	21-13-24	39/40-13-24	41-13-24	61-13-24
		11-13-25	21-13-25	39/40-13-25	41-13-25	61-13-25
		11-13-26	21-13-26	39/40-13-26	41-13-26	61-13-26
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Miscellaneous structures	265	11-13-28	21-13-28	39/40-13-28	41-13-28	61-13-28
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Roadway property; depreciation	266					62-11-00
						62-12-00
						62-13-00
Retirements; road	267					² 61-11-99
						61-12-99
						61-13-99
Roadway machines	269	11-13-36	21-13-36	39/40-13-36	41-13-36	61-13-36
		11-13-48	21-13-48	39/40-13-48	41-13-48	61-13-48
Dismantling retired road property	270	11-11-39	21-11-39		41-11-39	61-11-39
		11-12-39	21-12-39		41-12-39	61-12-39
		11-13-39	21-13-39		41-13-39	61-13-39
Small tools and supplies	271	11-13-37	21-13-37	39/40-13-37	41-13-37	61-13-37
Removing snow, ice and sand	272	11-13-38	21-13-38	39/40-13-38	41-13-38	61-13-38
Public improvements; maintenance	273	11-11-22	21-11-22	39/40-11-22	41-11-22	61-11-22
		11-12-22	21-12-22	39/40-12-22	41-12-22	61-12-22
Injuries to persons	274	11-11-99				61-11-99
		11-12-99				61-12-99
		11-13-99				61-13-99
		11-61-92	21-61-92	41-61-92		61-61-92
						52-11-00
						52-12-00
						52-13-00
Insurance	275					53-11-00
						53-12-00
						53-13-00
Stationery and printing	276		21-11-xx		² 41-11-xx	
			21-12-xx		41-12-xx	
			21-13-xx		41-13-xx	
Employees health and welfare benefits	277	12-11-00				
		12-12-00				
		12-13-00				
Maintaining joint tracks, yards and other facilities—Dr	278			37-11-00		
				37-12-00		
				37-13-00		
Maintaining joint tracks, yards and other facilities—Cr	279			38-11-00		
				38-12-00		
				38-13-00		

OPERATING EXPENSE ACCOUNTS—CONVERSION TABLE—Continued

[See footnotes at end of table]

System of accounts effective prior to Jan 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No. ¹				
Right-of-way expenses	281	11–11–99	21–11–99	.....	41–11–99	61–11–99
		11–12–99	21–12–99	.....	41–12–99	61–12–99
		11–13–99	21–13–99	.....	41–13–99	61–13–99
Other expenses	282	11–11–99	21–11–99	.....	41–11–99	61–11–99
		11–12–99	21–12–99	.....	41–12–99	61–12–99
		11–13–99	21–13–99	.....	41–13–99	61–13–99
Maintenance of Equipment						
Superintendence	301	11–21–01	21–12–01	.....	41–21–01	61–21–01
		11–22–01	21–22–01	.....	41–22–01	61–22–01
		11–23–01	21–23–01	.....	41–23–01	61–23–01
Shop machinery	302	11–21–40	21–21–40	39/40–21–40	41–21–40	61–21–40
		11–22–40	21–22–40	39/40–22–40	41–22–40	61–22–40
		11–23–40	21–22–40	39/40–23–40	41–23–40	61–23–40
Power plant machinery	304	11–13–21	21–13–21	39/40–13–21	41–13–21	61–13–21
		11–13–28	21–13–28	39/40–13–28	41–13–28	61–13–28
Shop and power plant machinery; depreciation	305	.....	.....	.....	.....	62–13–00
		.....	.....	.....	.....	62–21–00
		.....	.....	.....	.....	62–22–00
		.....	.....	.....	.....	62–23–00
Dismantling retired shop and power plant machinery	306	11–13–39	21–13–39	.....	41–13–39	61–13–39
		11–21–39	21–21–39	.....	41–21–39	61–21–39
		11–22–39	21–22–39	.....	41–22–39	61–22–39
		11–23–39	21–23–39	.....	41–23–39	61–23–39
Locomotive repairs	311	11–21–41	21–21–41	39/40–21–41	41–21–41	61–21–41
		11–21–48	21–21–48	39/40–21–48	41–21–48	61–21–48
		11–31–62	21–31–62	.....	41–31–62	61–31–62
Freight-train cars; repairs	314	11–22–42	21–22–42	39/40–22–42	41–22–42	61–22–42
		11–22–48	21–22–48	39/40–22–48	41–22–48	61–22–48
		11–31–62	21–31–62	.....	41–31–62	61–31–62
Passenger-train cars; repairs	317	11–25–45	21–25–45	39/40–25–45	41–25–45	61–25–45
		11–25–48	21–25–48	39/40–25–48	41–25–48	61–25–48
Highway revenue equipment; repairs	318	11–23–43	21–23–43	39/40–23–43	41–23–43	61–23–43
		11–23–48	21–43–48	39/40–23–48	41–23–48	61–23–48
Floating equipment; repairs	323	11–23–44	21–23–44	39/40–23–44	41–23–44	61–23–44
		11–23–48	21–23–48	30/40–23–48	41–23–48	61–23–48
Work equipment; repairs	326	11–23–47	21–23–47	39/40–23–47	41–23–47	61–23–47
		11–23–48	21–23–48	39/40–23–48	41–23–48	61–23–48
Miscellaneous equipment; repairs	328	11–23–47	21–23–47	39/40–23–47	41–23–47	61–23–47
		11–23–48	21–23–48	39/40–23–48	41–23–48	61–23–48
Dismantling retired equipment	329	11–21–39	21–21–39	.....	41–21–39	61–21–39
		11–22–39	21–22–39	.....	41–22–39	61–22–39
		11–23–39	21–23–39	.....	41–23–39	61–23–39
Retirements; equipment	330	.....	.....	.....	.....	61–29–99
		.....	.....	.....	.....	61–22–99
		.....	.....	.....	.....	61–23–99
Equipment; depreciation	331	.....	.....	.....	.....	62–21–00
		.....	.....	.....	.....	62–22–00
		.....	.....	.....	.....	62–23–00
Injuries to persons	332	11–21–99	.....	.....	.....	61–21–99
		11–22–99	.....	.....	.....	61–22–99
		11–23–99	.....	.....	.....	61–23–99
		11–61–99	21–61–92	41–61–92	.....	61–61–92
		.....	.....	.....	.....	52–21–00
		.....	.....	.....	.....	52–22–00
		.....	.....	.....	.....	52–23–00
Insurance	333	.....	.....	.....	.....	53–21–00
		.....	.....	.....	.....	53–22–00
		.....	.....	.....	.....	53–23–00
Stationery and printing	334	.....	² 21–21–xx	.....	² 41–21–xx	.....
		.....	21–22–xx	.....	41–22–xx	.....
		.....	21–23–xx	.....	41–23–xx	.....
Employees health and welfare benefits	335	12–21–00	.....	.....	.....	.....
		12–22–00	.....	.....	.....	.....
		12–23–00	.....	.....	.....	.....

Surface Transportation Board, DOT

Pt. 1201

OPERATING EXPENSE ACCOUNTS—CONVERSION TABLE—Continued

[See footnotes at end of table]

System of accounts effective prior to Jan 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No. ¹				
Joint maintenance of equipment expenses—Dr ...	336	.....	.....	37-21-00	.....	.....
				37-22-00	.....	.....
				37-23-00	.....	.....
Joint maintenance of equipment expenses—Cr ...	337	.....	.....	38-21-00	.....	.....
				38-22-00	.....	.....
				38-23-00	.....	.....
Other expenses	339	11-21-99	21-21-99	.....	41-21-99	61-21-99
		11-22-99	21-22-99	.....	41-22-99	61-22-99
		11-23-99	21-23-99	.....	41-23-99	61-23-99
Various .....	.....	11-23-46	21-23-46	39/40-23-46	41-23-46	61-23-46
Traffic Expense Account						
Superintendence	351	11-61-01	21-61-01	.....	41-61-01	61-61-01
Outside agencies	352	11-61-88	21-61-88	.....	41-61-88	61-61-88
		11-61-89	21-61-89	.....	41-61-89	61-61-89
Advertising	353	11-61-93	21-61-93	.....	41-61-93	61-61-93
Traffic associations	354	11-61-93	21-61-93	.....	41-61-93	61-61-93
Fast freight lines	355	11-61-99	21-61-99	.....	41-61-99	61-61-99
Industrial and immigration bureaus	356	11-61-90	21-61-90	.....	41-61-90	61-61-90
Insurance	357	.....	.....	.....	.....	53-61-00
Stationery and printing	358	.....	² 21-61-xx	.....	² 41-61-xx	.....
Employees health and welfare benefits	359	12-61-00	.....	.....	.....	.....
Other expenses	360	11-61-99	21-61-99	.....	41-61-99	61-61-99
Transportation Expense Accounts						
Superintendence	371	11-31-01	21-31-01	.....	41-31-01	61-31-01
		11-32-01	21-32-01	.....	41-32-01	61-32-01
		11-34-01	21-34-01	.....	41-34-01	61-34-01
		11-35-01	21-35-01	.....	41-35-01	61-35-01
Dispatching trains	372	11-31-58	21-31-58	.....	41-31-58	61-31-58
Station employees	373	11-33-71	.....	.....	.....	.....
		11-35-76	.....	.....	.....	.....
		11-35-77	.....	.....	.....	.....
Weighing, inspection and demurrage bureaus	374	.....	.....	.....	41-31-99	.....
Coal and ore wharves	375	11-34-74	21-34-74	.....	41-34-74	61-34-74
Station supplies and expenses	376	.....	21-33-71	.....	41-33-71	.....
		.....	21-35-76	.....	41-35-76	61-35-76
		.....	21-35-77	.....	41-35-77	61-35-77
Yardmasters and yard clerks	377	11-32-65	.....	.....	.....	.....
		11-32-66	.....	.....	.....	.....
Yard conductors and brakemen	378	11-32-64	.....	.....	.....	.....
Yard switch and signal tenders	379	11-32-59	.....	.....	.....	.....
Yard enginemen	380	11-32-64	.....	.....	.....	.....
Yard switching fuel	382	11-32-67	21-32-67	.....	41-32-67	61-32-67
Yard switching power produced	383	11-32-68	21-32-68	.....	41-32-68	61-32-68
Yard switching power purchased	384	.....	.....	.....	41-32-68	.....
Servicing yard locomotives	388	11-32-69	21-32-69	.....	41-32-69	61-32-69
Yard supplies and expenses	389	.....	21-32-59	.....	41-32-59	61-32-59
		.....	21-32-64	.....	41-32-64	61-32-64
		.....	21-32-65	.....	41-32-65	61-32-65
		.....	21-32-66	.....	41-32-66	61-32-66
Operating joint yards and terminals—Dr	390	.....	.....	37-32-00	.....	.....
Operating joint yards and terminals—Cr	391	.....	.....	38-32-00	.....	.....
Train enginemen	392	11-31-56	.....	.....	.....	.....
Train fuel	394	11-31-67	21-31-67	.....	41-31-67	61-31-67
Train power produced	395	11-31-68	21-31-68	.....	41-31-68	61-31-68
Train power purchased	396	.....	.....	.....	41-31-68	.....
Servicing train locomotives	400	11-31-69	21-31-69	.....	41-31-69	61-31-69
Trainmen	401	11-31-57	.....	.....	.....	.....
Train supplies and expenses	402	.....	21-31-56	.....	41-31-56	61-31-56
		.....	21-31-57	.....	41-31-57	61-31-57
		11-31-62	21-31-62	.....	41-31-62	61-31-62
		11-33-70	21-33-70	.....	41-33-70	.....
		11-33-71	21-33-71	.....	41-33-71	.....

OPERATING EXPENSE ACCOUNTS—CONVERSION TABLE—Continued

[See footnotes at end of table]

System of accounts effective prior to Jan 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No. ¹				
Operating sleeping cars	403	11–33–72	21–33–72	.....	41–33–72	.....
		11–34–75	21–34–75	.....	41–34–75	61–34–75
		11–31–99	21–31–99	.....	41–31–99	61–31–99
		11–41–01	21–41–01	.....	41–41–01	61–41–01
		11–41–57	21–41–57	.....	41–41–57	61–41–57
		11–45–76	21–45–76	.....	41–45–76	61–45–76
Signal and interlocker operation	404	11–41–99	21–41–99	.....	41–41–99	61–41–99
		11–31–59	21–31–59	.....	41–31–59	61–31–59
Crossing protection	405	11–31–61	21–31–61	.....	41–31–61	61–31–61
Drawbridge operations	406	11–31–60	21–31–60	.....	41–31–60	61–31–60
Communication system operation	407	11–35–77	21–35–77	.....	41–35–77	61–35–77
Operating floating equipment	408	11–34–01	21–34–01	.....	41–34–01	61–34–01
		11–34–73	21–34–73	.....	41–34–73	61–34–73
		11–34–74	21–34–74	.....	41–34–74	61–34–74
		12–31–00	.....	.....	.....	.....
Employees health and welfare benefits	409	12–32–00	.....	.....	.....	.....
		12–33–00	.....	.....	.....	.....
		12–34–00	.....	.....	.....	.....
		12–35–00	.....	.....	.....	.....
Stationery and printing	410	.....	² 21–31–xx	.....	² 41–31–xx	.....
		21–32–xx	.....	41–32–xx	.....	.....
		21–34–xx	.....	41–34–xx	.....	.....
		21–35–xx	.....	41–35–xx	.....	.....
Other expenses	411	11–31–99	21–31–99	.....	41–31–99	61–31–99
		11–32–99	21–32–99	.....	41–32–99	61–32–99
		11–34–99	21–34–99	.....	41–34–99	61–34–99
		11–35–99	21–35–99	.....	41–35–99	61–35–99
Operating joint tracks and facilities—Dr	412	.....	.....	37–31–00	.....	.....
		.....	37–32–00	.....	.....	.....
		.....	37–34–00	.....	.....	.....
Operating joint tracks and facilities—Cr	413	.....	37–35–00	.....	.....	.....
		.....	.....	38–31–00	.....	.....
		.....	.....	38–32–00	.....	.....
		.....	.....	38–34–00	.....	.....
Insurance	414	.....	.....	38–35–00	.....	.....
		.....	.....	.....	53–31–00	.....
		.....	.....	.....	53–32–00	.....
		.....	.....	.....	53–34–00	.....
Clearing wrecks	415	11–31–63	21–31–63	.....	41–31–63	61–31–63
		11–32–63	21–32–63	.....	41–32–63	61–32–63
Damage to property	416	.....	.....	.....	52–31–00	.....
		.....	.....	.....	52–32–00	.....
		.....	.....	.....	52–34–00	.....
		.....	.....	.....	52–35–00	.....
Damage to livestock on right-of-way	417	.....	.....	.....	52–31–00	.....
Loss and damage; Freight	418	.....	.....	.....	51–31–00	.....
		.....	.....	.....	51–32–00	.....
		.....	.....	.....	51–33–00	.....
		.....	.....	.....	51–34–00	.....
Loss and damage; Baggage	419	11–35–78	21–35–78	.....	41–35–78	61–35–78
		.....	.....	.....	51–31–00	.....
		.....	.....	.....	51–32–00	.....
		.....	.....	.....	51–33–00	.....
Injuries to persons	420	.....	.....	.....	51–34–00	.....
		11–35–78	21–35–78	.....	41–35–78	61–35–78
		11–31–99	.....	.....	61–61–92	.....
		11–32–99	.....	.....	61–31–99	.....
		11–34–99	.....	.....	61–32–99	.....
		11–35–99	.....	.....	61–34–99	.....
TOFC/COFC terminals	421	11–61–92	21–61–92	41–61–92	.....	61–35–99
		.....	.....	.....	52–13–00	.....
		.....	.....	.....	52–32–00	.....
		.....	.....	.....	52–34–00	.....
		.....	.....	.....	52–35–00	.....
		11–35–78	21–35–78	.....	41–35–78	61–35–78
		11–34–73	21–34–73	.....	41–34–73	61–34–73

Surface Transportation Board, DOT

Pt. 1201

OPERATING EXPENSE ACCOUNTS—CONVERSION TABLE—Continued

[See footnotes at end of table]

System of accounts effective prior to Jan 1, 1978		System of accounts effective Jan. 1, 1978				
Account title	No.	Account No. ¹				
Other highway transportation	422	11-34-74	21-34-74	.....	41-34-74	61-34-74
		11-34-75	21-34-75	.....	41-34-75	61-34-75
		11-34-73	21-34-73	.....	41-34-73	61-34-73
		11-34-74	21-34-74	.....	41-34-74	61-34-74
		11-34-75	21-34-75	.....	41-34-75	61-34-75
Miscellaneous Operations Expense						
Dining and buffet service	441	11-41-01	21-41-01	.....	41-41-01	61-41-01
		11-41-57	21-41-57	.....	41-41-57	61-41-57
		11-41-99	21-41-99	.....	41-41-99	61-41-99
Hotels and restaurants	442	11-34-99	21-34-99	.....	41-34-99	61-34-99
Grain elevators	443	11-34-01	21-34-01	.....	41-34-01	61-34-01
		11-34-74	21-34-74	.....	41-34-74	61-34-74
		11-34-75	21-34-75	.....	41-34-75	61-34-75
Producing power sold	445	11-31-68	21-31-68	.....	41-31-68	61-31-68
		11-32-68	21-32-68	.....	41-32-68	61-32-68
Other miscellaneous operations	446	11-34-99	21-34-99	.....	41-34-99	61-34-99
Operating joint miscellaneous facilities—Dr	447	.....	.....	37-34-00	.....	.....
		.....	.....	37-35-00	.....	.....
Operating joint miscellaneous facilities—Cr	448	.....	.....	38-34-00	.....	.....
		.....	.....	38-35-00	.....	.....
Employees Health and Welfare Benefits	449	12-34-00	.....	.....	.....	.....
General Operating Expenses						
Salaries and expenses of general officers	451	11-61-01	21-61-01	.....	41-61-01	61-61-01
		11-61-86	21-61-86	.....	41-61-86	61-61-86
		11-61-87	21-61-87	.....	41-61-87	61-61-87
		11-61-90	21-61-90	.....	41-61-90	61-61-90
		11-61-91	21-61-91	.....	41-61-91	61-61-91
		11-61-94	21-61-94	.....	41-61-94	61-61-94
		11-61-99	21-61-99	.....	41-61-99	61-61-99
Salaries and expenses of clerks and attendants	452	11-61-01	21-61-01	.....	41-61-01	61-61-01
		11-61-99	21-61-99	.....	41-61-99	61-61-99
		11-61-86	21-61-86	.....	41-61-86	61-61-86
		11-61-87	21-61-87	.....	41-61-87	61-61-87
		11-61-90	21-61-90	.....	41-61-90	61-61-90
		11-61-91	21-61-91	.....	41-61-91	61-61-91
		11-61-92	21-61-92	.....	41-61-92	61-61-92
		11-61-94	21-61-94	.....	41-61-94	61-61-94
		.....	21-61-99	.....	41-61-99	61-61-99
General office supplies and expenses	453	.....	21-61-01	.....	41-61-01	61-61-01
Law expenses	454	11-61-92	21-61-92	.....	41-61-92	61-61-92
Insurance	455	.....	.....	.....	.....	53-61-00
Employees health and welfare benefits	456	12-61-00	.....	.....	.....	.....
Pensions	457	12-11-00	.....	.....	.....	.....
		12-12-00	.....	.....	.....	.....
		12-13-00	.....	.....	.....	.....
		12-21-00	.....	.....	.....	.....
		12-22-00	.....	.....	.....	.....
		12-23-00	.....	.....	.....	.....
		12-31-00	.....	.....	.....	.....
		12-32-00	.....	.....	.....	.....
		12-34-00	.....	.....	.....	.....
		12-35-00	.....	.....	.....	.....
		12-61-00	.....	.....	.....	.....
Stationery and printing	458	.....	² 21-61-xx	.....	² 41-61-xx	.....
Other expenses	460	11-61-99	21-61-99	.....	41-61-99	61-61-99
General joint facilities—Dr	461	.....	.....	37-61-00	.....	.....
General joint facilities—Cr	462	.....	.....	38-61-00	.....	.....
Various expenses .....	.....	11-61-94	21-61-94	.....	41-61-94	61-61-94

Footnotes:

¹ Freight account activity/subactivity numbers are shown except when old accounts are exclusively passenger expenses Passenger and common activity/subactivity numbers shall be used where appropriate.

² Account numbers with the last 2 digits "xx" indicates that the account is subdivided by applicable functions See account texts for appropriate function assignment.

TRANSPORTATION OPERATING REVENUE ACCOUNTS CONVERSION TABLE

System of accounts eff. prior to Jan. 1, 1978		System of accounts eff. Jan. 1, 1978	
Account title	No.	No.	Account title
Transportation Revenue Accounts			
Transportation; rail line	100	100	Transportation; rail line.
Freight	101	101	Freight.
Passenger	102	102	Passenger.
Baggage	103	103	Passenger-related.
Sleeping car	104	103	Do.
Parlor and chair car	105	103	Do.
Other passenger-train	108	103	Do.
Milk	109	101	Freight.
Switching	110	104	Switching.
Water transfers	113	105	Water transfers.
Incidental	130	110	Incidental.
Dining and buffet	131	103	Passenger-related.
Hotel and restaurant	132	110	Incidental.
Station, train, and boat privileges	133	110	Do.
Storage; freight	135	110	Do.
Demurrage	137	106	Demurrage.
Communication	138	110	Incidental.
Grain elevator	139	110	Do.
Power	141	110	Do.
Rent of buildings and other property	142	110	Do.
Miscellaneous	143	110	Do.
Joint facility	150	120	Joint facility.
Joint facility—cr	151	121	Joint facility—cr.
Joint facility—dr	152	122	Joint facility—dr.

INCOME ACCOUNTS CONVERSION TABLE

System of accounts eff. prior to Jan. 1, 1978		System of accounts eff. Jan. 1, 1978	
Account title	No.	No.	Account title
Income Accounts			
Railway operating revenues	501	501	Railway operating revenues.
Revenues from miscellaneous operations	502	506	Revenues from property used in other than carrier operations.
Hire of freight cars and highway revenue freight equipment; credit balance	503	.....	32–22–00, 32–23–00, 36–22–00, and 36–23–00.
Rent from locomotives	504	.....	32–21–00, and 36–21–00.
Rent from passenger-train cars	505	.....	32–25–00, and 36–25–00.
Rent from floating equipment	506	.....	32–23–00, and 36–23–00.
Rent from work equipment	507	.....	32–23–00, and 36–23–00.
Joint facility rent income	508	.....	34–11–00, 34–12–00, 34–13–00, 34–21–00, 34–22–00, and 34–23–00.
Income from lease of road and equipment	509	.....	32–11–00, 32–12–00, 32–13–00, 32–21–00, 32–22–00, and 32–23–00.
Miscellaneous rent income	510	510	Miscellaneous rent income.
Income from nonoperating property	511	506	Revenues from property used in other than carrier operations.
		534	Expenses of property used in other than carrier operations.
Separately operated properties; profit	512	512	Separately operated properties; profit.
Dividend income	513	513	Dividend income.
Interest income	514	514	Interest income.
Income from sinking and other reserve funds	516	516	Income from sinking and other reserve funds.
Release of premiums on funded debt	517	517	Release of premiums on funded debt.
Contributions from other companies	518	518	Contributions from other companies.
Miscellaneous income	519	519	Miscellaneous income.
Railway operating expenses	531	531	Railway operating expenses.
Railway tax accruals	532	556	Income taxes on ordinary income.
			64–61–00 Property Taxes.
			12–xx–00 Fringe Benefits.
			65–61–00 Other Taxes.
Provision for deferred taxes	533	557	Provision for deferred taxes.
Expenses of miscellaneous operations	534	534	Expenses of property used in other than carrier operations.
Taxes on miscellaneous operating property	535	535	Taxes on property used in other than carrier operations.

Surface Transportation Board, DOT

Pt. 1201

INCOME ACCOUNTS CONVERSION TABLE—Continued

System of accounts eff. prior to Jan. 1, 1978		System of accounts eff. Jan. 1, 1978	
Account title	No.	No.	Account title
Hire of freight cars and highway revenue freight equipment—debit balance.	536	.....	31-22-00, 35-22-00, 31-23-00, and 35-23-00.
Rent for locomotives	537	.....	31-21-00, and 35-21-00.
Rent for passenger-train cars	538	.....	31-25-00, and 35-25-00.
Rent for floating equipment	539	.....	31-23-00, and 35-23-00.
Rent for work equipment	540	.....	31-23-00, and 35-23-00.
Joint facility rents	541	.....	33-11-00, 33-12-00, 33-13-00, 33-21-00, 33-22-00, and 33-23-00.
Rent for leased roads	542	.....	31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00.
Miscellaneous rents	543	543	Miscellaneous rents.
Miscellaneous tax accruals	544	544	Miscellaneous taxes.
Taxes on property used in other than carrier operations	535		
Separately operated properties; loss	545	545	Separately operated properties; loss.
Interest on funded debt	546	546	Interest on funded debt.
Interest on unfunded debt	547	547	Interest on unfunded debt.
Amortization of discount on funded debt	548	548	Amortization of discount on funded debt.
Maintenance of investment organization	549	549	Maintenance of investment organization.
Income transferred to other companies	550	550	Income transferred to other companies.
Miscellaneous income charges	551	551	Miscellaneous income charges.
		553	Uncollectible accounts.
Unusual or infrequent items (debit) credit	555	555	Unusual or infrequent items (debit) credit.
Income or loss from operations of discontinued segments	560	560	Income or loss from operations of discontinued segments.
Gain or loss on disposal of discontinued segments	562	562	Gain or loss on disposal of discontinued segments.
Extraordinary items (net)	570	570	Extraordinary items (net).
Income taxes on extraordinary items	590	590	Income taxes on extraordinary items.
Provision for deferred taxes—extraordinary items	591	591	Provision for deferred taxes—extraordinary items.
Cumulative effect of changes in accounting principles	592	592	Cumulative effect of changes in accounting principles.

RETAINED INCOME ACCOUNTS CONVERSION TABLE

System of accounts eff. prior to Jan. 1, 1978		System of accounts eff. Jan. 1, 1978	
Account title	No.	No.	Account title
Credit			
Credit balance (at beginning of calendar year)	601	601	Credit balance (at beginning of calendar year).
Prior period adjustments to beginning retained income account.	601.5	601.5	Prior period adjustments to beginning retained earnings account.
Credit balance transferred from income	602	602	Credit balance transferred from income.
Other credits to retained income	606	606	Other credits to retained earnings.
Debit			
Debit balance (at beginning of calendar year)	611	611	Debit balance (at beginning of calendar year).
Debit balance transferred from income	612	612	Debit balance transferred from income.
Other debits to retained income	616	616	Other debits to retained earnings.
Appropriations for sinking and other reserve funds	620	620	Appropriations for sinking and other funds.
Appropriations for other purposes	621	621	Appropriations for other purposes.
Appropriations released	622	603	Appropriations released.
Dividends	623	623	Dividends.

GENERAL BALANCE SHEET ACCOUNTS CONVERSION TABLE

System of accounts eff. prior to Jan. 1, 1978		System of accounts eff. Jan. 1, 1978	
Account title	No.	No.	Account title
Cash	701	701	Cash.
Temporary cash investments	702	702	Temporary cash investments.
Special deposits	703	703	Special deposits.
Loans and notes receivable	704	704	Loans and notes receivable.
		708.5	Receivables from affiliated companies.

GENERAL BALANCE SHEET ACCOUNTS CONVERSION TABLE—Continued

System of accounts eff. prior to Jan. 1, 1978		System of accounts eff. Jan. 1, 1978	
Account title	No.	No.	Account title
Traffic, car service and other balances—dr	705	709.5 705	Allowance for uncollectible accounts. Accounts receivable; interline and other balances.
		709.5	Allowances for uncollectible accounts.
Net balance receivable from agents and conductors	706	752	Accounts payable; interline and other balances.
Miscellaneous accounts receivable	707	706	Accounts receivable; customers.
		707	Accounts receivable; other.
		708.5	Receivables from affiliated companies.
Interest and dividends receivable	708	709.5	Allowance for uncollectible accounts.
		708	Interest and dividends receivable.
		708.5	Receivables from affiliated companies.
Accrued accounts receivable	709	709.5	Allowance for uncollectible accounts.
Working fund advances	710	709	Accrued accounts receivable.
Prepayments	711	710	Working funds.
Material and supplies	712	711	Prepayments.
Other current assets	713	712	Material and supplies.
Deferred income tax charges	714	713	Other current assets.
Sinking funds	715	714	Deferred income tax debits.
Capital and other reserve funds	716	715	Sinking funds.
Insurance and other funds	717	716	Capital funds.
Investment in affiliated companies	721	717	Other funds.
		721	Investments and advances; affiliated companies.
Other investments	722	722	Other investments and advances.
Reserve for adjustment of investment in securities—cr	723	721.5	Adjustments; investments and advances—affiliated companies.
		723	Adjustments; other investments and advances.
Road and equipment property	731	731	Road and equipment property.
Organization expenses	71	739	Organization expenses.
Improvements on leased property	732	732	Improvements on leased property.
Accrued depreciation; improvements on leased property	733	733	Accumulated depreciation; improvements on leased property.
Accrued depreciation; road and equipment	735	735	Accumulated depreciation; road and equipment property.
Amortization of defense projects; road and equipment	736	736	Accumulated amortization; road and equipment property—defense projects.
		734	Accumulated amortization; improvements on leased property—defense projects.
Miscellaneous physical property	737	737	Property used in other than carrier operations.
Accrued depreciation; miscellaneous physical property	738	738	Accumulated depreciation; property used in other than carrier operations.
Other assets	741	741	Other assets.
Unamortized discount on long-term debt	770.1	770.1	Unamortized debt discount.
Other deferred charges	743	743	Other deferred debits.
Accumulated deferred income tax charges	744	744	Accumulated deferred income tax debits.
Liabilities			
Loans and notes payable	751	751	Loans and notes payable.
Traffic, car service and other balances—cr	752	757	Payables to affiliated companies.
		752	Accounts payable; interline and other balances.
		705	Accounts receivable; interline and other balances.
		709.5	Allowance for uncollectible accounts.
Audited accounts and wages payable	753	753	Audited accounts and wages payable.
Miscellaneous accounts payable	754	754	Accounts payable; other.
		757	Payables to affiliated companies.
Interest matured unpaid	755	755	Interest payable.
		757	Payables to affiliated companies.
Dividends matured unpaid	756	756	Dividends payable.
		757	Payables to affiliated companies.
Unmatured interest accrued	757	755	Interest payable.
		757	Payables to affiliated companies.
Unmatured dividends declared	758	756	Dividends payable.
		757	Payables to affiliated companies.
Accrued accounts payable	759	759	Accrued accounts payable.
Federal income taxes accrued	760	760	Federal income taxes accrued.
Other taxes accrued	761	711	Prepayments.
		761	State and other income taxes accrued.
		761.5	Other taxes accrued.

GENERAL BALANCE SHEET ACCOUNTS CONVERSION TABLE—Continued

System of accounts eff. prior to Jan. 1, 1978		System of accounts eff. Jan. 1, 1978	
Account title	No.	No.	Account title
Deferred income tax credits	762	762	Deferred income tax credits.
Other current liabilities	763	763	Other current liabilities.
Equipment obligations and other debt due within one year	764	764	Equipment obligations and other long-term debt due within 1 year.
Funded debt unmatured	765	765	Funded debt unmatured.
Equipment obligations	766	766	Equipment obligations.
Receivers' and trustees' securities	767	767	Receivers' and trustees' securities.
Debt in default	768	768	Debt in default.
Amounts payable to affiliated companies	769	769	Accounts payable; affiliated companies.
Pension and welfare reserves	771	771	Accrued liability; pension and welfare.
Casualty and other reserves	774	774	Accrued liability; casualty and other claims.
		775	Other accrued liabilities.
Interest in default	781	781	Interest in default.
Other liabilities	782	782	Other liabilities.
Unamortized premium on long-term debt	790.2	770.2	Unamortized premium on debt.
Other deferred credits	784	784	Other deferred credits.
Accrued liability; leased property	785	772	Accrued liability; leased property.
Accumulated deferred income tax credits	786	786	Accumulated deferred income tax credits.
Shareholders' Equity			
Capital stock issued	791	791	Capital stock.
Stock liability for conversion	792	792	Liability for conversion of capital stock.
Discount on capital stock	793	793	Discount on capital stock.
Premiums and assessment on capital stock	794	794	Premiums and assessments on capital stock.
Paid-in surplus	795	795	Other capital.
Other capital surplus	796	795	Do.
Retained income; appropriated	797	797	Retained earnings; appropriated.
Retained income; unappropriated	798	798	Retained earnings; unappropriated.
Treasury stock	798.5	798.5	Treasury stock.

Subpart B—Branch Line Accounting System

900 Definitions.

Unless otherwise required by context, the following definitions apply in this subpart:

Account means an account in the ICC's Uniform System of Accounts (USOA), for Railroad companies (49 CFR Part 1201, Subpart A).

IC Act means the Interstate Commerce Act (49 U.S.C. 1 *et seq.*), as amended.

Branch Line or *Branch* means a rail line or segment of line which (a) has been designated on a transportation system diagram in categories (1), (2), (3), or (4) (49 CFR 1152.10(b) (1), (2), (3), (4)); or (b) is the subject of a directed service order under section 304(d)(3) of the 3R Act; or (c) is the subject of a rail continuation service agreement entered into prior to the designation of the line on a system diagram.

ICC or *Commission* means the Interstate Commerce Commission.

Designated State agency means the instrumentality created by a State or designated by appropriate authority to administer or coordinate its State rail plan as required by section 5(j)(2) of the Department of Transportation Act (90 Stat. 131) or section 402(c)(1)(A) of the 3R Act (87 Stat. 985) or regulations promulgated pursuant thereto.

RSPO means the Rail Services Planning Office of the Interstate Commerce Commission.

Railroad means a common carrier by railroad, as defined in section 1(3) of the Interstate Commerce Act (49 U.S.C. 1(3)).

3R Act means the Regional Rail Reorganization Act of 1973, Pub. L. 93-236, 87 Stat. 985, as amended.

4R Act means the Railroad Revitalization and Regulatory Reform Act of 1976, Pub. L. 94-210, 90 Stat. 31.

XX, when used in place of digits in a six-digit account number, means that all accounts containing the remaining four-digits are included. Example: 11-

21–XX refers to all salary and wage accounts for locomotives because 11 designates salaries and wages and 21 designates locomotives. Thus, 11–21–XX includes all of the following accounts: 11–21–01; 11–21–40; 11–21–48; 11–21–39; and 11–21–99. Similarly, XX–31–67 means all accounts containing 31 (train operations) and 67 (locomotive fuel).

[43 FR 1733, Jan. 11, 1978, as amended at 47 FR 49596, Nov. 1, 1982]

910 Purpose and scope.

(a) Section 205(e)(1)(A) of the 3R Act directs the office to issue regulations which will permit the collection and publication by the Consolidated Rail Corp. (ConRail), or by profitable railroads of information necessary to determine accurately the revenues attributable, avoidable costs, and service units of light-density lines scheduled for abandonment. This accurate information is intended to facilitate the determination of the revenues and avoidable costs in abandonment proceedings and in potential offers of subsidy. This information is intended to be compatible with the Regional Subsidy Standards (49 CFR Part 1155), for those lines which were not conveyed to ConRail under the final system plan and with the National Subsidy Standards (49 CFR Part 1152, Subpart D), for all other lines. The purpose of the Branch Line Accounting System regulations is to specify an accounting system for the collection and publication of this information.

(b) For further information regarding the Branch Line Accounting System, persons may contact the RSPO's Cost Evaluation Branch: Cost Evaluation Branch, Rail Services Planning Office, 1900 L Street NW., Washington, DC 20036, 202–254–7552.

[43 FR 1733, Jan. 11, 1978, as amended at 47 FR 49596, Nov. 1, 1982]

920 Collection of data.

(a) *Lines for which data collection is required.* The railroad shall collect data on all branch lines which meet the criteria listed in paragraphs 1 through 4 below. The data to be collected is specified in section 920(b).

(1) Branch lines in categories (1), (2), and (3) on the System Diagram Map in-

clude, respectively, lines for which a carrier intends to file an abandonment application within three years, lines which the carrier has under study and are potentially subject to abandonment, and lines for which an abandonment application is pending before the Commission. The collection of data on such lines shall commence on the first day of the month after the line has been designated in one of the categories and will continue so long as the branch line is retained in one of these categories. The assignment and apportionment methodology set forth in Part 1152, Subchapter B (National Subsidy Standards), shall be applied.

(2) For branch lines operated under an order directing service, under section 304(d)(3) of the 3R Act, data shall be collected from the effective date of the order until the order is withdrawn. The assignment and apportionment methodology set forth in Part 1155, Subchapter B (Regional Subsidy Standards), shall be applied.

(3) For branch lines operated under a rail service continuation agreement under section 1a(6)(a) of the IC Act, data shall be collected from the effective date of the agreement until the termination of the agreement. The assignment and apportionment methodology set forth in Part 1152, Subchapter B (National Subsidy Standards), shall be applied.

(4) For branch lines operated under a rail service continuation agreement under section 304 of the 3R Act, data collection shall commence on the effective date of the agreement and shall continue until the termination date of the agreement. The assignment and apportionment methodology set forth in Part 1155, Subchapter B (Regional Subsidy Standards), shall be applied.

(b) *Data to be collected.* The data collected shall include the items of revenue, expense, and service units which are specified in Parts 1152 and 1155, Subchapter B (National and Regional Subsidy Standards), as described in the account texts listed in section 950. The format for presentation of these data is specified in section 940.

[43 FR 1733, Jan. 11, 1978, as amended at 47 FR 49596, Nov. 1, 1982]

930 Publication of data.

(a) *General.* The railroad shall file on or before June 30 of each calendar year the certification included in these regulations as Appendix I. The railroad shall include a description of each branch line using the format set forth in Appendix I of these regulations. The description of each branch line requires the same data as that submitted under 49 CFR 1152.11. This section prescribes the branch line information required in conjunction with the system diagram maps specifying the line's designation, states and counties traversed, delineation of mileposts, and location of agency and terminal stations.

(b) [Reserved]

(c) *Access to records.* The records, accounts, working papers, and other documents reflecting the revenues, cost, and service unit data of each branch line for which the railroad must maintain data shall be made available for inspection and examination by the Commission and, for lines situated within its State, by the designated State agency at a time and place mutually agreeable to the parties. The railroad shall also reproduce such records for the designated State agency, pro-

vided the agency pays the reasonable cost thereof.

(d) *Waivers and modifications.* The Office may, with respect to individual requests, upon good cause shown, waive or modify any requirement of this section not required by law.

[43 FR 1733, Jan. 11, 1978, as amended at 44 FR 9730, Feb. 14, 1979; 47 FR 49596, Nov. 1, 1982]

940 Annual branch line report.

This section specifies the format in which the data collected for each branch line shall be maintained. Definitions of each account are presented in section 950.

(A) Attributable revenue		Amount
101	Freight .....	.....
104	Switching .....	.....
105	Water transfers .....	.....
106	Demurrage .....	.....
110	Incidental .....	.....
121	Joint facility—credit .....	.....
122	Joint facility—debit .....	.....
506	Revenue from property used in other than carrier operations .....	.....
510	Miscellaneous rent income .....	.....
519	Miscellaneous income .....	.....
599	Subsidy payments from preexisting contracts .....	.....
Total attributable revenues .....		.....

(B) ON-BRANCH AVOIDABLE COSTS

Line item—(a)	Freight			
	Salaries and wages—(b)	Material, tools, supplies, fuels, and lubricants—(c)	Purchased services—(d)	General—(e)
(1) Actual or apportioned expense accounts:				
Way and structures: Administration:				
001 Track .....	.....	.....	.....	.....
002 Bridge and Building .....	.....	.....	.....	.....
003 Signal .....	.....	.....	.....	.....
004 Communication .....	.....	.....	.....	.....
005 Other .....	.....	.....	.....	.....
Repair and maintenance:				
006 Roadway—Running .....	.....	.....	.....	.....
007 Roadway—Switching .....	.....	.....	.....	.....
008 Tunnels and Subways—Running .....	.....	.....	.....	.....
009 Tunnels and Subways—Switching .....	.....	.....	.....	.....
010 Bridges and Culverts—Running .....	.....	.....	.....	.....
011 Bridges and Culverts—Switching .....	.....	.....	.....	.....
012 Ties—Running	N/A	.....	N/A	N/A
013 Ties—Switching	N/A	.....	N/A	N/A
014 Rail—Running	N/A	.....	N/A	N/A
015 Rail—Switching	N/A	.....	N/A	N/A
016 Other Track Material—Running	N/A	.....	N/A	N/A
017 Other Track Material—Switching	N/A	.....	N/A	N/A
018 Ballast—Running	N/A	.....	N/A	N/A
019 Ballast—Switching	N/A	.....	N/A	N/A
020 Track Laying and Surfacing—Running .....	.....	.....	.....	.....
021 Track Laying and Surfacing—Switching .....	.....	.....	.....	.....

(B) ON-BRANCH AVOIDABLE COSTS—Continued

Line item—(a)	Freight			
	Salaries and wages—(b)	Material, tools, supplies, fuels, and lubricants—(c)	Purchased services—(d)	General—(e)
022 Road Property Damaged—Running .....	.....	.....	.....	.....
023 Road Property Damaged—Switching .....	.....	.....	.....	.....
024 Road Property Damaged—Other .....	.....	.....	.....	.....
025 Signals and Interlockers—Running .....	.....	.....	.....	.....
026 Signals and Interlockers—Switching .....	.....	.....	.....	.....
027 Communications Systems .....	.....	.....	.....	.....
028 Electric Power Systems .....	.....	.....	.....	.....
029 Highway Grade Crossings—Running .....	.....	.....	.....	.....
030 Highway Grade Crossings—Switching .....	.....	.....	.....	.....
031 Station and Office Buildings .....	.....	.....	.....	.....
032 Shop Buildings—Locomotives .....	.....	.....	.....	.....
033 Shop Buildings—Freight Cars .....	.....	.....	.....	.....
034 Shop Buildings—Other Equipment .....	.....	.....	.....	.....
101 Locomotive Servicing Facilities .....	.....	.....	.....	.....
102 Miscellaneous Buildings and Structures .....	.....	.....	.....	.....
103 Coal Terminals .....	.....	.....	.....	.....
104 Ore Terminals .....	.....	.....	.....	.....
105 Other Marine Terminals .....	.....	.....	.....	.....
106 TOFC/COFC—Terminals .....	.....	.....	.....	.....
107 Motor Vehicle Loading and Distribution Facilities .....	.....	.....	.....	.....
108 Facilities for Other Specialized Service Operations .....	.....	.....	.....	.....
109 Roadway Machines .....	.....	.....	.....	.....
110 Small Tools and Supplies .....	.....	.....	.....	.....
111 Snow Removal .....	.....	.....	.....	.....
112 Fringe Benefits—Running	N/A	N/A	N/A	.....
113 Fringe Benefits—Switching	N/A	N/A	N/A	.....
114 Fringe Benefits—Other	N/A	N/A	N/A	.....
115 Casualties and Insurance—Running	N/A	N/A	N/A	.....
116 Casualties and Insurance—Switching	N/A	N/A	N/A	.....
117 Casualties and Insurance—Other	N/A	N/A	N/A	.....
118 Lease Rentals—Debit—Running	N/A	N/A	.....	N/A
119 Lease Rentals—Debit—Switching	N/A	N/A	N/A	N/A
120 Lease Rentals—Debit—Other	N/A	N/A	.....	N/A
121 Lease Rentals—(Credit)—Running	N/A	N/A	.....	N/A
122 Lease Rentals—(Credit)—Switching	N/A	N/A	.....	N/A
123 Lease Rentals—(Credit)—Other	N/A	N/A	.....	N/A
124 Joint Facility Rent—Debit—Running	N/A	N/A	.....	N/A
125 Joint Facility Rent—Debit—Switching	N/A	N/A	.....	N/A
126 Joint Facility Rent—Debit—Other	N/A	N/A	.....	N/A
127 Joint Facility Rent—(Credit)—Running	N/A	N/A	.....	N/A
128 Joint Facility Rent—(Credit)—Switching	N/A	N/A	.....	N/A
129 Joint Facility Rent—(Credit)—Other	N/A	N/A	.....	N/A
130 Other Rents—Debit—Running	N/A	N/A	.....	N/A
131 Other Rents—Debit—Switching	N/A	N/A	.....	N/A
132 Other Rents—Debit—Other	N/A	N/A	.....	N/A
133 Other Rents—(Credit)—Running	N/A	N/A	.....	N/A
134 Other Rents—(Credit)—Switching	N/A	N/A	.....	N/A
135 Other Rents—(Credit)—Other	N/A	N/A	.....	N/A
136 Depreciation—Running	N/A	N/A	N/A	.....
137 Depreciation—Switching	N/A	N/A	N/A	.....
138 Depreciation—Other	N/A	N/A	N/A	.....
139 Joint Facility—Debit—Running	N/A	N/A	.....	N/A
140 Joint Facility—Debit—Switching	N/A	N/A	.....	N/A
141 Joint Facility—Debit—Other	N/A	N/A	.....	N/A
142 Joint Facility—(Credit)—Running	N/A	N/A	.....	N/A
143 Joint Facility—(Credit)—Switching	N/A	N/A	.....	N/A
144 Joint Facility—(Credit)—Other	N/A	N/A	.....	N/A
145 Dismantling Retired Road Property—Running .....	.....	.....	.....	.....
146 Dismantling Retired Road Property—Switching .....	.....	.....	.....	.....
147 Dismantling Retired Road Property—Other .....	.....	.....	.....	.....
148 Other—Running .....	.....	.....	.....	.....
149 Other—Switching .....	.....	.....	.....	.....
150 Other—Other .....	.....	.....	.....	.....
151 Total Way and Structures .....	.....	.....	.....	.....
Equipment: Locomotives:				
201 Administration .....	.....	.....	.....	.....

Surface Transportation Board, DOT

Pt. 1201

(B) ON-BRANCH AVOIDABLE COSTS—Continued

Line item—(a)	Freight			
	Salaries and wages—(b)	Material, tools, supplies, fuels, and lubricants—(c)	Purchased services—(d)	General—(e)
202 Repair and Maintenance				
203 Machinery Repair				
204 Equipment Damaged				
205 Fringe Benefits	N/A	N/A	N/A	
206 Other Casualties and Insurance	N/A	N/A	N/A	
207 Lease Rentals—Debit	N/A	N/A		N/A
208 Lease Rentals—(Credit)	N/A	N/A		N/A
209 Joint Facility Rent—Debit	N/A	N/A		N/A
210 Joint Facility Rent—(Credit)	N/A	N/A		N/A
211 Other Rents—Debit	N/A	N/A		N/A
212 Other Rents—(Credit)	N/A	N/A		N/A
213 Depreciation	N/A	N/A	N/A	
214 Joint Facility—Debit	N/A	N/A		N/A
215 Joint Facility—(Credit)	N/A	N/A		N/A
216 Repairs Billed to Others—(Credit)	N/A	N/A		N/A
217 Dismantling Retired Property				
218 Other				
219 Total Locomotives				
Freight cars:				
220 Administration				
221 Repair and Maintenance				
222 Machinery Repair				
223 Equipment Damaged				
224 Fringe Benefits	N/A	N/A	N/A	
225 Other Casualties and Insurance	N/A	N/A	N/A	
226 Lease Rentals—Debit	N/A	N/A		N/A
227 Lease Rentals—(Credit)	N/A	N/A		N/A
228 Joint Facility Rent—Debit	N/A	N/A		N/A
229 Joint Facility Rent—(Credit)	N/A	N/A		N/A
230 Other Rents—Debit	N/A	N/A		N/A
231 Other Rents—(Credit)	N/A	N/A		N/A
232 Depreciation	N/A	N/A	N/A	
233 Joint Facility—Debit	N/A	N/A		N/A
234 Joint Facility—(Credit)	N/A	N/A		N/A
235 Repairs Billed to Others—(Credit)	N/A	N/A		N/A
236 Dismantling Retired Property				
237 Other				
238 Total Freight Cars				
Other Equipment:				
301 Administration				
Repair and Maintenance:				
302 Trucks, Trailers, and Containers—Revenue Service				
303 Floating Equipment—Revenue Service				
304 Floating and Other Revenue Equipment				
305 Computers and Data Processing Systems				
306 Machinery				
307 Work and Other Non-Revenue Equipment				
308 Equipment Damaged				
309 Fringe Benefits	N/A	N/A	N/A	
310 Other Casualties and Insurance	N/A	N/A	N/A	
311 Lease Rentals—Debit	N/A	N/A		N/A
312 Lease Rentals—(Credit)	N/A	N/A		N/A
313 Joint Facility Rent—Debit	N/A	N/A		N/A
314 Joint Facility Rent—(Credit)	N/A	N/A		N/A
315 Other Rents—Debit	N/A	N/A		N/A
316 Other Rents—(Credit)	N/A	N/A		N/A
317 Depreciation	N/A	N/A	N/A	
318 Joint Facility—Debit	N/A	N/A		N/A
319 Joint Facility—(Credit)	N/A	N/A		N/A
320 Repairs Billed to Others—(Credit)				
321 Dismantling Retired Property				
322 Other				
323 Total Other Equipment				
324 Total Equipment				
Transportation: Train operations:				
401 Administration				

(B) ON-BRANCH AVOIDABLE COSTS—Continued

Line item—(a)	Freight			
	Salaries and wages—(b)	Material, tools, supplies, fuels, and lubricants—(c)	Purchased services—(d)	General—(e)
402 Engine Crews				
403 Train Crews				
404 Dispatching Trains				
405 Operating Signals and Interlockers				
406 Operating Drawbridges				
407 Highway Crossing Protection				
408 Train Inspection and Lubrication				
409 Locomotive Fuel				
410 Electric Power Purchased or Produced for Motive Power				
411 Servicing Locomotives				
412 Freight Lost or Damaged—Solely Related	N/A	N/A	N/A	
413 Clearing Wrecks				
414 Fringe Benefits	N/A	N/A	N/A	
415 Other Casualties and Insurance	N/A	N/A	N/A	
416 Joint Facility—Debit	N/A	N/A		N/A
417 Joint Facility—(Credit)	N/A	N/A		NA
418 Other				
419 Total Train Operations				
Yard Operations:				
420 Administration				
421 Switch Crews				
422 Controlling Operations				
423 Yard and Terminal Clerical				
424 Operating Switches, Signals Retarders and Humps				
425 Locomotive Fuel				
426 Electric Power Purchased or Produced for Motive Power				
427 Servicing Locomotives				
428 Freight Lost or Damaged—Solely Related	N/A	N/A	N/A	
429 Clearing Wrecks				
430 Fringe Benefits	N/A	N/A	N/A	
431 Other Casualties and Insurance	N/A	N/A	N/A	
432 Joint Facility—Debit	N/A	N/A		N/A
433 Joint Facility—(Credit)	N/A	N/A		N/A
434 Other				
435 Total Yard Operations				
Train and Yard Operations Common:				
501 Cleaning Car Interiors				N/A
502 Adjusting and Transferring Loads				N/A
503 Car Loading Devices and Grain Doors				N/A
504 Freight Lost or Damaged—all other	N/A	N/A	N/A	
505 Fringe Benefits	N/A	N/A	N/A	
506 Total Train and Yard Operations Common				
Specialized Service Operations:				
507 Administration				
508 Pickup and Delivery and Marine Line Haul				
509 Loading and Unloading and Local Marine				
510 Protection Services				
511 Freight Lost or Damaged—Solely Related	N/A	N/A	N/A	
512 Fringe Benefits	N/A	N/A	N/A	
513 Casualties and Insurance	N/A	N/A	N/A	
514 Joint Facility—Debit	N/A	N/A		N/A
515 Joint Facility—(Credit)	N/A	N/A		N/A
516 Other				
517 Total Specialized Services Operations				
Administrative Support Operations:				
518 Administration				
519 Employees Performing Clerical and Accounting Functions				
520 Communication Systems Operation				
521 Loss and Damage Claims Processing				
522 Fringe Benefits	N/A	N/A	N/A	
523 Casualties and Insurance	N/A	N/A	N/A	
524 Joint Facility—Debit	N/A	N/A		N/A
525 Joint Facility—(Credit)	N/A	N/A		N/A
526 Other				
527 Total Administrative Support Operations				
528 Total transportation				

Surface Transportation Board, DOT

Pt. 1201

(B) ON-BRANCH AVOIDABLE COSTS—Continued

Line item—(a)	Freight			
	Salaries and wages—(b)	Material, tools, supplies, fuels, and lubricants—(c)	Purchased services—(d)	General—(e)
General and Administrative:				
601 Officers—General Administration				
602 Accounting, Auditing and Finance				
603 Management Services and Data Processing				
604 Marketing				
605 Sales				
606 Industrial Development				
607 Personnel and Labor Relations				
608 Legal and Secretarial				
609 Public Relations and Advertising				
610 Research and Development				
611 Fringe Benefits	N/A	N/A	N/A	
612 Casualties and Insurance	N/A	N/A	N/A	
613 Writedown of Uncollectible Accounts	N/A	N/A	N/A	
614 Property Taxes	N/A	N/A	N/A	
615 Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	
616 Joint Facility—Debit	N/A	N/A		N/A
617 Joint Facility—(Credit)	N/A	N/A		N/A
618 Other				
619 Total General and Administrative				
620 Total Carrier Operating Expenses				

	Amount
(2) Other Computed Cost Elements:	
651 Locomotives return on investment	
652 Freight train car costs	
01 Per day costs	
02 Mileage costs	
654 Rehabilitation	
664 Deadheading, taxi and hotel costs	
01 Deadheading	
02 Taxi	
03 Hotel	
665 Overhead movement costs	
01 Transportation	
02 Equipment	
03 Freight train cars—mileage portion	
Total Computed On-Branch Costs	
(3) Off-Branch Avoidable Costs:	
661 Terminal Costs	
01 Modified terminal costs	
02 Normal terminal costs	
03 Interchange costs	
662 Freight train car costs	
663 Freight train revenue ton-mile costs	
Total Off-Branch Avoidable Costs	
(4) All Other Avoidable Costs:	
671 Working capital	
672 Required capital expenditures	
673 Deferred maintenance	
674 Current cost of freight train cars, locomotives, and other equipment	
675 Foregone tax benefits	
676 Administrative costs	
677 Deferred subsidy payment costs	
678 Casualty reserve expenses	
Total, all other avoidable costs	
681 Reasonable return on the value of property	
682 Management fee	
(5) Total of avoidable costs, reasonable return and management fee	\$

(C) Service Units

		Direct on-branch	Overhead movement
(1) On-Branch Service Units—Freight-Car Accounts:			
821	Freight train car miles (loaded and empty):		
01	Box—Plain 40 foot		
02	Box—Plain 50 foot or longer		
03	Box—Equipped		
04	Gondola—Plain		
05	Gondola—Equipped		
06	Hopper—Covered		
07	Hopper—Open top—General Service		
08	Hopper—Open top—Special Service		
09	Refrigerator—Mechanical		
10	Refrigerator—Nonmechanical		
11	Flat—TOFC/COFC		
12	Flat—Multi-level		
13	Flat—General Service		
14	Flat—Other		
15	All other cars		
823	Freight-train Car-days (loaded and empty):		
01	Box—Plain 40 foot		
02	Box—Plain 50 foot or longer		
03	Box—Equipped		
04	Gondola—Plain		
05	Gondola—Equipped		
06	Hopper—Covered		
07	Hopper—Open top—General Service		
08	Hopper—Open top—Special Service		
09	Refrigerator—Mechanical		
10	Refrigerator—Nonmechanical		
11	Flat—TOFC/COFC		
12	Flat—Multi-level		
13	Flat—General Service		
14	Flat—Other		
15	All other cars		
		Total off-branch	Overhead movement
			Net off-branch
Locomotive-Mile Accounts			
813	Road locomotive unit miles		
841	Road diesel locomotive gross ton-miles		
842	Road electric locomotive gross ton-miles		
Locomotive Unit Hour Accounts			
832	Road locomotive unit hours		
833	Road diesel locomotive unit hours		
834	Road electric locomotive unit hours		
835	Yard locomotive unit hours		
836	Yard diesel locomotive unit hours		
837	Yard electric locomotive unit hours		
Rented or Leased Equipment			
851	Freight train car-days		
852	Floating equipment car-days		
855	Locomotive days		
Train hours			
861	Train hours		
		Total off-branch	Overhead movement
			Net off-branch
(2) Off-Branch Service Units—Car-Mile Accounts:			
822	Freight train loaded car-miles by car type:		
01	Box—General service—unequipped		
02	Box—General service—equipped		
03	Box—Special service		
04	Gondola—General service		
05	Gondola—Special service		
06	Hopper—open—General service		
07	Hopper—open—Special service		
08	Hopper—covered		

	Total off-branch	Overhead movement	Net off-branch
09 Stock			
10 Flat—General service			
11 Flat—Special service			
12 Flat—TOFC			
13 Autorack			
14 Refrigerator—Meat mechanical			
15 Refrigerator—Other mechanical			
16 Refrigerator—Meat nonmechanical			
17 Refrigerator—Other nonmechanical			
18 Tank 9,999 gallons and under			
19 Tank 10,000—18,999 gal			
20 Tank 19,000—21,999 gal			
21 Tank 22,000—27,999 gal			
22 Tank 28,000—31,999 gal			
23 Tank 32,000 and over			
24 All other			
Ton-Mile Accounts			
831 Revenue ton-miles			

[43 FR 1733, Jan. 11, 1978, as amended at 43 FR 28498, June 30, 1978; 44 FR 9730, Feb. 14, 1979]

950 Text and chart of accounts.

This section defines each account outlined in the format shown under section 940 of these regulations.

(a) *Attributable revenues—101 Freight.*

(1) This account shall include revenue from the transportation of freight and from transit, stop, and recognizing privileges, upon the basis of lawful tariff rates.

(2) This account shall include collections in excess of tariff charges, except where such amounts are segregated and held subject to refund.

(3) Proceeds derived from the sale of unclaimed and refused freight which has been transported in accordance with the contract of shipment shall be credited to this account in cases where such items can be readily identified. Uncollectible tariff charges on such shipments shall be charged to this account.

(4) Amounts determined to be uncollectible shall be accounted for in accordance with the text of account 63-61-00, "General—Uncollectible accounts."

ITEMS TO BE CREDITED

(a) Revenue upon the basis of local freight tariff rates, regardless of class of train in which the freight is transported.

(b) The carrier's proportion of revenue upon the basis of through freight tariff rates, regardless of class of train in which the freight is transported.

(c) Revenue from transportation of mail matter, and empty mail pouches, at freight rates.

(d) Revenue from transportation of freight on special trains at rates based on weights of shipments.

(e) Revenue on basis of classifications and freight tariffs from transportation of caretakers of freight shipments.

(f) Revenue from reconsigning privileges.

(g) Revenue from stop privileges.

(h) Revenue from transit privileges.

(i) Revenue upon the basis of arbitraries out of freight, rates for water transfers (ferriage, lighterage, and floatage).

(j) Revenue from transportation of trailers and containers on flat cars in TOFC/COFC service upon the basis of all-rail line-haul freight tariff rates and under arrangements for motor carrier-railroad joint haul, and from the loading and unloading of trailers and containers on and from flat cars upon the basis of tariff rates and under arrangements for motor carrier-railroad joint haul.

ITEMS TO BE CHARGED

(a) Amounts paid as bridge and ferry arbitraries on freight.

(b) Amounts paid for completing a haul.

(c) Amounts paid for elevation of freight.

(d) Amounts paid for switching services, in connection with the transportation of freight, on the basis of switching tariffs, and allowances out of through rates, including amounts paid for switching empty cars in connection with a freight revenue movement.

(e) Amounts paid for transferring freight between stations.

(f) Arbitraries and allowances to others for lighterage and wharfage.

(g) The carrier's proportion of overcharges resulting from the use of erroneous rates, weights, classifications or computations.

(h) The carrier's proportion of refunds on account of errors in routing and billing.

(i) The carrier's proportion of uncollected revenue on freight lost or destroyed in transit.

(j) The carrier's proportion of uncollected tariff charges on damaged shipments for which charges neither shipper nor consignee is liable.

(k) Amounts paid on basis of tariff rates for loading and unloading livestock.

(l) Amounts paid to motor truck companies for hauling trailers and containers to and from TOFC/COFC terminals, and allowances to shippers who perform such service on the basis of tariff rates.

NOTE A: Amounts paid for switching empty cars other than in connection with loaded movements shall be charged to operating expense account 61–32–XX, “General—Other Expenses—Transportation, Yard, Freight,” except that amounts paid for switching equipment for repairs shall be included in the appropriate equipment repair accounts.

NOTE B: Other carriers' proportion of revenue and of uncollectible undercharges paid by the carrier on account of its errors in routing and billing shall be charged to operating expense account 61–35–76, “General—Other Expenses—Transportation, Administrative Support.”

NOTE C: When a lessee company transports freight over the tracks of another carrier on the basis of a proportion of revenues under a joint arrangement, it shall include the entire compensation in its revenue and statistics, charging the appropriate joint facility expense and rental accounts with the amounts paid the lessor company, and the lessor company shall credit the corresponding accounts.

NOTE D: Revenue from the transportation of caretakers of freight shipments, when not included as a part of the freight charges on the waybill covering the freight shipments, shall be credited to account 102, “Passenger.”

NOTE E: This account shall be maintained so as to show separately payments and allowances for (a) terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates, further separated between (1) TOFC/COFC service, and (2) all other freight service; also (b) payments for switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement, and (c) payments on basis of tariff rates for loading and unloading livestock.

104 Switching. (1) This account shall include the revenue from switching service upon the basis of lawful tariff rates. To this account shall be credited the carrier's revenue upon the basis of tariff rates, or the carrier's allowance out of through rates, from the switching of cars of all kinds, loaded or empty, either locally at a station or within a switching district, between connecting lines, between local industries, or between connecting lines and local industries; revenue upon the basis of distinct tariff rates for “trapcar” and “ferry-car” service and for spotting cars; also the revenue from interwork switching at industrial plants, and the revenue from “penalty switching” incident to the improper delivery of cars by other carriers.

(2) To this account shall be charged amounts paid for switching when such switching service is provided for in the switching rate charged by the carrier.

NOTE: “Penalty switching” charges paid by the carrier shall be included in expense account 61–32–XX, “General—Other Expenses—Transportation, Yard, Freight.”

105 Water transfers. (1) This account shall include the revenue, from the transfer by water (ferriage, lighterage, and floatage), of passenger, freight, vehicles, and livestock, upon the basis of lawful local tariff rates.

(2) This account also shall include revenue from water transfers of other traffic, such as the revenue from towing beyond lighterage limits and all other towing for which an extra charge is made; insurance of freight afloat when billed out at other than cost; storage of freight afloat; grain overage in boats; pumping performed for outside parties; and for other similar sources.

(3) To this account shall be charged amounts payable to other companies or individuals for extra lighterage, extra towing, and for all other service when such payments represent revenue collected and credited to this account and not a directed expense.

NOTE: No revenue shall be included in this account for water transfers of passengers or shipments upon the basis of arbitraries out of rates for transportation involving rail line haul.

Surface Transportation Board, DOT

Pt. 1201

106 Demurrage. This account shall include the revenue from the detention of cars incident to loading, unloading, reconsigning, and stops in transit upon the basis of lawful tariffs for demurrage. This account shall also include the revenue from the detention of trailers and containers used in TOFC/COFC service, incident to loading and unloading, upon the basis of tariff rates.

NOTE: This account shall be maintained so as to reflect separately (1) revenue from detention of cars, and (2) revenue from detention of trailers and containers used in TOFC/COFC service.

110 Incidental. This account is designed to show the amounts which the carrier becomes entitled to receive from services rendered incidentally with rail-line and water-line transportation; for the use of facilities of which the expenses for operation and maintenance are not separable from railway expenses and from incidental sources not provided for elsewhere. Among the items included in this account are revenues derived from (1) hotels and restaurants, (2) operations conducted at stations and on trains by individual or companies other than railway companies, (3) storage, (4) the sale of electric power, (5) renting property operated and maintained in connection with the property used in the carrier's transportation operations and from railway operations not provided for elsewhere.

121 Joint facility, credit. This account shall include the carrier's proportion of revenue collected by others in connection with the operation of joint tracks, yards, terminals, and other facilities, including revenue from hotels, restaurants, grain elevators, sale of power, and other miscellaneous operations.

NOTE A: The purpose of this account is to show the amounts of revenue from the operation of joint tracks, yards, terminals and other facilities operated by other companies, which under existing contracts or agreements are credited by the operating company to the tenant companies which participate therein. The bill rendered by any creditor company against a debtor company for the latter's proportion of the expense of maintenance and operation of joint facilities, which includes also a credit covering a proportion of the revenue to be paid over, shall show the distribution of the credit for such proportion of the revenue separately

from the distribution of the expense of operation.

NOTE B: No credits shall be made to this account representing amounts creditable by the operating company to primary accounts 101-103, 105, and 110.

122 Joint facility, debit. This account shall include that proportion of revenue from the operation of joint tracks, yards, terminals, and other facilities, which is creditable to other companies, including revenue from hotels, restaurants, grain elevators, sale of power, and other miscellaneous operations.

NOTE A: The purpose of this account is to show the amount of revenue from operation of a terminal company or other carrier which, under the terms of existing contracts or agreements covering the joint use of tracks, yards, and other facilities, is credited to other carriers that participate in the benefits from such joint use. The bill rendered by a creditor company against a debtor company for the latter's proportion of expense of maintaining and operating joint facilities, which includes a credit covering the debtor company's proportion of the revenues from operation of such joint facilities, shall indicate separately the proper distribution of both the revenues and the expenses included in the bill, and such distribution shall be adhered to the debtor.

NOTE B: No debits shall be made to this account representing amounts creditable by the operating company to primary accounts 101-103, 105, and 110.

OTHER INCOME ACCOUNTS

506 Revenues from property used in other than carrier operations. This account shall include the total revenues derived from property used in other than carrier operations, the cost of which is includible in balance-sheet account 737, "Property used in other than carrier operations."

510 Miscellaneous rent income. (1) This account shall include such rents of property owned and controlled by the accounting carrier as are not provided for in the foregoing accounts.

(2) This account shall be charged with the cost of maintenance of the property rented, also specific incidental expenses in connection with such property, such as the cost of negotiating contracts, advertising for tenants, fees paid conveyancers, collectors' commissions, and analogous items.

NOTE A: If property the rent of which is chargeable to account 543—“Miscellaneous rents,” is sublet by the accounting company, the rent receivable therefore shall be credited to this account.

NOTE B: Taxes on property the rent of which is creditable to this account shall be charged to account 553—“Taxes on property used in other than carrier operations.”

NOTE C: The rent from property carried in balance-sheet account 737—“Property used in other than carrier operations,” shall not be included in this account, but in account 506—“Revenues from property used in other than carrier operations.”

NOTE D: Rent and other income from real estate acquired for new lines or for additions and betterments shall be credited to the appropriate road and equipment accounts until the completion or coming into service of the property.

519 Miscellaneous income. (1) This account shall include all items, not provided for elsewhere, properly creditable to income accounts during the current year. Among the items which shall be included in this account are:

(i) Cancellation of balance sheet accounts representing unclaimed wages and vouchered accounts written off because of carrier's inability to locate the creditor.

(ii) Profit from sale of land used for transportation purposes, of noncarrier property and of securities acquired for investment purposes.

(2) Gains from extinguishment of debt shall be aggregated and, if material, credited to account 570 “Extraordinary Items,” upon approval by the Commission; however, gains from extinguishment of debt (excluding debt maturing serially), which is made to satisfy sinking fund requirements, shall be recorded in this account regardless of amount.

599 Subsidy payments from preexisting contracts. This account shall include all payments made to the operating carrier of a subsidized line that (1) existed prior to the commencement of operations under a subsidy operating agreement and (2) would cease if freight service on the line were discontinued.

(b) *On-branch avoidable cost.*

(1) *Actual and apportioned expense accounts.*

PERSONNEL

Control 10–00–00

This account may be used as a control account for all accounts in the PERSONNEL Series: Salaries and Wages; Fringe Benefits Not Included in Compensation.

Salaries and Wages—Control. This control account includes the compensation payable to employees for services performed. It includes amounts payable in connection with profit sharing and stock option plans that are part of employee compensation. This control account also includes amounts of compensation payable to employees for paid time off as a fringe benefit: vacation pay, holiday pay, sick pay, and other payments considered direct compensation for time not worked. Amounts of labor billed by contractors, other companies, and joint facilities, are not considered salaries and wages of the carrier company and are not to be included in this account group. Its components shall be distributed to the following accounts in accordance with instruction 1–14 of Part 1201, Subpart A:

Salaries and wages—way and structures—running: Freight 11–11–XX

This account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's roadway and track on the line of road and outside of classification yards. Compensation payable to officers and technical and clerical employees shall only be assigned to Way and Structures—Other. This account shall be subdivided by the following functions:

Repair and maintenance

Roadway	11–11–10
Tunnels and subways	11–11–11
Bridges and culverts	11–11–12
Track laying and surfacing	11–11–17
Signals and interlockers	11–11–19
Highway grade crossings	11–11–22
Dismantling retired property	11–11–39
Road property and equipment damaged	11–11–48
Other—other	11–11–99
Salaries and wages—way and structures—switching: Freight	11–12–XX

This account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's roadway and track within classification yards and stations. Compensation payable to officers and technical and clerical employees shall be assigned to Way and Structures—Other. This account shall be subdivided by the following functions:

Repair and maintenance

Roadway	11–12–10
Tunnels and subways	11–12–11
Bridges and culverts	11–12–12
Track laying and surfacing	11–12–17
Signals and interlockers	11–12–19
Highway grade crossings	11–12–22

Surface Transportation Board, DOT

Pt. 1201

Dismantling retired property	11-12-39
Road property and equipment damaged	11-12-48
Other—other	11-12-99
Salaries and wages—way and structures— other: Freight	11-13-XX

This account includes the compensation payable to all repair and maintenance employees and others who are associated with the repair and maintenance of the carrier's structures other than roadway and track. Each administration account (functions 02-06) includes the compensation payable to all officers and technical and clerical employees associated with the Way and Structures Activity. This account shall be subdivided by the following functions:

Administration	
Track	11-13-02
Bridges and buildings	11-13-03
Signals	11-13-04
Communications	11-13-05
Other	11-13-06
Repair and maintenance	
Communication systems	11-13-20
Electric power systems	11-13-21
Station and office buildings	11-13-23
Shop buildings—locomotives	11-13-24
Shop buildings—freight cars	11-13-25
Shop buildings—other	11-13-26
Locomotive servicing facilities	11-13-27
Miscellaneous buildings and structures	11-13-28
Coal terminals	11-13-29
Ore terminals	11-13-30
TOFC/COFC terminals	11-13-31
Other marine terminals	11-13-32
Motor vehicle loading and distribution facilities	11-13-33
Facilities for other specialized services operations	11-13-35
Roadway machines	11-13-36
Small tools and supplies	11-13-37
Snow removal	11-13-38
Dismantling retired property	11-13-39
Road property and equipment damaged	11-13-48
Other—other	11-13-99
Salaries and wages—equipment—locomotives: Freight	11-21-XX

This account includes the compensation payable to all officers and technical and clerical employees, repair and maintenance employees, and others who are associated with the repair and maintenance of locomotives, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—general	11-21-01
Repair and maintenance	
Dismantling retired property	11-21-39
Shop machinery	11-21-40
Locomotives	11-21-41
Road property and equipment damaged	11-21-48
Other—other	11-21-99
Salaries and Wages—Equipment—Freight Cars: Freight	11-22-XX

This account includes the compensation payable to all officers, technical and clerical employees, repair and maintenance employees, and others, who are associated with the repair and maintenance of freight cars,

whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—general	11-22-01
Repair and maintenance	
Dismantling retired property	11-22-39
Shop machinery	11-22-40
Freight cars	11-22-42
Road property and equipment damaged	11-22-48
Other—other	11-22-99
Salaries and wages—equipment—other equip- ment: Freight	11-23-XX

This account includes the compensation payable to all officers, technical and clerical employees, repair and maintenance employees, and others, who are associated with the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—general	11-23-01
Repair and maintenance	
Dismantling retired property	11-23-39
Shop machinery	11-23-40
Trucks, trailers, containers in revenue service	11-23-43
Floating equipment—revenue service	11-23-44
Passenger and other revenue equipment	11-23-45
Computers and data processing equipment	11-23-46
Work and other non-revenue equipment	11-23-47
Road property and equipment damaged	11-23-48
Other—other	11-23-99
Salaries and wages—transportation—train: Freight	11-31-XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees, who are associated with the dispatching and operation of freight trains over the roadway and outside of classification yards. This account shall be subdivided by the following functions:

Administration—general	11-31-01
Operations	
Engine crews	11-31-56
Train crews	11-31-57
Dispatching trains	11-31-58
Operating switches, signals, interlockers, re- tarders, humps	11-31-59
Operating drawbridges	11-31-60
Highway crossing protection	11-31-61
Train inspection and lubrication	11-31-62
Clearing wrecks	11-31-63
Locomotive fuel	11-31-67
Electric power purchased/produced for motive power	11-31-68
Servicing locomotives	11-31-69
Other—other	11-31-99
Salaries and wages—transportation—yard: Freight	11-32-XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees, who are associated with the movement of freight cars within

Pt. 1201

classification yards and in terminal switching and transfer service. This account shall be subdivided by the following functions:

Administration—general	11-32-01
Operations	
Operating switches, signals, interlockers, retarders, humps	11-32-59
Clearing wrecks	11-32-63
Switch crews	11-32-64
Controlling operations	11-32-65
Yard and terminal clerical	11-32-66
Locomotive fuel	11-32-67
Electrical power purchased/produced for motive power	11-32-68
Servicing locomotives	11-32-69
Other—other	11-32-99
Salaries and wages—transportation—train and yard common: Freight	11-33-XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees performing functions incurred on behalf of both train and yard operations. This account shall be subdivided by the following functions:

Operations	
Cleaning car interiors	11-33-70
Adjusting and transferring loads	11-33-71
Car loading devices and grain doors	11-33-72
Salaries and wages—transportation—specialized services: Freight	11-34-XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees who are associated with operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services. This account shall be subdivided by the following functions:

Administration—general	11-34-01
Operations	
Pickup and delivery, marine line haul, and rail substitute service	11-34-73
Loading, unloading, and local marine	11-34-74
Protective service	11-34-75
Other—other	11-34-99
Salaries and wages—transportation—administrative support: Freight	11-35-XX

This account includes the compensation payable to all officers, technical and clerical employees, engine and train crews, and other operational employees, who are associated with providing direct administrative support for the Transportation Activity. For further clarification refer to the definition of the Administrative Support Operations Subactivity contained in Part 1201, Subpart A. This account shall be subdivided by the following functions:

Administration—general	11-35-01
Operations	
Clerical and accounting employees	11-35-76

49 CFR Ch. X (10-1-96 Edition)

Communication systems operations	11-35-77
Loss and damage claims processing	11-35-78
Other—other	11-35-99
Salaries and wages—general and administrative: Freight	11-61-XX

This account includes the compensation payable to all employees who are associated with overall administration or other general support for carrier operations. Overall administration includes executive, legal, financial, treasury, accounting, budgeting, taxation, corporate planning, costing, marketing, advertising, traffic, corporate secretary, public relations, real estate, insurance administration, personnel administration, pension plan administration, general purchasing, labor relations, internal auditing, industrial engineering, and regulatory reporting. For further clarification refer to the definition of the General and Administrative Activity contained in Part 1201, Subpart A. This account shall be subdivided by the following functions:

Administration—general	11-61-01
General	
Accounting, auditing, finance	11-61-86
Management services and data processing	11-61-87
Marketing	11-61-88
Sales	11-61-89
Industrial development	11-61-90
Personnel and labor relations	11-61-91
Legal and secretarial	11-61-92
Public relations and advertising	11-61-93
Research and development	11-61-94
Other—other	11-61-99
Fringe benefits not included in compensation—control	12-00-00

This control account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation. These benefits include the carrier portions of Railroad Retirement contributions, pension expense, unemployment taxes, dental plans, health plans, hospitalization insurance, life insurance, subsidies for employee lunchrooms, company entertainment facilities for personal use, and other benefits to employees that are not includable in direct compensation. They exclude travel expense on company business, casualties, workmen's compensation, as well as dues, memberships, and similar items when the direct beneficiary is clearly the company rather than the employee.

Fringe benefits not included in compensation—way and structures—running: Freight	12-11-00

This account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of the carrier's roadway and track on the line of road and outside of classification yards.

Surface Transportation Board, DOT

Pt. 1201

Fringe benefits not included in compensation—
way and structures—switching: Freight 12-12-00

This account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with repair and maintenance of the carrier's roadway and track within classification yards and stations.

Fringe benefits not included in compensation—
way and structures—other: Freight 12-13-00

This account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of the carrier's structures other than roadway and track, and who are associated with the Administration of the Way and Structures Activity.

Fringe benefits not included in compensation—
equipment—locomotives: Freight 12-21-00

This account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of locomotives, whether owned by the carrier or by others.

Fringe benefits not included in compensation—
equipment—freight cars: Freight 12-22-00

This account includes amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of freight cars, whether owned by the carrier or by others.

Fringe benefits not included in compensation—
equipment—other equipment: 12-23-00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others.

Fringe benefits not included in compensation—
transportation—train: Freight 12-31-00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the dispatching and operating of freight trains over the roadway and outside of classification yards.

Fringe benefits not included in compensation—
transportation—yard: Freight 12-32-00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with the movement of freight cars within classification yards and in terminal switching and transfer service.

Fringe benefits not included in compensation—
transportation—train and yard Common: Freight 12-33-00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees performing functions incurred on behalf of both train and yard operations.

Fringe benefits not included in compensation—
transportation—specialized services: Freight 12-34-00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services.

Fringe benefits not included in compensation—
transportation—administrative support: Freight 12-35-00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who are associated with providing direct administrative support for the Transportation Activity. For further clarification refer to the definition of the Administrative Support Operations Subactivity contained in Part 1201, Subpart A.

Fringe benefits not included in compensation—
general and administrative: Freight 12-61-00

This account includes the amounts payable to others, or other costs charged to expense, for employee benefits which are not considered part of direct compensation for employees who provide overall administration or other general support for carrier operations. Overall administration includes executive, legal, financial, treasury, accounting, budgeting, taxation, corporate planning, costing, marketing, advertising, traffic, corporate secretary, public relations, real estate, insurance administration, personnel administration, pension plan administration, general purchasing, labor relations, internal auditing, industrial engineering, and regulatory reporting. For further clarification refer to the definition of the General and Administrative Activity contained in Part 1201, Subpart A.

Pt. 1201

49 CFR Ch. X (10–1–96 Edition)

MATERIEL

Control 20–00–00

This account may be used as a control account for the MATERIEL series: Materials, Tools, Supplies, Fuels, Lubricants.

Materials, tools, supplies, fuels, lubricants—
Control 21–00–00

This account group includes the cost of items installed or commodities consumed which are charged to expense in connection with carrier operations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. This account excludes purchased services such as utilities, communications, postage and other items of similar nature.

Materials, tools, supplies, fuels, lubricants—
way and structures—Running: Freight 21–11–XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's roadway and track on the line of the road and outside of classification yards. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials, and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1–8 of Part 1201, Subpart A:

Repair and maintenance

Roadway	21–11–10
Tunnels and subways	21–11–11
Bridges and culverts	21–11–12
Ties	21–11–13
Rails	21–11–14
Other track material	21–11–15
Ballast	21–11–16
Track laying and surfacing	21–11–17
Signals and interlockers	21–11–19
Highway grade crossings	21–11–22
Dismantling retired property	21–11–39
Road property and equipment damaged	21–11–48
Other—other	21–11–99
Materials, tools, supplies, fuels, lubricants— way and structures—switching: Freight	21–12–XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's roadway and track within classification yards and stations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its

components shall be distributed to the following functions in accordance with instruction 1–8 of Part 1201, Subpart A:

Repair and maintenance

Roadway	21–12–10
Tunnels and subways	21–12–11
Bridges and culverts	21–12–12
Ties	21–12–13
Rails	21–12–14
Other track material	21–12–15
Ballast	21–12–16
Track laying and surfacing	21–12–17
Signals and interlockers	21–12–19
Highway grade crossings	21–12–22
Dismantling retired property	21–12–39
Road property and equipment damaged	21–12–48
Other—other	21–12–99
Materials, tools, supplies, fuels, lubricants— way and structures—other: Freight	21–13–XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of the carrier's structures not provided for in running or switching. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1–8 of Part 1201, Subpart A:

Administration

Track	21–13–02
Bridges and buildings	21–13–03
Signals	21–13–04
Communications	21–13–05
Other	21–13–06

Repair and maintenance

Communication systems	21–13–20
Electric power systems	21–13–21
Station and office buildings	21–13–23
Shop buildings—locomotives	21–13–24
Shop buildings—freight cars	21–13–25
Shop buildings—other equipment	21–13–26
Locomotive servicing facilities	21–13–27
Miscellaneous buildings and structures	21–13–28
Coal terminals	21–13–29
Ore terminals	21–13–30
TOFC/COFC terminals	21–13–31
Other marine terminals	21–13–32
Motor vehicle loading and distribution facilities	21–13–33
Facilities for other specialized services operations	21–13–35
Roadway machines	21–13–36
Small tools and supplies	21–13–37
Snow removal	21–13–38
Dismantling retired property	21–13–39
Road property and equipment damaged	21–13–48
Other—other	21–13–99
Materials, tools, supplies, fuels, lubricants— equipment—locomotives: Freight	21–21–XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of locomotives, whether owned by the carrier or by others.

Surface Transportation Board, DOT

This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1-8 of Part 1201, Subpart A:

Administration—General	21-21-01
Repair and maintenance	
Dismantling retired property	21-21-39
Machinery	21-21-40
Locomotives	21-21-41
Road property and equipment	21-21-48
Other—other	21-21-99
Materials, tools, supplies, fuels, lubricants— equipment—freight cars: Freight	21-22-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of freight cars, whether owned by the carrier or by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1-8 of Part 1201, Subpart A:

Administration—general	21-22-01
Repair and maintenance	
Dismantling retired property	21-22-39
Machinery	21-22-40
Freight cars	21-22-42
Road property and equipment damaged	21-22-48
Other—other	21-22-99
Materials, tools, supplies, fuels, lubricants— equipment—other equipment: Freight	21-23-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in the performance or support of the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1-8 of Part 1201, Subpart A:

Administration—general	21-23-01
Repair and maintenance	
Dismantling retired property	21-23-39
Machinery	21-23-40
Trucks, trailers, containers in revenue service	21-23-43
Floating equipment—revenue service	21-23-44
Passenger and other revenue equipment	21-23-45
Computers and data processing equipment	21-23-46
Work and other nonrevenue equipment	21-23-47
Road property and equipment damaged	21-23-48

Pt. 1201

Other—other	21-23-99
Materials, tools, supplies, fuels, lubricants— transportation—train: Freight	21-31-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with the dispatching and operation of freight trains over the roadway and outside of classification yards. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1-8 of Part 1201, Subpart A:

Administration—general	21-31-01
Operations	
Engine crews	21-31-56
Train crews	21-31-57
Dispatching trains	21-31-58
Operating switches, signals, interlockers, re- tarders, humps	21-31-59
Operating drawbridges	21-31-60
Highway crossing protection	21-31-61
Train inspection and lubrication	21-31-62
Clearing wrecks	21-31-63
Locomotive fuels	21-31-67
Electric power purchased/produced for motive power	21-31-68
Servicing locomotives	21-31-69
Other—other	21-31-99
Materials, tools, supplies, fuels, lubricants— transportation—yard: Freight	21-32-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with the movement of freight cars within classification yards and in terminal switching and transfer service. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1-8 of Part 1201, Subpart A:

Administration—general	21-32-01
Operations	
Operating switches, signals, interlockers, re- tarders, humps	21-32-59
Clearing wrecks	21-32-63
Switch crews	21-32-64
Controlling operations	21-32-65
Yard and terminal clerical	21-32-66
Locomotive fuel	21-32-67
Electric power purchased/produced for motive power	21-32-68
Servicing locomotives	21-32-69
Other—other	21-32-99
Materials, tools, supplies, fuels, lubricants— transportation—train and yard common: Freight	21-33-XX

This account includes the cost of items installed or commodities consumed which are

Pt. 1201

charged to expense, where such items are consumed on behalf of both train and yard operations. This account includes charges to expense for all materials, small tools, supplies, fuels, lubricants, purchased standard stationery and forms, freight-in on materials and supplies, and similar items. Its components shall be distributed to the following functions in accordance with instruction 1-8 of Part 1201, Subpart A:

Operations	
Cleaning car interiors	21-33-70
Adjusting, transferring loads	21-33-71
Car loading devices and grain doors	21-33-72
Materials, tools, supplies, fuels, lubricants— transportation—specialized services: Freight	21-34-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services. This account shall be subdivided by the following functions:

Administration—general	21-34-01
Operations	
Pick up and delivery, marine line haul, and rail substitute service	21-34-73
Loading, unloading, and local marine	21-34-74
Protective services	21-34-75
Other—other	21-34-99
Materials, tools, supplies, fuels, lubricants— transportation—administrative support: Freight	21-35-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in association with providing direct administrative support for the Transportation Activity. For further clarification refer to the definition of the Administrative Support Operations Subactivity contained in Part 1201, Subpart A. This account shall be subdivided by the following functions.

Administration—general	21-35-01
Operations	
Clerks, accounting employees	21-35-76
Communication systems operations	21-35-77
Loss and damage claims processing	21-35-78
Other—other	21-35-99
Materials, tools, supplies, fuels, lubricants— general and administrative: Freight	21-61-XX

This account includes the cost of items installed or commodities consumed which are charged to expense, where such items are consumed in providing overall administration or other general support for carrier operations. For further clarification refer to the definition of the General and Administrative Activity contained in Part 1201, Subpart A. This account shall be subdivided by the following functions:

49 CFR Ch. X (10-1-96 Edition)

Administration—general	21-61-01
General	
Accounting, auditing, finance	21-61-86
Management services and data processing	21-61-87
Marketing	21-61-88
Sales	21-61-89
Industrial development	21-61-90
Personnel and labor relations	21-61-91
Legal and secretarial	21-61-92
Public relations and advertising	21-61-93
Research and development	21-61-94
Other—other	21-61-99

PURCHASED SERVICES

Control	30-00-00

This account may be used as a control account for all accounts in the PURCHASED SERVICES series:

Lease rentals—Credit	
Joint facility rent—Debit	
Joint facility rent—Credit	
Other rents—Debit	
Other rents—Credit	
Joint facility—Debit	
Joint facility—Credit	
Repairs billed by others—Debit	
Repairs billed to others—Credit	
Other purchased services	
Lease rentals—debit—control	31-00-00

This control account includes the rentals of road property and equipment with terms of 30 days or more. This account excludes joint facility and joint trackage rents, insurance and maintenance elements of lease payments, and all elements of capital leases as defined in FASB Statement No. 13. The components of this natural expense will be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Lease rentals—debit—way and structures— running: freight	31-11-00
Lease rentals—debit—way and structures— switching: freight	31-12-00
Lease rentals—debit—way and structures— other: freight	31-13-00
Lease rentals—debit—equipment—loco- motives: freight	31-21-00
Lease rentals—debit—equipment—freight cars: freight	31-22-00
Lease rentals—debit—equipment—other equip- ment: freight	31-23-00
Lease rentals—credit—control	32-00-00

This control account includes the rentals of owned property and equipment or subleases of leased road property and equipment with terms of from 30 days to one year. Longer term leases are indicative of a non-carrier operation and all revenues and expenses related to such property and equipment should be classified accordingly and excluded from railroad operations. This account excludes joint facilities and joint trackage, capital leases, and portions of

Surface Transportation Board, DOT

Pt. 1201

lease receipts covering maintenance and insurance. The components of this natural expense account will be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Lease rentals—credit—way and structures—running: freight	32-11-00
Lease rentals—credit—way and structures—switching: freight	32-12-00
Lease rentals—credit—way and structures—other: freight	32-13-00
Lease rentals—credit—equipment—locomotives: freight	32-21-00
Lease rentals—credit—equipment—freight cars: freight	32-22-00
Lease rentals—credit—equipment—other equipment: freight	32-23-00
Joint facility rents—debit—control	33-00-00

This control account includes amounts payable accrued as rent for equipment, tracks, yards, terminals, and other facilities owned or controlled by other carriers, companies, or individuals, and in the joint use of which the accounting company participates. Amounts paid or payable by the accounting company in reimbursement for taxes on property jointly used shall be charged to this account.

NOTE: The cost of maintenance, operation, or administration of joint facilities, chargeable to the accounting company, shall be charged to the various joint facility accounts (37-XX-00). When the compensation for the use of joint facilities is a fixed amount or is based upon a charge per ton, car, or other unit, it shall be fairly apportioned between this account and Joint Facility—Dr. (37-XX-00). This apportionment shall be made by the operating company, and shall be followed by the accounting company. The components of this natural expense consist of the following accounts:

Joint facility rents—debit—way and structures—running: Freight	33-11-00
Joint facility rents—debit—way and structures—switching: Freight	33-12-00
Joint facility rents—debit—way and structures—other: Freight	33-13-00
Joint facility rents—debit—equipment—locomotives: Freight	33-21-00
Joint facility rents—debit—equipment—freight cars: Freight	33-22-00
Joint facility rents—debit—equipment—other equipment: Freight	33-23-00
Joint facility rents—credit—control	34-00-00

This control account includes amounts receivable accrued for rent of equipment, tracks, yards, terminals and other facilities owned or controlled by the accounting company and used jointly with other companies or individuals. Amounts receivable from other companies in reimbursement for taxes on property jointly used shall be credited to this account.

NOTE: The portion of the cost of maintenance, operation, or administration of joint facilities recoverable from others shall be

credited to the various joint facility accounts (38-XX-00). When the compensation for the use of joint facilities is a fixed amount or is based upon a charge per ton, car, or other unit, it shall be fairly apportioned by the creditor between this account and Joint Facility—credit (28-XX-00).

Joint facility rents—credit—way and structures—running: Freight	34-11-00
Joint facility rents—credit—way and structures—switching: Freight	34-12-00
Joint facility rents—credit—way and structures—other: Freight	34-13-00
Joint facility rents—credit—equipment—locomotives: Freight	34-21-00
Joint facility rents—credit—equipment—freight cars: Freight	34-22-00
Joint facility rents—credit—equipment—other equipment: Freight	34-23-00
Other rents—debit—control	35-00-00

This account includes the rents with terms of less than 30 days which are not renewed. This account includes all time and mileage payments for interchange locomotive, freight car, and other revenue equipment hire. The components of this account will be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Other rents—debit—way and structures—running: Freight: Freight	35-11-00
Other rents—debit—way and structures—switching: Freight	35-12-00
Other rents—debit—way and structures—other: Freight	35-13-00
Other rents—debit—equipment—locomotives: Freight	35-21-00
Other rents—debit—equipment—freight cars: Freight	35-22-00
Other rents—debit—equipment—other equipment: Freight	35-23-00
Other rents—credit—control	36-00-00

This account includes rents with terms of less than 30 days which are not renewed. This account includes all time and mileage receipts for interchanged locomotive, freight car, and other revenue equipment hire. The components of this account will be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Other rents—credit—way and structures—running: Freight	36-11-00
Other rents—credit—way and structures—switching: Freight	36-12-00
Other rents—credit—way and structures—other: Freight	36-13-00
Other rents—credit—equipment—locomotives: Freight	36-21-00
Other rents—credit—equipment—freight cars: Freight	36-22-00
Other rents—credit—equipment—other equipment: Freight	36-23-00
Joint facility—debit—control	37-00-00

This account includes joint trackage and joint facility costs, exclusive of rents, payable by the railroad to others. The components of this account will be distributed to

Pt. 1201

the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Joint Facility—debit—way and structures—running: Freight	37-11-00
Joint Facility—debit—way and structures—switching: Freight	37-12-00
Joint Facility—debit—way and structures—other: Freight	37-13-00
Joint facility—debit—equipment—locomotives: Freight	37-21-00
Joint facility—debit—equipment—freight cars: Freight	37-22-00
Joint facility—debit—equipment—other equipment: Freight	37-23-00
Joint facility—debit—transportation—train: Freight	37-31-00
Joint facility—debit—transportation—yard: Freight	37-32-00
Joint facility—debit—transportation—specialized services: Freight	37-34-00
Joint facility—debit—transportation—administrative support: Freight	37-35-00
Joint facility—debit—general and administrative: Freight	37-61-00
Joint facility—credit—control	38-00-00

This account includes joint trackage and joint facility costs, exclusive of rents, payable by others to the railroad. The components of this account will be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Joint facility—credit—way and structures—running: Freight	38-11-00
Joint facility—credit—way and structures—switching: Freight	38-12-00
Joint facility—credit—way and structures—other: Freight	38-13-00
Joint facility—credit—equipment—locomotives: Freight	38-21-00
Joint facility—credit—equipment—freight cars: Freight	38-22-00
Joint facility—credit—equipment—other equipment: Freight	38-23-00
Joint facility—credit—transportation—train: Freight	38-31-00
Joint facility—credit—transportation—yard: Freight	38-32-00
Joint facility—credit—transportation—specialized services: Freight	38-34-00
Joint facility—credit—transportation—administrative support: Freight	38-35-00
Joint facility—credit—general and administrative: Freight	38-61-00
Repairs billed by others—debit—control	39-00-00

This account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property and equipment. The components of this account shall be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Repairs billed by others—debit—way and structures—running: Freight	39-11-XX

This account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property associated with the carrier's roadway and track on the line of road and outside of clas-

49 CFR Ch. X (10-1-96 Edition)

sification yards. This account shall be subdivided by the following functions:

Repair and maintenance

Roadway	39-11-10
Tunnels and subways	39-11-11
Bridges and culverts	39-11-12
Track laying and surfacing	39-11-17
Signals and interlockers	39-11-19
Highway grade crossings	39-11-22
Road property and equipment damaged	39-11-48
Repairs billed by others—debit—way and structures—switching: Freight	39-12-XX

This account includes amounts payable by the railroad to others for repair and maintenance of the reporting railroad's property associated with the carrier's roadway and track within classification yards and stations. This account shall be subdivided by the following functions:

Repair and maintenance

Roadway	39-12-10
Tunnels and subways	39-12-11
Bridges and culverts	39-12-12
Track laying and surfacing	39-12-17
Signals and interlockers	39-12-19
Highway grade crossings	39-12-22
Road property and equipment damaged	39-12-48
Repairs billed by others—debit—way and structures—other: Freight	39-13-XX

This account includes amounts payable by the railroad to others for repair and maintenance of the carrier's structures other than roadway and track. This account shall be subdivided by the following functions:

Repair and maintenance

Communication systems	39-13-20
Electric power systems	39-13-21
Station and office buildings	39-13-23
Shop buildings—locomotives	39-13-24
Shop buildings—freight cars	39-13-25
Shop buildings—other equipment	39-13-26
Locomotive servicing facilities	39-13-27
Miscellaneous buildings and structures	39-13-28
Coal terminals	39-13-29
Ore terminals	39-13-30
TOFC/COFC terminals	39-13-31
Other marine terminals	39-13-32
Motor vehicle loading and distribution facilities	39-13-33
Facilities for other specialized services operations	39-13-35
Roadway machines	39-13-36
Small tools and supplies	39-13-37
Snow removal	39-13-38
Road property and equipment damaged	39-13-48
Repairs billed by others—debit—equipment—locomotives: Freight	39-21-XX

This account includes amounts payable by the railroad to others for repair and maintenance under the locomotive subactivity. This account shall be subdivided by the following functions:

Repair and maintenance

Machinery	39-21-40
Locomotives	39-21-41
Road property and equipment damaged	39-21-48
Repairs billed by others—debit—equipment—freight cars: Freight	39-22-XX

Surface Transportation Board, DOT

Pt. 1201

This account includes amounts payable by the railroad to others for repair and maintenance under the freight car subactivity. This account shall be subdivided by the following function:

Repair and maintenance	
Machinery	39-22-40
Freight cars	39-22-42
Road property and equipment damaged	39-22-48
Repairs billed by others—debit—equipment—other equipment: Freight	39-23-XX

This account includes amounts payable by the railroad to others for the repair and maintenance of equipment not pertaining to the locomotive or freight car subactivity. This account shall be subdivided by the following functions:

Repair and maintenance	
Machinery	39-23-40
Trucks, trailers, and containers in revenue service	39-23-43
Floating equipment—revenue service	39-23-44
Passenger and other revenue equipment	39-23-45
Computers and data processing equipment	39-23-46
Work and other nonrevenue equipment	39-23-47
Road property and equipment damaged	39-23-48
Repairs billed to others—credit—control	40-00-00

This control account includes amounts payable by others to the railroad for repair and maintenance of others' road property and equipment. The components of this account shall be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Repairs billed to others—credit—way and structures—running: Freight	40-11-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' roadway and track on the line of road and outside of classification yards. This account shall be subdivided by the following functions:

Repair and maintenance	
Roadway	40-11-10
Tunnels and subways	40-11-11
Bridges and culverts	40-11-12
Track laying and surfacing	40-11-17
Signals and interlockers	40-11-19
Highway grade crossings	40-11-22
Road property and equipment damaged	40-11-48
Repairs billed to others—credit—way and structures—switching: Freight	40-12-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' roadway and track within classification yards and stations. This account shall be subdivided by the following functions:

Repair and maintenance	
Roadway	40-12-10
Tunnels and subways	40-12-11
Bridges and culverts	40-12-12
Track laying and surfacing	40-12-17

Signals and interlockers	40-12-19
Highway grade crossings	40-12-22
Road property and equipment damaged	40-12-48
Repairs billed to others—credit—way and structures—other: Freight	40-13-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' structures other than roadway and track. This account shall be subdivided by the following functions:

Repair and maintenance	
Communication systems	40-13-20
Electric power systems	40-13-21
Station and office buildings	40-13-23
Shop buildings—locomotives	40-13-24
Shop buildings—freight cars	40-13-25
Shop buildings—other equipment	40-13-26
Locomotive servicing facilities	40-13-27
Miscellaneous buildings and structures	40-13-28
Coal terminals	40-13-29
Ore terminals	40-13-30
TOFC/COFC terminals	40-13-31
Other marine terminals	40-13-32
Motor vehicle loading and distribution facilities	40-13-33
Facilities for other specialized services operations	40-13-35
Roadway machines	40-13-36
Small tools and supplies	40-13-37
Snow removal	40-13-38
Road property and equipment damaged	40-13-48
Repairs billed to others—credit—equipment—locomotives: Freight	40-21-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' locomotives. This account shall be subdivided by the following functions:

Repair and maintenance	
Machinery	40-21-40
Locomotives	40-21-41
Road property and equipment damaged	40-21-48
Repairs billed to others—credit—equipment—freight cars: Freight	40-22-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' freight cars. This account shall be subdivided by the following functions:

Repair and maintenance	
Machinery	40-22-40
Freight cars	40-22-42
Road property and equipment damaged	40-22-48
Repairs billed to others—credit—equipment—other equipment: Freight	40-23-XX

This account includes amounts payable by others to the railroad for repair and maintenance of other railroads' other equipment. This account shall be subdivided by the following functions:

Repair and maintenance	
Machinery	40-23-40
Trucks, trailers, and containers in revenue service	40-23-43
Floating equipment—revenue service	40-23-44
Passenger and other revenue equipment	40-23-45

Pt. 1201

Computers and data processing equipment	40-23-46
Work and other non-revenue equipment	40-23-47
Road property and equipment damaged	40-23-48
Other purchased services—control	41-00-00

This control account includes amounts charged or credited to operating expenses for purchased advertising; purchased printing; outside professional services such as legal, accounting, audit, engineering, and consulting; payments for detour of trains; utilities, telephone, postage, subscriptions, communications, purchased electric power for train and locomotive propulsion; and other services purchased. The components of this account shall be distributed to the following accounts in accordance with instruction 1-8 of Part 1201, Subpart A:

Other purchased services—way and structures—running: Freight	41-11-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Repair and maintenance

Roadway	41-11-10
Tunnels and subways	41-11-11
Bridges and culverts	41-11-12
Track laying and surfacing	41-11-17
Signals and interlockers	41-11-19
Highway grade crossings	41-11-22
Dismantling retired property	41-11-39
Road property and equipment damaged	41-11-48
Other—other	41-11-99
Other purchased services—way and structures—switching: Freight	41-12-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Repair and maintenance

Roadway	41-12-10
Tunnels and subways	41-12-11
Bridges and culverts	41-12-12
Track laying and surfacing	41-12-17
Signals and interlockers	41-12-19
Highway grade crossings	41-12-22
Dismantling retired property	41-12-39
Road property and equipment damaged	41-12-48
Other—other	41-12-99
Other purchased services—way and structures—other: Freight	41-13-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration

Track	41-13-02
Bridges and buildings	41-13-03
Signals	41-13-04
Communications	41-13-05
Other	41-13-06

49 CFR Ch. X (10-1-96 Edition)**Repair and maintenance**

Communication systems	41-13-20
Electric power systems	41-13-21
Station and office buildings	41-13-23
Shop buildings—locomotives	41-13-24
Shop buildings—freight cars	41-13-25
Shop buildings—other equipment	41-13-26
Locomotive servicing facilities	41-13-27
Miscellaneous buildings and structures	41-13-28
Coal terminals	41-13-29
Ore terminals	41-13-30
TOFC/COFC terminals	41-13-31
Other marine terminals	41-13-32
Motor vehicle loading and distribution facilities	41-13-33
Facilities for other specialized services operations	41-13-35
Roadway machines	41-13-36
Small tools and supplies	41-13-37
Snow removal	41-13-38
Dismantling retired property	41-13-39
Road property and equipment damaged	41-13-48
Other—other	41-13-99
Other purchased services—equipment—locomotives: Freight	41-21-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-21-01

Repair and maintenance

Dismantling retired property	41-21-39
Machinery	41-21-40
Locomotive	41-21-41
Road property and equipment damaged	41-21-48
Other—other	41-21-99
Other purchased services—equipment—freight cars: Freight	41-22-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-22-01

Repair and maintenance

Dismantling retired property	41-22-39
Machinery	41-22-40
Freight cars	41-22-42
Road property and equipment damaged	41-22-48
Other—other	41-22-99
Other purchased services—equipment—other equipment: Freight	41-23-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-23-01

Repair and maintenance

Dismantling retired property	41-23-39
Machinery	41-23-40
Trucks, trailers, containers in revenue service	41-23-43
Floating equipment—revenue service	41-23-44
Passenger and other revenue equipment	41-23-45
Computers and data processing equipment	41-23-46
Work and other nonrevenue equipment	41-23-47
Road property and equipment damaged	41-23-48

Surface Transportation Board, DOT

Pt. 1201

Other—other	41-23-99
Other purchased services—transportation— train: Freight	41-31-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-31-01
Operations	
Engine crews	41-31-56
Train crews	41-31-57
Dispatching trains	41-31-58
Operating switches, signals, interlockers, re- tarders, humps	41-31-59
Operating drawbridges	41-31-60
Highway crossing protection	41-31-61
Train inspection and lubrication	41-31-62
Clearing wrecks	41-31-63
Locomotive fuel	41-31-67
Electric power purchased/produced for motive power	41-31-68
Servicing locomotives	41-31-69
Other—other	41-31-99
Other purchased services—transportation— yard: Freight	41-32-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-32-01
Operations	
Operating switches, signals, interlockers, re- tarders, humps	41-32-59
Clearing wrecks	41-32-63
Switch crews	41-32-64
Controlling operations	41-32-65
Yard and terminal clerical	41-32-66
Locomotive fuel	41-32-67
Electric power purchased/produced for motive power	41-32-68
Servicing locomotives	41-32-69
Other—other	41-32-99
Other purchased services—transportation— train and yard common: Freight	41-33-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Operations	
Cleaning car interiors	41-33-70
Adjusting, transferring loads	41-33-71
Car loading devices and grain doors	41-33-72
Other purchased services—transportation— specialized services: Freight	41-34-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-34-01

Operations

Pick up and delivery, marine line haul, and rail substitute service	41-34-73
Loading, unloading, and local marine	41-34-74
Protective Services	41-34-75
Other—other	41-34-99
Other purchased services—transportation—ad- ministrative support: freight	41-35-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-35-01
Operations	
Clerks, accounting employees	41-35-76
Communication systems operations	41-35-77
Loss and damage claims processing	41-35-78
Other—other	41-35-99
Other purchased services—general and admin- istrative: freight	41-61-XX

This account includes amounts charged or credited to operating expenses for other purchased services specified in control account 41-00-00. This account shall be subdivided by the following functions:

Administration—general	41-61-01
General	
Accounting, auditing, finance	41-61-86
Management services and data processing	41-61-87
Marketing	41-61-88
Sales	41-61-89
Industrial development	41-61-90
Personnel and labor relations	41-61-91
Legal and secretarial	41-61-92
Public relations and advertising	41-61-93
Research and development	41-61-94
Other—other	41-61-99

CLAIMS AND INSURANCE

Control	50-00-00
This account may be used as a control ac- count for all accounts in the CLAIMS AND INSURANCE series: loss and damage claims; other casualties; insurance.	
Loss and damage claims—control	51-00-00

This account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service. This account excludes amounts payable to employees or other parties for injuries sustained or loss of life; for damage to real property of others or personal property not carried in revenue service; all payments for other damages of any kind; and related insurance premiums.

Loss and damage claims—transportation— train: freight	51-31-00

This account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service

Pt. 1201**49 CFR Ch. X (10–1–96 Edition)**

while operating all trains except those performing yard functions in terminals.

Loss and damage claims—transportation—yard: freight 51–32–00

This account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service which is lost or damaged in yards or terminals.

Loss and damage claims—transportation—train and yard common: freight 51–33–00

This account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service which are not predominantly train or yard.

Loss and damage claims—transportation—specialized services: freight 51–34–00

This account includes amounts payable to compensate for the loss or damage of freight or other goods carried in revenue service incurred in designated specialized services operations.

Other casualties—control 52–00–00

This account includes amounts payable to employees or other parties for injuries sustained or loss of life in connection with the construction, maintenance, operations, and administration of railroad property and equipment; for damage to real property, property of others or personal property not carried in revenue service; all payments for other damages of any kind. This account excludes freight and other goods carried in revenue service, and insurance premiums related to the casualties chargeable to this account.

Note: The costs of clearing wrecks and repairing casualty-caused damage to the railroad's property and equipment are properly classified under other natural expense accounts as appropriate and further classified by relevant activities and functions.

These costs are appropriately charged to the following natural accounts:

Other casualties—way and structures—running: freight	52–11–00
Other casualties—way and structures—switching: freight	52–12–00
Other casualties—way and structures—other: freight	52–13–00
Other casualties—equipment—locomotives: freight	52–21–00
Other casualties—equipment—freight cars: freight	52–22–00
Other casualties—equipment—Other equipment: freight	52–23–00
Other casualties—transportation—train: freight	51–31–00
Other casualties—transportation—yard: freight	51–32–00
Other casualties—transportation—specialized services: freight	52–34–00
Other casualties—transportation—administrative support: freight	52–35–00

Other casualties—general and administrative: freight	52–61–00
Insurance—control	53–00–00

This account includes premiums for insurance to cover property and equipment loss and damage, liability, business interruption, and the like. These costs are appropriately charged to the following accounts:

Insurance—way and structures—running: freight	53–11–00
Insurance—way and structures—switching: freight	53–12–00
Insurance—way and structures—other: freight	53–13–00
Insurance—equipment—locomotives: freight	53–21–00
Insurance—equipment—freight cars: freight	53–22–00
Insurance—equipment—other equipment: freight	53–23–00
Insurance—transportation—train: freight	53–31–00
Insurance—transportation—yard: freight	53–32–00
Insurance—transportation—specialized services: freight	53–34–00
Insurance—transportation—administrative support: freight	53–35–00
Insurance—general and administrative: freight	53–61–00

GENERAL

Control 60–00–00

This account may be used as a control account for all accounts in the GENERAL series: other expenses; depreciation; uncollectible accounts; property taxes; other taxes.

Other expenses—control 61–00–00

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property and equipment retirement losses, and other items of a general nature.

Other expenses—way and structures—running: freight	61–11–XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's roadway and track on the line of road and outside of classification yards. This account shall be subdivided by the following functions:

Repair and maintenance	
Roadway	61–11–10
Tunnels and subways	61–11–11
Bridges and culverts	61–11–12
Track laying and surfacing	61–11–17
Signals and interlockers	61–11–19
Highway grade crossings	61–11–22
Dismantling retired property	61–11–39
Road property and equipment damaged	61–11–48
Other—other	61–11–99
Other expenses—way and structures—switching: freight	61–12–XX

Surface Transportation Board, DOT

Pt. 1201

This account includes amount charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's roadway and track within classification yards and stations. This account shall be subdivided by the following functions:

Repair and maintenance	
Roadway	61-12-10
Tunnels and subways	61-12-11
Bridges and culverts	61-12-12
Track laying and surfacing	61-12-17
Signals and interlockers	61-12-19
Highway grade crossings	61-12-22
Dismantling retired property	61-12-39
Road property and equipment damaged	61-12-48
Other—other	61-12-99
Other expenses—way and structures—other: freight	61-13-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, road property retirement losses, and other items of a general nature associated with the carrier's structures other than roadway and track. This account shall be subdivided by the following functions:

Administration	
Track	61-13-02
Bridges and buildings	61-13-03
Signals	61-13-04
Communications	61-13-05
Other	61-13-06
Repair and maintenance	
Communication systems	61-13-20
Electric power systems	61-13-21
Station and office buildings	61-13-23
Shop buildings—locomotives	61-13-24
Shop buildings—freight cars	61-13-25
Shop buildings—other equipment	61-13-26
Locomotive servicing facilities	61-13-27
Miscellaneous buildings and structures	61-13-28
Coal terminals	61-13-29
Ore terminals	61-13-30
TOFC/COFC terminals	61-13-31
Other marine terminals	61-13-32
Motor vehicle loading and distribution facilities	61-13-33
Facilities for other specialized services operations	61-13-35
Roadway machines	61-13-36
Small tools and supplies	61-13-37
Snow removal	61-13-38
Dismantling retired property	61-13-39
Road property and equipment damaged	61-13-48
Other—other	61-13-99
Other expenses—equipment—locomotives: Freight	61-21-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees and equipment retirement losses, associated with the repair and main-

tenance of locomotives, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—general	61-21-01
Repair and maintenance	
Dismantling retired property	61-21-39
Machinery	61-21-40
Locomotives	61-21-41
Road property and equipment damaged	61-21-48
Other—other	61-21-99
Other expenses—equipment—freight cars: Freight	61-22-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, equipment retirement losses, associated with the repair and maintenance of freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—general	61-22-01
Repair and maintenance	
Dismantling retired property	61-22-39
Machinery	61-22-40
Freight cars	61-22-42
Road property and equipment damaged	61-22-48
Other—other	61-22-99
Other expenses—equipment—other equipment: Freight	61-23-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, equipment retirement losses, associated with the repair and maintenance of equipment other than locomotives and freight cars, whether owned by the carrier or by others. This account shall be subdivided by the following functions:

Administration—general	61-23-01
Repair and maintenance	
Dismantling retired property	61-23-39
Machinery	61-23-40
Trucks, trailers, containers in revenue service	61-23-43
Floating equipment—revenue service	61-23-44
Passenger and other revenue equipment	61-23-45
Computers and data processing equipment	61-23-46
Work and other nonrevenue equipment	61-23-47
Road property and equipment damaged	61-23-48
Other—other	61-23-99
Other expenses—transportation—train: Freight	61-31-XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, associated with the dispatching and operations of freight trains over the roadway and outside of classification yards. This account shall be subdivided by the following functions:

Administration—general	61-31-01
Operations	
Engine crews	61-31-56

Pt. 1201

49 CFR Ch. X (10–1–96 Edition)

Train crews	61–31–57
Dispatching trains	61–31–58
Operating switches, signals, interlockers, retarders, humps	61–31–59
Operating drawbridges	61–31–60
Highway crossing protection	61–31–61
Train inspection and lubrication	61–31–62
Clearing wrecks	61–31–63
Locomotive fuel	61–31–67
Electric power purchased/produced for motive power	61–31–68
Servicing locomotives	61–31–69
Other—other	61–31–99
Other expenses—transportation—yard: Freight	61–32–XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature associated with the movement of freight cars within classification yards and in terminal switching and transfer service. This account shall be subdivided by the following functions:

Administration—general	61–32–01
Operations	
Operating switches, signals, interlockers, retarders, humps	61–32–59
Clearing wrecks	61–32–63
Switch crews	61–32–64
Controlling operations	61–32–65
Yard and terminal clerical	61–32–66
Locomotive fuel	61–32–67
Electric power purchased/produced for motive power	61–32–68
Servicing locomotives	61–32–69
Other—other	61–32–99
Other expenses—transportation—specialized services: Freight	61–34–XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in operating services which are specialized in nature and in cost characteristics. The specialized services designated by the Commission appear within the definition of specialized services. This account shall be subdivided by the following functions:

Administration—general	61–34–01
Operations	
Pick up and delivery, marine line haul, and rail substitute service	61–34–73
Loading, unloading, and local marine	61–34–74
Protective services	61–34–75
Other—other	61–34–99
Other expenses—transportation—administrative support: Freight	61–35–XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in association with providing direct administrative support for the

Transportation Activity. This account shall be subdivided by the following functions:

Administration—general	61–35–01
Operations	
Clerks, accounting employees	61–35–76
Communication systems operations	61–35–77
Loss and damage claims processing	61–35–78
Other—other	61–35–99
Other expenses—general and administrative: Freight	61–61–XX

This account includes amounts charged to operating expenses for items not otherwise provided for in the other natural expense accounts, including travel and other expenses of employees, and other items of a general nature incurred in providing overall administration of other support for carrier operations. This account shall be subdivided by the following functions:

Administration—general	61–61–01
General	
Accounting, auditing, finance	61–61–86
Management services and data processing	61–61–87
Marketing	61–61–88
Sales	61–61–89
Industrial development	61–61–90
Personnel labor relations	61–61–91
Legal and secretarial	61–61–92
Public relations and advertising	61–61–93
Research and development	61–61–94
Other—other	61–61–99
Depreciation—control	62–00–00

This control account includes the amounts charged to operating expenses for depreciation of owned road property and equipment, and the depreciation element of road property held under capital lease in accordance with FASB Statement No. 13. These costs are appropriately charged to the following natural accounts:

Depreciation—way and structures—running: Freight	62–11–00
Depreciation—way and structures—switching: Freight	62–12–00
Depreciation—way and structures—other: Freight	62–13–00
Depreciation—equipment—locomotives: Freight	62–21–00
Depreciation—equipment—freight cars: Freight	62–22–00
Depreciation—equipment—other equipment: Freight	62–23–00
Uncollectible accounts—control	63–00–00

This account includes charges to operating expenses for the writedown of accounts and notes due to the railroad, whether classified as current or long-term. This account includes any credits to allowance accounts for collectibility and total writeoff of receivables. This account does not include writedowns of property, equipment, or investments (except accounts, notes, or other receivables held as investments). Proper adjustments of incorrect receivables are not to be charged to this account. Collections of amounts previously written off or down are to be credited to this account. The total of

Surface Transportation Board, DOT

Pt. 1206

this account shall be charged to the following account:

Uncollectible accounts—general and administrative: Freight	63-61-00
Property taxes—control	64-00-00

This account includes only taxes based on the value of real estate and personal property used in railroad operations. The total of this account shall be charged to the following account:

Property taxes—general and administrative: Freight	64-61-00
Other taxes—control	65-00-00

This account includes taxes on gross receipts, franchise fees, excise taxes, and similar items. This account excludes property taxes and taxes chargeable as employee benefits. The total of this account shall be charged to the following account:

Other taxes—general and administrative: Freight	65-61-00

(2) Other computed cost elements.

- 651 Locomotives return on investment.
- 652 Freight train car costs.
 - 01 Per day costs.
 - 02 Mileage costs.
- 654 Rehabilitation.
- 664 Deadheading, taxi and hotel costs.
 - 01 Deadheading.
 - 02 Taxi.
 - 03 Hotel.
- 665 Overhead movement costs.
 - 01 Transportation.
 - 02 Equipment.
 - 03 Freight-train cars—mileage portion.

(3) Off-branch avoidable costs.

- 661 Terminal costs.
 - 01 Modified terminal costs.
 - 02 Normal terminal costs.
 - 03 Interchange costs.
- 662 Freight train car costs.
- 663 Freight train revenue ton-mile costs.

(4) All other avoidable costs.¹

- 671 Working capital.
- 672 Required capital expenditures.
- 673 Deferred maintenance.
- 674 Current cost of freight train cars, locomotives, and other equipment.
- 675 Foregone tax benefits.
- 676 Administrative costs.
- 677 Deferred subsidy payment costs.
- 678 Casualty reserve expenses.
- Total, all other avoidable costs.
- 681 Reasonable return on the value of properties.

682 Management fee.

[43 FR 1733, Jan. 11, 1978, as amended at 43 FR 28498, June 30, 1978; 44 FR 9730, Feb. 14, 1979; 47 FR 49596, Nov. 1, 1982]

APPENDIX I TO PART 1201—CERTIFICATION OF BRANCH LINE ACCOUNTING SYSTEM RECORDS

Carrier: (Exact legal title or name of the respondent) _____

Name, title, telephone number and address of the person to be contacted:

Name _____

Title _____

Telephone Number: (Area Code) and (Telephone number) _____

Office Address: (Street and number) (City, State, and ZIP code) _____

CERTIFICATION

I, the undersigned, _____
of (Title of officer in charge of accounts) _____

(Full name of reporting company) _____
certify that during the calendar year 19____
the branch line accounting system data were collected and maintained for each line that met the criteria set forth in 49 CFR 1201, Subpart B, section 920(a), Lines For Which Data Collection Is Required, (Docket No. 36366).

Signature _____

Date _____

The lines covered by this certification are described below: (Describe each branch line separately using the following format as set forth in 49 CFR 1152.11.)

(a) Carrier's designation for line (Ex. Zanesville Secondary Track);

(b) State or states in which line is located;

(c) County or counties in which line is located;

(d) Milepost delineating each line or portion of line;

(e) Agency or terminal station(s) located on line or portion of line with milepost designations;

(f) Current category designation and date placed in that category; and

(g) Previous category.

[44 FR 9730, Feb. 14, 1979, as amended at 47 FR 49596, Nov. 1, 1982]

PARTS 1202—1205—[RESERVED]

PART 1206—COMMON AND CONTRACT MOTOR CARRIERS OF PASSENGERS

¹Accounts 671-675 apply to Part 1152 only. Accounts 677 and 682 apply to Part 1155 only.

Sec.

§ 1206.1

1206.1 Uniform System of Accounts for common and contract motor carrier of passengers not prescribed.

1206.2 Uniform System of Accounts for common and contract motor carriers of passengers.

AUTHORITY: 49 U.S.C. 10321, 11142 and 11145; 5 U.S.C. 553.

SOURCE: 32 FR 20280, Dec. 20, 1967, unless otherwise noted. Section 1206.2 designated at 52 FR 20400, June 1, 1987.

§ 1206.1 Uniform System of Accounts for common and contract motor carrier of passengers not prescribed.

The Uniform System of Accounts for motor carriers of passengers found at § 1206.2, Uniform System of Accounts for common and contract motor carriers of passengers, shall no longer be prescribed for regulated motor carriers. The Uniform System of Accounts is herein left in place for reference purposes only as the basis of motor carrier accounting and reporting. Motor carriers may follow generally accepted accounting principles for all accounting and reporting matters. For reporting requirements, see § 1249.3 and § 1249.4 of Title 49, Code of Federal Regulations. This provision is effectively beginning January 1, 1987 and thereafter.

[52 FR 20400, June 1, 1987]

§ 1206.2 Uniform System of Accounts for common and contract motor carriers of passengers.

DEFINITIONS

- 1-1 Accounts.
- 1-2 Actually issued.
- 1-3 Actually outstanding.
- 1-4 Addition.
- 1-5 Amortization.
- 1-6 Associated companies and control.
- 1-7 Betterment.
- 1-8 Book cost.
- 1-9 Carrier or motor carrier.
- 1-10 Carrier operating property.
- 1-11 Company.
- 1-12 Commission or the Commission.
- 1-13 Contingent assets.
- 1-14 Contingent liabilities.
- 1-15 Cost.
- 1-16 Cost of removal.
- 1-17 Current assets.
- 1-18 Current liabilities.
- 1-19 Date of retirement.
- 1-20 Debt expense.
- 1-21 Delayed items.

49 CFR Ch. X (10-1-96 Edition)

- 1-22 Depreciation.
- 1-23 Discount.
- 1-24 Distinct operating unit.
- 1-25 Joint facility.
- 1-26 Long-term obligations.
- 1-27 Mileage method.
- 1-28 Minor items.
- 1-29 Net book cost.
- 1-30 Net salvage value.
- 1-31 Nominally issued.
- 1-32 Premium.
- 1-33 Property retired.
- 1-34 Replacing or replacement.
- 1-35 Salvage value.
- 1-36 Service life.
- 1-37 Service value.
- 1-38 Straight-line method.
- 1-39 Unit of property.
- 1-40 Used.
- 1-41 Terminology relative to accounting for income taxes.
- 1-42 Terminology relative to equity accounting.
- 1-43 Disposal of a segment of a business.
- 1-44 Terminology relative to compensating balances.
- 1-45 Terminology relative to accounting for marketable equity securities.

INSTRUCTIONS

- 2-1 Classification of carriers.
- 2-2 Records.
- 2-3 Accounting period.
- 2-4 Submission of questions.
- 2-5 Item lists; interpretation.
- 2-6 Opening entries.
- 2-7 Extraordinary items, unusual or infrequent items, discontinued operations, prior period items, and accounting changes.
- 2-8 Unaudited items.
- 2-9 Spreading of unusual income; revenue and expense items.
- 2-10 Current assets.
- 2-11 Discount or premium on securities of other companies.
- 2-12 Discount; expense and premium on capital stock.
- 2-13 Discount; expense and premium on long-term obligations.
- 2-14 Company securities owned.
- 2-15 Book cost of securities owned.
- 2-16 Clearing accounts; purpose.
- 2-17 Deduction of reserves.
- 2-18 Disclosure of contingent assets and liabilities and long-term obligations.
- 2-19 Operating property to be recorded at cost.
- 2-20 Acquisition of a distinct operating unit.
- 2-21 Operating property retired.
- 2-22 Leased property; expenditures.
- 2-23 Transfer of property.
- 2-24 Common property.
- 2-25 Depreciation accounting.
- 2-26 Cost of repairs.
- 2-27 Insurance.

Surface Transportation Board, DOT**§ 1206.2**

- 2-28 Distribution of pay and expenses of employees.
- 2-29 Joint expenses.
- 2-30 Rent and lease of carrier property.
- 2-31 Amortization of intangibles.
- 2-32 Accounting for income taxes.
- 2-33 Transactions with affiliated companies.
- 2-34 Charges to be just and reasonable.
- 2-35 Accounting for leases.
- 2-36 Transfers from government authorities.
- 2-37 Business entertainment expenses.

BALANCE SHEET ACCOUNTS**ASSET SIDE***Current Assets*

- 1000 Cash.
- 1020 Working funds.
- 1040 Special deposits.
- 1041 Interest, special deposits.
- 1042 Dividend, special deposits.
- 1043 Miscellaneous special deposits.
- 1060 Temporary cash investments.
- 1080 Notes receivable.
- 1100 Receivables from associated companies.
- 1120 Accounts receivable.
- 1140 Subscribers to capital stock.
- 1160 Interest and dividends receivable.
- 1170 Prepayments.
- 1180 Material and supplies.
- 1190 Other current assets.
- 1195 Deferred income tax debits.

Tangible Property

- 1200 Carrier operating property.
- 1201 Land and land rights.
- 1211 Structures.
- 1221 Revenue equipment.
- 1231 Service cars and equipment.
- 1241 Shop and garage equipment.
- 1251 Furniture and office equipment.
- 1261 Miscellaneous equipment.
- 1271 Improvements to leasehold property.
- 1281 Undistributed property.
- 1291 Unfinished construction.
- 1300 Carrier operating property leased to others.
- 1400 Non-carrier operating property.
- 1450 Non-operating property.

Intangible Property

- 1500 Organization, franchises and permits
- 1501 Organization.
- 1511 Franchises.
- 1541 Patents.
- 1550 Other intangible property.

Investment Securities and Advances

- 1600 Investments and advances—Associated companies.
- 1650 Other investments and advances.
- 1675 Reserve for adjustment of investments in securities.

- 1676 Allowance for net unrealized loss on noncurrent marketable equity securities.

Special Funds

- 1701 Sinking funds.
- 1751 Depreciation funds.
- 1781 Miscellaneous special funds.

Deferred Debits

- 1890 Other deferred debits.
- 1895 Accumulated deferred income tax debits.

Miscellaneous Debit Items

- 1900 Discount on capital stock.
- 1910 Commission and expense on capital stock.
- 1920 Reacquired securities.
- 1990 Nominally issued securities.

LIABILITY SIDE*Current Liabilities*

- 2000 Notes payable.
- 2020 Matured equipment and long-term obligations.
- 2030 Payables to associated companies.
- 2050 Accounts payable.
- 2070 Wages payable.
- 2080 Unredeemed tickets.
- 2090 C. o. d.'s unremitted.
- 2100 Dividends declared.
- 2120 Taxes accrued.
- 2150 Interest accrued.
- 2160 Matured interest.
- 2180 Other current liabilities.
- 2185 Deferred income tax credits.

Long-Term Debt Due Within One Year

- 2190 Equipment obligations and other debt due within one year.

Advances Payable

- 2200 Advances payable—Associated companies.
- 2250 Other advances payable.

Equipment and Other Long-Term Obligations

- 2300 Equipment obligations.
- 2310 Capitalized lease obligations.
- 2330 Bonds.
- 2360 Other long-term obligations.
- 2370 Unamortized discount on debt.
- 2380 Unamortized premium on debt.

Deferred Credits

- 2410 Deferred revenues—transfers from government authorities.
- 2450 Other deferred credits.
- 2460 Accumulated deferred income tax credits.

Reserves

- 2500 Reserve for depreciation—Carrier operating property.

§ 1206.2**49 CFR Ch. X (10–1–96 Edition)**

2600 Reserve for amortization—Carrier operating property.
 2610 Reserve for depreciation and amortization—Other property.
 2650 Reserve for uncollectible accounts.
 2680 Injuries, loss and damage reserves.
 2690 Other reserves.

Capital Stock

2700 Preferred capital stock.
 2710 Common capital stock.
 2720 Premiums and assessments on capital stock.
 2730 Capital stock subscribed.

Non-Corporate Capital

2800 Sole proprietorship capital.
 2810 Partnership capital.

Unappropriated Surplus

2900 Unearned surplus.
 2930 Earned surplus.
 2931 Prior period adjustments to beginning retained surplus account.
 2932 Credit balance transferred from income account.
 2933 Other credits to surplus.
 2942 Debit balance transferred from income account.
 2943 Dividend appropriations.
 2944 Appropriations to reserves.
 2945 Other appropriations.
 2946 Other debits to surplus.
 2946.5 Net unrealized loss on noncurrent marketable equity securities.
 2947 Treasury stock.
 2999 Form of balance sheet statement.

INCOME ACCOUNTS**(ORDINARY ITEMS)***Operating Revenues*

3000 Operating revenues (exclusive of transfers from government authorities).
 3200 Passenger revenue.
 3210 Special bus revenue.
 3220 Baggage revenue.
 3300 Mail revenue.
 3400 Express revenue.
 3500 Newspaper revenue.
 3600 Miscellaneous station revenue.
 3700 Operating revenues—transfers from government authorities for current operations.
 3800 Operating revenues—amortization of deferred transfers from government authorities.
 3900 Other operating revenue.

Operation and Maintenance Expenses

4000 Operation and maintenance expenses.
 4100 Equipment maintenance and garage expenses.
 4110 Supervision of shop and garage.
 4121 Repairs to shop and garage equipment.

4122 Operation and maintenance of service equipment.
 4128 Repairs to shop and garage buildings and grounds.
 4131 Light, heat, power, and water for shops and garages.
 4132 Other shop and garage expenses.
 4140 Repairs to revenue equipment.
 4150 Servicing of revenue equipment.
 4160 Tires and tubes—Revenue equipment
 4191 Joint garage expenses—Debit.
 4196 Joint garage expense—Credit.
 4200 Transportation expense.
 4210 Supervision of transportation.
 4220 Drivers' wages and bonuses.
 4230 Fuel for revenue equipment.
 4240 Oil for revenue equipment.
 4250 Purchased transportation.
 4261 Road expense.
 4262 Bridge, tunnel and ferry tolls.
 4263 Wages of miscellaneous transportation employees.
 4264 Other transportation expenses.
 4300 Station expense.
 4311 Salaries and commissions.
 4314 Supplies and expenses.
 4319 Repairs to station buildings and equipment.
 4331 Commissions paid.
 4332 Other expenses allowed.
 4340 Interline commission paid.
 4350 Interline commissions earned—Credit.
 4360 Collection and delivery.
 4370 Purchased collection and delivery.
 4391 Joint station facilities—Debit.
 4396 Joint station facilities—Credit.
 4400 Traffic, solicitation and advertising expense.
 4410 Salaries and expenses.
 4430 Tariffs and schedules.
 4440 Tickets and baggage checks.
 4450 Other traffic expenses.
 4470 Advertising.
 4500 Insurance and safety expense.
 4510 Salaries and expenses—Insurance and safety.
 4520 Public liability and property damage insurance.
 4530 Injuries and damages.
 4541 Workmen's compensation—Insurance.
 4546 Workmen's compensation—Provision for claims.
 4550 Baggage and express insurance.
 4560 Baggage and express loss and damage.
 4570 Fire and theft insurance.
 4580 Other insurance.
 4600 Administrative and general expense.
 4611 Salaries of general officers.
 4612 Expenses of general officers.
 4613 Salaries of general office employees.
 4616 Expenses of general office employees.
 4620 Law expenses.
 4630 General office supplies and expenses.
 4640 Communication service.
 4651 Outside auditing expenses.
 4652 Employees' welfare expenses.
 4655 Purchasing and store expenses.

Surface Transportation Board, DOT**§ 1206.2**

4656 Other general expenses.
 4660 Management and supervision fees and expenses.
 4671 Franchise requirements—Debit.
 4672 Franchise requirements—Credit.
 4673 Other regulatory commission expenses.
 4680 Uncollectible revenues.
 4691 Joint operating expense—Debit.
 4696 Joint operating expense—Credit.

Depreciation Expense

5000 Depreciation expense.

Amortization Expense

5100 Amortization of carrier operating property.

Taxes and licenses

5200 Operating taxes and licenses.
 5210 Gasoline, other fuel and oil taxes.
 5220 Vehicle license and registration fees.
 5230 Real estate and personal property taxes.
 5240 Social security taxes.
 5250 Other taxes.

Operating Rents

5300 Operating rents—Net.
 5310 Equipment rents—Debit.
 5320 Other operating rents—Debit.
 5340 Joint facility rents—Debit.
 5350 Equipment rents—Credit.
 5360 Rent from owned land and structures.
 5370 Sublease rental income.
 5390 Joint facility rents—Credit.

Lease of Carrier Property

5400 Rent for lease of carrier property—Debit.
 5500 Income from lease of carrier property—Credit.

Other Income

6000 Net income from non-carrier operations.
 6100 Net income from non-operating property.
 6200 Interest income.
 6300 Dividend income.
 6400 Income from sinking and other funds.
 6500 Other non-operating income.
 6600 Unusual or infrequent items (credit).

Income Deductions

7000 Interest on long-term obligations.
 7100 Other interest deductions.
 7200 Taxes assumed on interest.
 7300 Amortization of debt discount and expense.
 7400 Amortization of premium on debt—Credit.
 7500 Other deductions.
 7600 Unusual or infrequent items (debit).

Income Taxes

8000 Income taxes on income from continuing operations.
 8040 Provision for deferred taxes.

DISCONTINUED OPERATIONS

8100 Income (loss) from operations of discontinued segments.
 8120 Gains (loss) on disposal of discontinued segments.

EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES

9010 Extraordinary items (net).
 9050 Income taxes on extraordinary items.
 9060 Provision for deferred taxes—extraordinary items.
 9070 Cumulative effect of changes in accounting principles.
 9999 Form of income statement.

*DEFINITIONS***1-1 Accounts.**

Accounts as used in this part means the accounts prescribed in this system of accounts.

1-2 Actually issued.

Actually issued, as applied to securities, means those which have been sold to bona fide purchasers for a valuable consideration (including those issued in exchange for other securities or other property) so that the purchasers secured them free from control by the issuing carrier, also securities issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking and other funds.

1-3 Actually outstanding.

Actually outstanding, as applied to securities issued or assumed by the carrier, means those which have been actually issued and are neither retired nor held by or for the carrier: *Provided, however,* That securities held by trustees shall be considered as actually outstanding.

1-4 Addition.

Addition means structures, facilities, or equipment added to those in service and not taking the place of anything previously existing.

1-5 Amortization.

Amortization means the gradual extinguishment of an amount in an account by prorating such amount over either a fixed period dependent on the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

1-6 Associated companies and control.

(a) Associated companies or affiliated companies means companies or persons that directly or indirectly, through one or more intermediaries, control or are controlled by, or are under common control with the accounting carrier.

(b) Control (including the terms *controlling*, *controlled by*, and *under common control*) as used in this part, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, firm or corporation, whether through the ownership of voting securities, by contract or otherwise. If in any instance the existence of control is or may be open to reasonable doubt, the carrier shall report to the Commission all of the material facts pertinent to the possible existence of control.

1-7 Betterment.

Betterment means the enlargement or improvement of existing structures, facilities, and equipment.

1-8 Book cost.

Book cost means the amount at which property is recorded on the books of the carrier without deduction of related reserves.

1-9 Carrier or motor carrier.

Carrier or motor carrier includes both a common carrier by motor vehicle and a contract carrier by motor vehicle, subject to Part II of the Interstate Commerce Act.

1-10 Carrier operating property.

Carrier operating property means the property which is used (see definition 40) by the carrier in the conduct of its motor carrier operations or leased to others for such operations, and which has an expectation of life in service of more than 1 year from date of installa-

tion. This includes land, structures, equipment, and facilities necessary for such operations and services incidental thereto.

1-11 Company.

Company means any individual, firm, copartnership, corporation, association, or joint-stock association; and includes any trustee, receiver, assignee, or personal representative thereof.

1-12 Commission or the Commission.

Commission or the Commission means the Interstate Commerce Commission.

1-13 Contingent assets.

Contingent assets means a possible source of value to the carrier dependent upon the fulfillment of conditions regarded as uncertain.

1-14 Contingent liabilities.

Contingent liabilities means items which may under certain conditions become obligations of the carrier but which are neither direct nor assumed liabilities at the date of the balance sheet.

1-15 Cost.

Cost means the amount of money actually paid for property or services, or the cash value at the time of the transaction of any consideration other than money.

1-16 Cost of removal.

Cost of removal means the cost of demolishing, dismantling, tearing down, or otherwise removing operating property, including the cost of transportation and handling incident thereto.

1-17 Current assets.

Current assets means cash as well as those assets that are readily convertible into cash or are held for current use in operations or construction; current claims against others, payment of which is reasonably assured; and other amounts accruing to the carrier which are subject to settlement within one year from the date of the balance sheet.

1-18 Current liabilities.

Current liabilities means those obligations the amount of which is definitely determined or closely estimated which are either matured at the date of the balance sheet or become due within 1 year from date of issuance or assumption or upon demand.

1-19 Date of retirement.

Date of retirement, as applied to operating property, means the date at which such property is permanently withdrawn from service.

1-20 Debt expense.

Debt expense means all expense in connection with the issuance and sale of evidences of long-term debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds, certificates of indebtedness, and other evidences of debt; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesman for marketing evidences of debt; fees and expenses of listing on exchanges; and other like costs.

1-21 Delayed items.

Delayed items means items relating to transactions which occurred before the current calendar year. It includes adjustments of errors in the income, operating revenue, and operating expense accounts of prior years.

1-22 Depreciation.

Depreciation, as applied to depreciable operating property, means the loss in service value (see definition 37) not restored by current maintenance, incurred in connection with the consumption or prospective retirement of property in the course of service from causes against which the carrier is not protected by insurance, which are known to be in current operation. Among the causes to be given consideration are wear and tear, decay, action of the elements, obsolescence, changes in the art, inadequacy, changes in demand, and requirements of public authority.

NOTE A: Unit plan means the plan under which depreciation charges are computed and the records maintained so that the total amount of depreciation accrued applicable to each unit can be determined.

NOTE B: Group plan means the plan under which depreciation charges are accrued upon the basis of the sum total of the book cost balances at the close of each month (or 4-week period) of all property included in each account or subdivision thereof, at rates determined from the average service life of the property included therein, and upon the retirement of any such property its full service value is charged to the depreciation reserve whether or not the particular item has attained the average service life.

1-23 Discount.

Discount, as applied to securities issued or assumed by the carrier, means the excess of the par or face value of the securities, plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from the sale.

1-24 Distinct operating unit.

Distinct operating unit means all or any portion of a route or routes covered by a certificate of convenience and necessity or a permit and operated as a separate entity, including the physical property used in the operation thereof.

1-25 Joint facility.

Joint facility means any property occupied or used jointly by the carrier and one or more other carriers under a definite arrangement whereby the costs are shared between the parties to the joint agreement. Portions of a structure or other property used exclusively by each of two or more carriers are not joint facilities.

1-26 Long-term obligations.

Long-term obligations means obligations having a life of more than 1 year from date of creation or assumption, and all unmatured bonds and receivers' or trustees' certificates.

1-27 Mileage method.

Mileage method, as applied to depreciation of vehicles, means the plan under which the service value is charged to depreciation expenses and credited to depreciation reserves at a fixed rate per mile run.

§ 1206.2

1-28 Minor items.

Minor items, as applied to carrier operating property (see definition 10), means the associated parts or elements of which units of property (see definition 39) are composed. (See instruction 21(c).)

1-29 Net book cost.

Net book cost, when applied to property, means the book cost (see definition 8) less related depreciation and amortization reserves.

1-30 Net salvage value.

Net salvage value means the salvage value (see definition 35) of property retired after deducting the cost of removal.

1-31 Nominally issued.

Nominally issued, as applied to securities issued or assumed by the carrier, means those which have been signed, certified, or otherwise executed and placed with the proper officer for sale and delivery, or pledged, or otherwise placed in some special fund of the carrier, but which have not been sold or issued direct to trustees of sinking funds in accordance with contractual requirements.

1-32 Premium.

Premium, as applied to securities issued or assumed by the carrier, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stocks) or face value of the securities plus interest or dividends accrued at the date of sale.

1-33 Property retired.

Property retired, as applied to operating property, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been permanently withdrawn from service.

1-34 Replacing or replacement.

Replacing or replacement, when not otherwise indicated in the context, means the acquisition, construction, or installation of property in place of property of like purpose retired, to-

49 CFR Ch. X (10-1-96 Edition)

gether with the removal of the property retired.

1-35 Salvage value.

Salvage value means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale; or, if retained, the amount at which the material recovered is chargeable to account 1180, Material and Supplies, or other appropriate account.

1-36 Service life.

Service life means the period between the date when carrier operating property (see definition 10) is placed in service and the date of its retirement. (See definition 33.)

1-37 Service value.

Service value means the difference between the book cost (see definition 8) and the net salvage value (see definition 30) of carrier operating property.

1-38 Straight-line method.

Straight-line method, as applied to depreciation accounting, means the plan under which the service value (see definition 37) of property is charged to depreciation expenses or other appropriate accounts and credited to the depreciation reserves through equal periodic charges as nearly as may be during its service life.

1-39 Unit of property.

Unit of property, for the purpose of this system of accounts, means any item of property which on sale, abandonment, disposal or replacement is written out of the property accounts as provided for in instruction 21.

1-40 Used.

Used, as applied to operating property, means actually and necessarily in current service or ready for and reasonably required to be currently held for future service.

1-41 Terminology relative to accounting for income taxes.

(a) *Income taxes* means taxes based on income determined under provisions of the United States Internal Revenue

Surface Transportation Board, DOT

§ 1206.2

Code and foreign, state and other taxes (including franchise taxes) based on income.

(b) *Income tax expense* means the amount of income taxes (whether or not currently payable or refundable) allocable to a period in the determination of net income.

(c) *Pretax accounting income* means income or loss for a period, exclusive of related income tax expense.

(d) *Taxable income* means the excess of revenues over deductions or the excess of deductions over revenues to be reported for income tax purposes for a period.

(e) *Timing differences* means differences between the periods in which transactions affect taxable income and the periods in which they enter into the determination of pretax accounting income. Timing differences originate in one period and reverse or *turn around* in one or more subsequent periods. Some timing differences reduce income taxes that would otherwise be payable currently; others increase income taxes that would otherwise be payable currently.

(f) *Permanent differences* means differences between taxable income and pretax accounting income arising from transactions that, under applicable tax laws and regulations, will not be offset by corresponding differences or *turn around* in other periods.

(g) *Tax effects* means differentials in income taxes of a period attributable to (1) revenue or expense transactions which enter into the determination of pretax accounting income in one period and into the determination of taxable income in another period, (2) deductions or credits that may be carried backward or forward for income tax purposes and (3) adjustments of prior periods and direct entries to other stockholders' equity accounts which enter into the determination of taxable income in a period but which do not enter into the determination of pretax accounting income of that period. A permanent difference does not result in a *tax effect* as that term is used in this definition.

(h) *Deferred taxes* means tax effects which are deferred for allocation to income tax expense of future periods.

(i) *Interperiod tax allocation* means the process of apportioning income taxes among periods.

(j) *Tax allocation within a period* means the process of apportioning income tax expense applicable to a given period between income before extraordinary items and extraordinary items, and of associating the income tax effects of adjustments of prior periods and direct entries to other stockholders' equity accounts with these items.

[39 FR 33348, Sept. 17, 1974]

1-42 Terminology relative to equity accounting.

(a) *Investor* means a business entity that holds an investment in voting stock of another company.

(b) *Investee* means a corporation that issued voting stock held by an investor.

(c) *Corporate joint venture* is a company owned and operated by a small group of businesses as a separate and specific business or project for the mutual benefit of the members of the group.

(d) *Dividends*, unless otherwise specified, means dividends paid or payable in cash, other assets, or another class of stock and does not include stock dividends or stock splits.

(e) *Earnings or losses of an investee and financial position of an investee* refer to net income (or net loss) and financial position of an investee determined in accordance with generally accepted accounting principles.

(f) *Undistributed earnings of an investee* means net income less dividends declared whether received or not.

(g) *Date of acquisition* is the date on which the investor assumes the rights of ownership. Ordinarily, this is the date assets are received and other assets are given or securities issued.

1-43 Disposal of a segment of a business.

(a) *Segment of a business* refers to a component of an entity whose activities represent a separate major line of business or class of customer. A segment may be in the form of a subsidiary, a division, or a department, and in some cases a joint venture or other non-subsidiary investee, provided that

§ 1206.2

its assets, results of operations, and activities can be clearly distinguished, physically and operationally and for financial reporting purposes, from the other assets, results of operations, and activities of the entity. The fact that the results of operations of the segment being sold or abandoned cannot be separately identified strongly suggests that the transaction should not be classified as a disposal of a segment of business.

(b) *Measurement date* means the date on which the management having authority to approve the action commits itself to a formal plan to dispose of a segment of the business, whether by abandonment or sale. The measurement date for disposals requiring Commission approval shall be the service date of the Order authorizing the disposal.

(c) *Disposal date* refers to the date of closing the sale if the disposal is by sale or the date that operations cease if the disposal is by abandonment.

1-44 Terminology relative to compensating balances.

(a) *Compensating balance* means the portion of any demand deposit (or any time deposit or certificate of deposit) maintained by a carrier (or by any person on behalf of the carrier) which constitutes support for existing borrowing arrangements of the carrier (or any person) with a lending institution. Such arrangements include both outstanding borrowings and the assurance of future credit availability. (The compensating balance requirement should be adjusted by the amount of float unless such adjustment would cause the compensating balance to be greater than the cash balance per carrier's books. The float adjustment is made by subtracting the float from the compensating balance requirement if the collected bank ledger balance exceeds the cash balance per carrier's books or by adding the float to the compensating balance requirement if the collected bank ledger balance is less than the cash balance per carrier's books.)

(b) *Float* means deposits and withdrawals in transit which constitute a difference between the collected bank

49 CFR Ch. X (10-1-96 Edition)

ledger balance and the cash balance per carrier's books.

[39 FR 34046, Sept. 23, 1974, as amended at 40 FR 53252, Nov. 17, 1975; 41 FR 9159, Mar. 3, 1976]

1-45 Terminology relative to accounting for marketable equity securities.

(a) *Equity security* encompasses any instrument representing ownership shares (e.g., common, preferred, and other capital stock), or the right to acquire (e.g., warrants, rights, and call options) or dispose of (e.g., put options) ownership shares in an enterprise at fixed or determinable prices. The term does not encompass preferred stock that by its terms either must be redeemed by the issuing enterprise or is redeemable at the option of the investor, nor does it include treasury stock or convertible bonds.

(b) *Marketable* as applied to an equity security means an equity security as to which sales prices or bid and ask prices are currently available on a national securities exchange (i.e., those registered with the Securities and Exchange Commission) or in the over-the-counter market. In the over-the-counter market, an equity security shall be considered marketable when a quotation is publicly reported by the National Association of Securities Dealers Automatic Quotations System or by the National Quotations Bureau Inc. (provided, in the latter case, that quotations are available from at least three dealers). Equity securities traded in foreign markets shall be considered marketable when such markets are of a breadth and scope comparable to those referred to above. This definition is not met by restricted stock (securities for which sale is restricted by a governmental or contractual requirement except where such requirement terminates within one year or where the holder has the power to cause the requirement to be met within one year). Any portion of the stock which can reasonably be expected to qualify for sale within one year, such as may be the case under Rule 144 or similar rules of the Securities and Exchange Commission, is not considered restricted.

(c) *Market value* refers to the aggregate of the market price of a single

share or unit times the number of shares or units of each marketable equity security in the portfolio. When an entity has taken positions involving short sales, sales of calls, and purchases of puts for marketable equity securities and the same securities are included in the portfolio, these contracts shall be taken into consideration in the determination of market value of the marketable equity securities.

(d) *Cost*, as applied to a marketable equity security, refers to the original cost unless a new cost basis has been assigned based on recognition of an impairment of value that was deemed other than temporary or as the result of a transfer between current and non-current classifications. In such cases, the new cost basis assigned shall be considered cost.

[42 FR 33300, June 30, 1977]

INSTRUCTIONS

2-1 Classification of carriers.

(a) For the purpose of accounting and reporting regulations, common and contract carriers of passengers subject to the Interstate Commerce Act are grouped into the following two classes:

Class I—Carriers having average annual gross transportation operating revenues (including interstate and intrastate) of \$5 million or more from passenger motor carrier operations after applying the revenue deflator formula as shown in the Note.

Class II—Carriers having average annual gross transportation operating revenues (including interstate or intrastate) of less than \$5 million from passenger motor carrier operations after applying the revenue deflator formula as shown in the Note.

(b)(1) The class to which any carrier belongs shall be determined by annual carrier operating revenues after applying the revenue deflator formula as shown in the Note. Upward and downward reclassification will be effected as of January 1 of the year immediately following the third consecutive year of revenue qualification.

(2) Any carrier which begins new operations (obtains operating authority not previously held) or extends its existing authority (obtains additional operating rights) shall be classified in accordance with a reasonable estimate of its annual carrier operating revenues after applying the revenue deflator formula shown in the Note.

(3) When a business combination occurs, such as a merger, reorganization, or consolidation, the surviving carrier shall be reclassified effective as of January 1 of the next calendar year on the basis of the combined revenues for the year when the combination occurred after applying the revenue deflator formula shown in the Note.

(4) Carriers shall notify the Commission of any change in classification or when their annual operating revenues exceed the Class I limit by writing to the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423. In unusual circumstances where the classification regulations and reporting requirements will unduly burden the carrier, the carrier may request from the Commission a waiver from these regulations. This request shall be in writing specifying the conditions justifying the waiver. The Commission then shall notify carriers of any change in classification or reporting requirements.

(c) For classification purposes, the Commission shall publish in the FEDERAL REGISTER annually an index number which shall be used for adjusting gross annual operating revenues. The index number (deflator) is based on the Producer Price Index of Finished Goods and is used to eliminate the effects of inflation from the classification process.

NOTE: Each carrier's operating revenues will be deflated annually using the Producers Price Index (PPI) of Finished Goods before comparing them with the dollar revenue limits prescribed in paragraph (a) of this section. The PPI is published monthly by the Bureau of Labor Statistics. The formula to be applied is as follows:

$$\frac{\text{Current year's annual operating revenues}}{\text{Current year's average PPI}} \times \frac{1986 \text{ average PPI}}{\text{Current year's average PPI}} = \frac{\text{Adjusted annual operating revenues}}{\text{Current year's average PPI}}$$

[53 FR 4028, Feb. 11, 1988]

2-2 Records.

(a) All the accounts defined in this system of accounts must be kept by the double entry method. Each carrier shall keep its general accounting books and all other books, records and memoranda which support in any way the entries to such accounting books and analyses of general ledger account balances so that it can furnish at any time full information as to any account. Moreover, it shall support each entry to each account with such detailed information as will provide a ready analysis and verification of the facts recorded therein. All expenditures must be definitely supported by vouchers, payrolls, receipted bills, canceled checks, receipts for petty cash payments, or other evidences of the expenditures incurred.

(b) The books referred to in this part include not only books of account in a limited technical sense but all other records such as minute books, stock books, reports, correspondence, memoranda, etc., which will be useful in developing the history of or facts regarding any transaction.

(c) No carrier shall destroy any books, records, memoranda, etc., which support entries to its accounts unless destruction is permitted by the regulations governing preservation of records, Part 1220 of this chapter.

(d) Subdivisions of any account in this system of accounts may be kept, provided that such subdivisions do not impair the integrity of the accounts prescribed. The Commission reserves the right to order any carrier to subdivide any account in this system of accounts. The title of each such subdivision shall clearly indicate the account of which it is a part. When an account is subdivided in the general ledger, an account need not be maintained for the total of the subdivisions. When such subdivisions are carried in subsidiary ledgers, however, the general ledger shall contain the controlling ac-

counts therefor so that a complete general ledger trial balance may be obtained.

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 50384, Oct. 29, 1975]

2-3 Accounting period.

(a) Each carrier shall keep its books on the basis of either (1) an accounting year of 12 months ending on the 31st day of December in each year, or (2) an accounting year of thirteen 4-week periods ending at the close of one of the last 7 days of each calendar year.

(b) A carrier electing to adopt an accounting year of thirteen 4-week periods shall file with the Commission a statement showing the day on which its accounting year will close. A subsequent change in the accounting period may not be made except by authority of the Commission.

(c) To avoid repetition, wherever *calendar year* appears in the system of accounts it is intended to include *or an accounting year of thirteen 4-week periods* and wherever *month* appears it is intended to include *or 4-week period*.

(d) For each month all transactions applicable thereto, as nearly as can be ascertained (see instruction 2-8), including full accruals, shall be entered in the books of original entry (cash book, purchase journal, etc.), and posted to the general ledger. A trial balance of the general ledger accounts shall be prepared at the close of each month setting out the account number, title and amount of each ledger account. (Mechanical, EDP or ADP print-out documentation producing the equivalent of manually prepared trial balances shall identify balances by account numbers.) At the end of the calendar year the revenue, expense and other income accounts shall be closed into earned surplus or the noncorporate capital accounts; and balance sheet account balances shall be brought forward to the general ledger for the succeeding year.

(e) The final entries for any month shall be made in the general ledger not later than 60 days after the last day of the month for which the accounts are stated, unless otherwise authorized by the Commission, except that the period within which the final entries for the last month of the calendar year shall be made may be extended to such date in March of the following year as shall not interfere with the preparation and filing of annual reports.

(f) No changes shall be made in the accounts for periods covered by quarterly and annual reports that have been filed with the Commission unless the changes have first been authorized by the Commission.

[38 FR 3602, Feb. 8, 1973]

2-4 Submission of questions.

To maintain uniformity of accounting, carriers shall submit all questions of doubtful interpretation to the Commission for consideration and decision.

2-5 Item lists; interpretation.

Lists of items appearing in the texts of the several accounts are given for the purpose of indicating the application of the prescribed accounting in specific cases. The lists are not to be considered as comprising all items includible in the several accounts, but merely as representative of them. On the other hand, the appearance of an item in a list warrants the inclusion of such item in the account concerned only when the text of the account also indicates inclusion, inasmuch as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

2-6 Opening entries.

As of the effective date of this system of accounts the accounts prescribed herein shall be opened by appropriately transferring thereto the balances carried in the accounts previously maintained by the carrier. The carrier is authorized to make such subdivisions, reclassifications, consolidations of or additions to such balances as are necessary to meet the requirements of this system of accounts.

2-7 Extraordinary items, unusual or infrequent items, discontinued operations, prior period items, and accounting changes.

(a) *Extraordinary items.* All items of profit and loss recognized during the year are includible in ordinary income unless evidence clearly supports their classification as extraordinary items. Extraordinary items are characterized by both their unusual nature and infrequent occurrence taking into account the environment in which the firm operates; they must also meet the materiality standard.

Unusual means the event or transaction must possess a high degree of abnormality and be of a type clearly unrelated to, or only incidentally related to the ordinary and typical activities of the entity.

Infrequent occurrence means the event or transaction shall be of a type not reasonably expected to recur in the foreseeable future.

(b) *Unusual or infrequent items.* Material events unusual in nature or infrequent in occurrence but not both, thus not meeting both criteria for classification as extraordinary, shall be includible in the accounts provided as separate components of income/expense from continuing operations. Such items are not to be reported net of income taxes.

(c) *Discontinued operations.* The results of continuing operations shall be reported separately from discontinued operations and any gain or loss resulting from disposal of a segment of a business (see definition 1-43(a)) shall be reported in conjunction with the related results of discontinued operations and not as an extraordinary item. The disposal of a segment of a business shall be distinguished from other disposals of assets incident to the evolution of the entity's business, such as the disposal of part of a line of business, the shifting of production or marketing activities for a particular line of business from one location to another, the phasing out of a product line or class of service, and other changes occasioned by technological improvements. If a loss is expected from the proposed sale or abandonment of a segment, the estimated loss shall be provided for at the measurement date (see

§ 1206.2

definition 1-43(b)). If a gain is expected, it shall be recognized when realized, which ordinarily is the disposal date (see definition 1-43(c)).

(d) *Prior period adjustments.* Only the following two items of profit and loss shall be accounted for and reported as prior period adjustments and excluded from the determination of net income for the current period:

(1) Correction of an error in the financial statements of a prior period, and

(2) Adjustments that result from realization of income tax benefits of preacquisition operating loss carryforwards of purchased subsidiaries.

With the exception of the two items just mentioned, all items of profit and loss recognized during a period shall be included in the determination of net income for that period.

NOTE: The carrier shall follow generally accepted accounting principles where an interpretation of the rules is needed or obtain an interpretation from its public accountant or the Commission.

(e) *Accounting changes.* A change in accounting principle or accounting entity should be referred to this Commission for approval. The cumulative effect of a change in accounting principle should ordinarily be reflected in the account provided for in determining net income; in certain cases accounting changes may be reflected as prior period adjustments. Changes in accounting estimates should ordinarily be reflected prospectively.

(f) *Materiality.* As a general standard an item shall be considered material when it exceeds 10 percent of annual income (loss) before extraordinary items. An item may also be considered in relation to the trend of annual earnings before extraordinary items or other appropriate criteria. Items shall be considered individually and not in the aggregate in determining materiality. However, the effects of a series of related transactions arising from a single specific and identifiable event or plan of action shall be aggregated to determine materiality.

(g) *Commission approval and accountant's letter.* Items shall be included in the accounts provided for extraordinary items, unusual or infrequent

49 CFR Ch. X (10-1-96 Edition)

items, discontinued operations, prior period adjustments and cumulative effect of changes in accounting principles only upon approval of the Commission. If the carrier retains the service of an independent accountant, a request for using these accounts shall be accompanied by a letter from the independent accountant approving or otherwise commenting on the request.

NOTE: The carrier may refer to generally accepted accounting principles for further guidance in applying instruction 2-7.

[40 FR 53252, Nov. 17, 1975, as amended at 43 FR 37456, Aug. 23, 1978]

2-8 Unaudited items.

(a) When the amount of any item affecting these accounts can not be accurately determined in time for inclusion in the accounts of the calendar year in which the transaction occurs, the amount of the item shall be estimated and included in the proper accounts. When the item is audited the necessary adjustments shall be made through the accounts in which the estimate was recorded. If, during the interval between the date of inclusion of the item in the accounts and the date on which it is audited, a substantial difference from the initial estimate is determined, appropriate adjustments shall be made in the current accounts to cover such difference. The carrier is not required to anticipate small items which would not appreciably affect these accounts.

(b) If, owing to exceptional conditions, a carrier finds a modification of the instructions in paragraph (a) of this section necessary, it shall furnish a statement of its proposed plans to the Commission for approval before adoption.

2-9 Spreading of unusual income; revenue and expense items.

When the amount of any unusual item includible in an income, operating revenue, or operating expense account for a single period is relatively so large that its inclusion in the accounts for that period would seriously distort those accounts it may be included in account 1890, Other Deferred Debits, or account 2450, Other Deferred Credits, as appropriate, and distributed in equal amounts to the accounts for the current and remaining periods of the year.

Surface Transportation Board, DOT

§ 1206.2

No such item shall be spread beyond the accounts of the current year without authority of the Commission.

2-10 Current assets.

(a) In the group of accounts designated as Current Assets (accounts 1000 to 1190, inclusive) there shall not be included any item the amount or collectibility of which is not reasonably assured or for which provision has not been made in a reserve. Items of current character but of doubtful value may be carried in these accounts at a nominal value or included in account 1890, Other Deferred Debits, at book cost or nominal value, or written off, as may be appropriate.

(b) Adjustments to accomplish the writing down of items of doubtful value not covered by reserves shall be made through account 4680, Uncollectible Revenues, account 7500, Other Deductions, or other appropriate ordinary income account.

2-11 Discount or premium on securities of other companies.

(See instruction 15.)

2-12 Discount; expense and premium on capital stock.

(a) This system of accounts provides accounts for discounts, commissions and expenses on capital stock and another account for premium on capital stock. These accounts shall be subdivided for each class and series of capital stock issued by the carrier. Commission and expenses applicable to capital stock issues shall be included in the commission and expense account and shall not be deducted from premium on capital stock.

(b) In stating the balance sheet, discount on capital stock shall not be netted against premiums.

(c) General levies or assessments against stockholders shall be credited to the premium account for the particular class and series of capital stock so assessed, except that assessments with respect to nonpar stock without stated value shall be credited to the capital stock account.

(d) Discounts and expenses on capital stock may be amortized by charges to account 2900, Unearned Surplus. However, in no event shall net debits ex-

ceed the accumulated net credits in unearned surplus. Any excess of debits may be retained in account 1900, Discount on Capital Stock, or account 1910, Commission and Expense on Capital Stock, as appropriate, until the stock is reacquired or retired, or the excess debits may be charged to account 2946, Other Debits to Surplus.

(e) Discount and expenses on capital stock reacquired or retired shall be accounted for in accordance with instruction 14.

2-13 Discount; expense and premium on long-term obligations.

(a) A separate subdivision shall be maintained in account 23700, Unamortized Discount on Debt, for the excess of discount over any premium related to each class of long-term debt issued or assumed by the carrier. Debt expense shall be included in account 1890, Other Deferred Debits. (See definitions 20, 23, 32.)

(b) Corresponding subdivisions shall be maintained in account 2380, Unamortized Premium on Debt, for the excess of the premium over any discount related to each class of long-term debt issued or assumed by the carrier.

(c) Each period there shall be credited to each subdivision of account 2370, Unamortized Discount on Debt, the amount applicable to such period under a plan of amortization, the application of which will equitably distribute the balance therein over the life of the security. Amounts thus credited shall be concurrently charged to account 7300, Amortization of Debt Discount and Expense.

(d) Correspondingly, each period there shall be charged to each subdivision of account 2380, Unamortized Premium on Debt, the portion of such credit balance which is applicable to that period. Amounts thus charged shall be concurrently credited to account 7400, Amortization of Premium on Debt.—Credit.

(e) Except as provided in paragraphs (c) and (d) of this section, the balances in each of these accounts or subdivisions thereof shall be carried until the reacquisition of the securities to which it relates. At that time (unless otherwise ordered by the Commission in the

case of an exchange of securities) the portion of the balances in these accounts, or subdivision for the particular class of long-term debt reacquired, shall be transferred to account 6500, Other Nonoperating Income, or account 7500, Other Deductions, as appropriate. Such portion shall be based on the relation of the amount of the particular issue of long-term debt reacquired to the total outstanding before the reacquisition. This provision shall also apply to securities held alive in sinking or other funds under instruction 14.

(f) Except for such discount or expense as may be applicable to the construction period, no discount or expense on long-term debt shall be included in any account as a part of the cost of acquiring any property or as a part of the cost of operation.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 52468, Nov. 30, 1976]

2-14 Company securities owned.

(a) *Capital stock.* (1) When an issue of capital stock or any part thereof is reacquired, either by purchase or donation, and is retired or cancelled, the par value shall be charged to account 2700, Preferred Capital Stock, or account 2710, Common Capital Stock. Any excess of reacquisition cost over par value shall be allocated between account 2900, Unearned Surplus and account 2946, Other Debits to Surplus. Any excess of par value over reacquisition cost shall be credited to account 2900, Unearned Surplus.

(2) When an issue of capital stock or any part thereof is reacquired, either by purchase or donation, and is not retired or cancelled, nor properly includible in sinking or other funds, the reacquisition cost shall be charged to account 2947, Treasury Stock.

(3) When treasury stock is resold, account 2947, Treasury Stock, shall be credited with the cost paid for it. Gains shall be credited to account 2900, Unearned Surplus. Losses shall be charged to account 2900, Unearned Surplus to the extent that previous net gains from sales or retirements of the same class of stock are included therein; otherwise, to account 2946, Other Debits to Surplus.

(b) *Equipment and long-term obligations.* (1) Equipment and other long-term obligations reacquired by the carrier shall be entered in account 1920, Reacquired Securities, at face value. The difference between the face value and the amounts actually paid for the reacquired obligations shall be included in account 6500, Other Nonoperating Income, or account 7500, Other Deductions, as appropriate. (See instruction 7). Likewise, any unamortized debt discount, expense or premium, applicable to the reacquired obligations, shall be adjusted through account 6500 or account 7500, as appropriate.

(2) When reacquired equipment and other long-term obligations are resold by the carrier, the amount included in account 1920, Reacquired Securities, shall be credited thereto and any difference between the total amount realized from the sale (less related commissions and expenses) and the credit to account 1920 shall be included in account 6500 or account 7500, as appropriate, unless otherwise ordered by the Commission.

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 44564, Sept. 29, 1975]

2-15 Book cost of securities owned.

(a) Securities of others acquired by the carrier shall be recorded in these accounts at cost at the time of acquisition. Cost does not include any amount paid for accrued interest or dividends.

(b) (1) Accounts 1060 “Temporary cash investments”, 1600 “Investments and advances—Associated Companies”, and 1650 “Other investments and advances” shall be maintained in such a manner as to reflect the marketable equity securities’ portion (see definition 1-45) and other securities or investments.

(2) For the purpose of determining net ledger value, the marketable equity securities in account 1060 shall be considered the current portfolio and the marketable equity securities in accounts 1600 and 1650 (combined) shall be considered the noncurrent portfolio. The net ledger value of each portfolio shall be the lower of its aggregate cost or market value (see definition 1-45). The amount by which aggregate cost

exceeds market value shall be accounted for as the valuation allowance. Account 1060 "Temporary cash investments" shall be subdivided to include the valuation allowance for the marketable equity securities included therein. Account 1676 "Allowance for net unrealized loss on noncurrent marketable equity securities" is the valuation allowance for the marketable equity securities included in accounts 1600 "Investments and advances—Associated companies" and 1650 "Other investments and advances". Marketable equity securities accounted for by the equity method shall not be combined with other marketable equity securities when determining aggregate cost and market value.

(3) Realized gains and losses (the difference between net proceeds from sale and cost) shall be included in income of the period in which they occur. Changes in the valuation allowance for marketable equity securities included in account 1060 shall be charged to account 7500 "Other deductions" or credited to account 6500 "Other nonoperating income" as appropriate, with a contra entry to the valuation allowance contained within account 1060. Changes in the valuation allowance for marketable equity securities included in account 1600 and 1650 shall be recorded in equity account 2946.5 "Net unrealized loss on noncurrent marketable equity securities" with a contra entry to valuation account 1676.

(4) If there is a change in the classification of a marketable equity security between current and noncurrent, the security shall be transferred at the lower of its cost or market value at date of transfer. If market value is less than cost, the market value shall become the new cost basis, and the difference shall be accounted for as if it were a realized loss and included in the determination of net income.

(5) The accounting company shall write down the ledger value of any securities to the extent of impairment in their value or write off entirely if there is no reasonable prospect of realizing any value therefrom. For long term investments in marketable equity securities, when the decline in market value below cost is judged to be other than temporary, the cost basis of the indi-

vidual security shall be written down to a new cost basis. The amount of the write-down shall be accounted for as a realized loss by a charge to account 7500 "Other deductions" and a credit to account 1675 "Reserve for adjustment of investment in securities". The new cost basis shall not be changed for subsequent recoveries in value.

(c) When securities with a fixed maturity date are purchased at a discount (that is when the total cost including brokerage fees, taxes, commissions, etc., is less than par), such discount may be amortized over the remaining life of the securities through periodic debits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and credits to the same account in which the interest revenue is credited. No debits shall be made in respect to discount upon securities held as investments or in special funds if there is reason to believe that such securities will be disposed of by redemption or otherwise at less than par or will not be paid at the date of maturity.

(d) When securities with a fixed maturity date are purchased at a premium (that is when the total cost including brokerage fees, taxes, commissions, etc., is in excess of par), such premiums may be amortized over the remaining life of the securities through periodic credits to the account in which the securities are carried (preferably coincident with entries recording interest accruals) and debits to the same account in which the interest revenue is recorded.

(e) Profits and losses resulting from the sale of securities of others shall be included in accounts 6500, Other Nonoperating Income, or 7500, Other Deductions, as appropriate.

(f)(1) For financial statement purposes the carrier shall follow the principles of equity accounting for (1) all investments in corporate joint ventures (see definition 1-42(c)), and (2) all investments in voting stock of affiliated companies giving the carrier the ability to significantly influence the operating and financial policies of an investee (see definition 1-42(b)). For purposes of this instruction an investment of 20 percent or more of the outstanding voting stock of an investee

§ 1206.2

49 CFR Ch. X (10–1–96 Edition)

will indicate the ability to exercise significant influence over an investee in the absence of evidence to the contrary.

(2) Since the equity method is not to be effected by entries in the books of accounts but is to apply only in financial reports to the Commission, the carrier shall establish worksheet or memorandum accounts. Three basic worksheet or memorandum accounts are needed:

(i) An investment account to include (1) equity in the undistributed earnings or losses of the investee since the date of acquisition (see definition 1–42(g)); (2) accumulated amortization of the difference between cost and net assets at date of acquisition (see (f)(3) below); and other adjustments for disposition or writedown of investments.

(ii) An income account to include (1) the investor's share of the investee's undistributed profits or losses for each reporting period subsequent to acquisition of the investment except that in the year of acquisition such amount shall be determined from the date of acquisition; (2) amortization for the reporting period of the difference between cost and net assets at date of acquisition. This account shall be closed at year-end to the retained income memorandum account discussed in paragraph (f)(2)(iii) of this instruction.

(iii) A retained income account to include (1) equity in the undistributed earnings or losses of the investee since the date of acquisition; (2) accumulated amortization of the difference between cost and net assets acquired at date of acquisition (see (f)(3) below).

(iv) Other memorandum accounts will be needed for such adjustments as gains and losses on disposition of investments, recognition of impairments in value, the investor's share of extraordinary and prior period items reported in the investee's financial statements (see instruction 2–7), and provision for deferred taxes where it is reasonable to assume that undistributed earnings of an investee will be transferred to the investor in a taxable distribution. These memorandum accounts shall be closed at year-end to the retained income memorandum account discussed in paragraph (f)(2) (iii) of this instruction.

(3) The carrier shall retain the following information for each investee in support of the worksheet or memorandum accounts:

(i) Original cost of investment.

(ii) Equity in net assets of investee at date of acquisition.

(iii) Allocation of difference between cost and equity in net assets, namely, to specific assets of investee or to goodwill.

(iv) Accumulated amortization of difference between cost and equity in net assets.

(v) Unamortized balance of difference between cost and equity in net assets.

(vi) Equity in undistributed earnings/losses for each year since date of acquisition.

(vii) Dividends received since date of acquisition if determinable.

(viii) Proceeds from sale of investments.

(4) Any difference between the investor's cost and its share of the net assets of the investee at date of acquisition shall be allocated to specific assets of the investee to the extent the difference is attributable to them. When the difference is allocated to depreciable or amortizable assets, depreciation and amortization (through the investment and income memorandum accounts) should absorb the difference over the remaining life of the related assets. If the difference is not related to specific accounts, it should be considered goodwill and amortized over a reasonable period not to exceed 40 years. For investments made prior to November 1, 1970, amortization of goodwill is not required in the absence of evidence that the goodwill has a limited term of existence.

(5) The financial statements of the investee that are used for equity accounting should be timely. If the accounting year of the investee differs from that of the investor then the most recent available financial statements may be used. The lag in reporting should be consistent from period to period.

(6) Material profits or losses on transactions between the investor and investee shall be eliminated until realized by either company as if the two were consolidated.

Surface Transportation Board, DOT

§ 1206.2

(7) A transaction of the investee of a capital nature that affects the investor's share of the investee's stockholder's equity should be reported in the financial statements as if the two were consolidated.

(8) The investor shall deduct any dividends applicable to outstanding cumulative preferred stock whether or not declared, and any other dividends declared when computing its share of undistributed earnings or losses.

(9) The investor shall suspend application of the equity method when the investment (including the investment memorandum account) together with any net advances made to the investee is reduced to zero. Additional losses shall not be provided for unless the investor has guaranteed obligations of the investee or is otherwise committed to provide further financial support for the investee. If the investee subsequently reports net income the investor shall resume applying the equity method at such time as its share of that net income equals the share of net losses not recognized during the period of suspension.

(10) When the investor's voting stock interest falls below the level of ownership described in paragraph (f)(1) of this instruction, the investment no longer qualifies for the equity method. Should dividends received on the investment in subsequent periods exceed the investor's share of earnings for such periods, the investment memorandum and income memorandum accounts shall be reduced by the excess amount.

(11) When the level of ownership of an investment increases to that described in paragraph (f)(1) of this instruction, the equity method shall be applied. The memorandum accounts for the investment, income (for current year's equity in undistributed earnings less amortization), and retained income (for prior years' equity in undistributed earnings less amortization) shall be adjusted retroactively on a step-by-step basis determining the equity in net assets at date of acquisition, amortization adjustment, and equity in undistributed earnings or losses at each level of ownership. Where small purchases are made over a period of time and then a purchase is made which qualifies the

investment for the equity method, the date of latest purchase may be used as date of acquisition. In those situations where the information needed to apply the equity method is not determinable, the date of acquisition may be considered as January 1, 1974.

(12) Information having significance with respect to the investor's ownership in investees shall be disclosed in notes to financial statements of annual reports filed with the Commission in accordance with generally accepted accounting principles.

NOTE: The carrier shall follow generally accepted accounting principles where an interpretation of the rules for equity accounting is needed or obtain an interpretation from its public accountant or the Commission.

[32 FR 20280, Dec. 20, 1967, as amended at 39 FR 34046, Sept. 23, 1974; 40 FR 53252, Nov. 17, 1975; 42 FR 33300, June 30, 1977]

2-16 Clearing accounts; purpose.

(a) Clearing accounts, designed to facilitate the distribution of certain expenditures which may affect both construction and operations or which may affect transportation and other operations, may be kept when necessary in making the proper distribution of items to the appropriate accounts.

(b) Balances in clearing accounts shall be fully cleared not later than the end of the calendar year unless items held therein unquestionably relate to future periods. Items carried over shall be included in account 1890, Other Deferred Debits, or account 2450, Other Deferred Credits.

2-17 Deduction of reserves.

In stating the balance sheet, reserves shall be shown separately and shall be deducted from the specific assets to which they apply. Reserves not applicable to specific assets shall be shown on the liability side.

2-18 Disclosure of contingent assets and liabilities and long-term obligations.

(a) Contingency gains and losses shall be disclosed by footnotes to the balance sheet. This includes any arrears in cumulative dividends showing the amount per share of each class of

§ 1206.2

stock and the facts and amounts related to any default in principal, interest or sinking fund provisions if not shown in the balance sheet accounts.

(b) Commitments under unconditional purchase obligations associated with suppliers' financing arrangements and future payments on long-term borrowings and redeemable stock shall be disclosed in accordance with generally accepted accounting principles. Such disclosures shall not preclude accounting recognition if the substance of a financing arrangement is the acquisition of an asset or incurrence of a liability.

[47 FR 4266, Jan. 29, 1982]

2-19 Operating property to be recorded at cost.

(a) Amounts chargeable to the accounts 1200 and 1300, designated as carrier operating property accounts, shall be the actual cost to the carrier of the items properly includible therein also including the excess cost of improvements over the estimated cost at current prices of property removed and replaced, and shall be exclusive of any cost for intangible items includible in any of the subdivisions of account 1500, Organization, Franchises and Permits, or account 1550, Other Intangible Property. (See, however, instruction 20.)

(b) The book cost of the construction or acquisition of property chargeable to the carrier operating property accounts 1200 and 1300 shall include the cost of direct labor, indirect labor, materials, transportation, contract work, rent of construction facilities, taxes and interest during construction; also such portion of engineering, supervision, law expenditures, injuries and damages, compensation and other insurance, as is applicable to the construction period; and other analogous elements applicable to the construction and acquisition of property. Unless provided for otherwise, interest costs shall be capitalized in accordance with generally accepted accounting principles.

(c) Any unit of property, including additions to or betterments of existing property, having a cost not in excess of \$500.00, or having a life of one year or less, may be charged to the appropriate operation and maintenance expense or clearing account and not to the prop-

49 CFR Ch. X (10-1-96 Edition)

erty account. However, if small tools, portable equipment and similar items are consumed directly in construction work, the cost may be included as part of the cost of the constructed unit. This is not to be construed as authorizing the parceling of expenditures to bring them within this limit, or the inconsistent application of any rule or practice adopted by the carrier regarding the same item or class of property. Changes in method of applying this rule, shall be reported to the Commission.

(d) When operating property is purchased under any plan involving deferred payments, no charges shall be made to operating property accounts for interest, insurance, or other expenditures occasioned by such form of payment.

(e) When the consideration given for property is anything other than cash, the cash value of such consideration shall be used, except that where physical property is received in exchange for physical property, such property shall be recorded at the net book cost of the property given in exchange. In the journal entry recording such a transaction the actual consideration shall be described with sufficient particularity to identify it. The carrier shall be prepared to furnish to the Commission the particulars of its determination of the cash value of the consideration if other than cash.

[32 FR 20280, Dec. 20, 1967, as amended at 46 FR 10920, Feb. 5, 1981; 46 FR 45959, Sept. 16, 1981]

2-20 Acquisition of a distinct operating unit.

(a) When a motor carrier system or portion thereof constituting a distinct operating unit (see definition 24) is acquired by purchase or merger or consolidation in a pooling of equity interests of stockholders the accounting therefor shall be as follows:

(1) *Purchase.* (i) When purchase is made from a non-affiliated company the assets acquired, other than carrier operating property, non-carrier operating property and other non-operating property includible in accounts 1200, 1300, 1400 and 1450, and the liabilities assumed shall be recorded in the appropriate accounts at the amounts carried

on the books of the transferor at date of consummation of the transaction. Such amounts shall be adjusted, as may be necessary, to conform with the rules in this system of accounts. The carrier operating property, non-carrier operating property and other non-operating property acquired shall be recorded in the appropriate subaccounts under accounts 1200, 1300, 1400 and 1450 based upon the fair market value or the cost specified in the purchase agreement if the latter does not exceed the fair market value of such property acquired. When the properties are recorded at cost specified in the purchase agreement or fair market value such amounts must be supported by report of a disinterested qualified appraiser and such additional evidence as the Commission may require. When an appraisal has not been obtained the original cost of carrier operating property, non-carrier operating property and other non-operating property together with the related depreciation reserves as shown in the books of seller shall be recorded in the accounts in lieu of market value.

(ii) When purchase is made from an affiliated company the assets acquired including carrier operating property, noncarrier operating property and non-operating property, together with the related depreciation reserves and the liabilities assumed shall be recorded in the appropriate accounts at the amounts carried on the books of the affiliated transferor, adjusted, as may be necessary to conform with the rules in this system of accounts.

(iii) The amount of the consideration paid in excess of the net assets acquired shall be included in account 1550, Other Intangible Property.

Where the consideration paid is less than the net assets acquired recorded in accordance with the foregoing provisions the difference shall be credited to account 2720, Premiums and Assessments on Capital Stock, where the consideration is paid in capital stock, and to account 2900, Unearned Surplus, where the consideration is paid in other than capital stock.

(2) *Merger or consolidation in a pooling of equity interests of stockholders.* (i) When a distinct operating unit is acquired by merger or consolidation in a

pooling of equity interests of stockholders, in which all or substantially all of such equity interests in the predecessor company continue, as such, in a surviving company (which may be the transferee or a new company, created for the purpose) the assets, liabilities and the earned surplus or deficit, if any, of the predecessor company shall be recorded in the accounts of the transferee at amounts carried on the books of the predecessor company at date of consummation of the transaction. Such amounts shall be adjusted, if necessary, to conform with the rules in this system of accounts. Where one of the constituent corporations is clearly dominant and its stockholders obtain 90 percent or more of the voting interest in the combined enterprise there is a presumption that the transaction is a purchase rather than a pooling of interests and the transaction shall be so accounted for unless otherwise directed or authorized by the Commission.

(ii) When the total par value or stated value of no par capital stock of the surviving company is more than the aggregate total of the capital stock of the separate companies before merger or consolidation the excess shall be charged to account 2900, Unearned Surplus, or to account 2930, Earned Surplus, if unrestricted unearned surplus is not available for such purpose.

When the total par value or stated value of no par capital stock of the surviving company is less than the aggregate total of the capital stock of the separate companies before merger or consolidation, the difference shall be credited to account 2900, Unearned Surplus.

(3) *Records.* Detailed records, including copy of appraisal reports, shall be maintained showing the basis used for computing amounts included in accounts 1200, 1300, 1400, 1450, 1550, 2900, 2930, and other accounts. Full supporting details showing the purchase price, the principals from whom the property was acquired, and agents who represented such principals shall be stated in the journal entries recording the acquisition of the property.

2–21 Operating property retired.

When carrier operating property (see definition 10) ceases to be used (see definition 40) it shall be retired. If not dismantled or otherwise disposed of, it shall be transferred to account 1400, Non-Carrier Operating Property, or account 1450, Non-Operating Property, as appropriate. (See instruction 23.)

(a) *Property under “unit plan” of depreciation.* When a unit of property on which depreciation charges were accrued under the unit plan (see definition 22) is retired from service, the book cost of such property shall be credited to the appropriate property account and concurrently charged, together with the cost of removal, to the depreciation reserve account. Any salvage or insurance recovered, including amounts provided for in any insurance or other reserve with respect to the retired property when such reserve covers the cause of retirement, shall be credited to the depreciation reserve. Any difference remaining in the depreciation reserve after the above entries shall be charged or credited as appropriate to account 5091, Depreciation Adjustment.

(b) *Property under “group plan” of depreciation.* When a unit of property, on which depreciation charges were accrued under the group plan (see definition 22), is retired from service, the book cost thereof shall be credited to the appropriate property account and concurrently charged, together with the cost of removal, to the depreciation reserve account. Any salvage or insurance recovered, including amounts provided for in any insurance or other reserve with respect to the retired property, when such reserve covers the cause of retirement, shall be credited to the depreciation reserve account.

(c) *Minor items.* When the property retired constitutes a minor item (see definition 28), the book cost of which has been or will be accounted for by its inclusion in the unit of property of which it is a part when such unit of property is retired, no adjustment of the operating property account or depreciation reserve is required therefor. When a minor item is retired and replaced, with property of like purpose, the entire cost of replacement shall be charged to the account appropriate for

the cost of repairs of the property retired, except that if the replacement effects a betterment (see definition 7), there shall be charged to the property account, the excess cost of the replacement over the estimated cost at current prices of the items retired (see instruction 19 (c)): *Provided*, That property bettered shall not be carried in excess of the current cost new of equivalent property.

(d) *Land.* When land is sold, the book cost shall be credited to the land account and any difference between the book cost and the sales price, less commissions and expenses on the sale, shall be adjusted through account 6500, Other Non-operating Income, or account 7500, Other Deductions, as appropriate.

(e) *Determination of book cost.* The book cost of operating property retired shall be the amount at which such property is included in the operating property accounts including all items set forth in instruction 19. Such costs shall be determined from the carrier's records when this can be done, as in the case of land, structures, revenue automotive equipment, service equipment, furniture, and other items of operating property for which individual cost records are available. When the actual book cost cannot be determined from the records, it shall be estimated. When it is impracticable to determine the book cost of each item due to the relatively large number and/or small cost of such items, the average book costs of all the items, with due allowance for differences in size or character, shall be used as the book cost of the items retired. The latter method may be applied in retirement of such items as spare parts, tools, etc.

(f) *Intangibles.* The accounting for the retirement of items included in account 1511, Franchises, account 1541, Patents, and intangible elements with limited terms included in account 1201, Land and Land Rights, shall be as provided in the texts of account 2600, Reserve for Amortization—Carrier Operating Property, and account 5100, Amortization of Carrier Operating Property.

Surface Transportation Board, DOT

§ 1206.2

(g) *Sale of property.* When operating property used in transportation operations is sold together with the transportation business associated therewith, the book cost of the property shall be credited to the appropriate operating property accounts and the amounts carried with respect thereto in the depreciation and amortization reserve accounts, estimated if necessary, shall be charged to such reserves. The difference, if any, between (1) the net amount of such debit and credit items, and (2) the consideration received for the property, shall be included in account 6500, Other Non-operating Income, or account 7500, Other Deductions, as appropriate. (See instruction 7.)

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 53252, Nov. 17, 1975]

2-22 Leased property; expenditures.

(a) Except as provided in paragraph (b) of this section, the cost of initial improvements, including rearrangements, additions and betterments to property leased from others made in the course of preparing the property for motor carrier operations and the cost of any subsequent additions to and betterments of such leased property shall be charged to the operating property account 1271, Improvements to leasehold property. Depreciation on such expenditures shall be provided for in accordance with instruction 25.

(b) When the cost of alterations to leased transportation property otherwise chargeable to account 1271, Improvements to leasehold property, is not in excess of \$500.00 or the period of the lease is less than one year, the cost may be charged to the accounts chargeable with the cost of repairs to such property. Changes in method of applying this rule shall be reported to the Commission.

[46 FR 45959, Sept. 16, 1981]

2-23 Transfer of property.

Property transferred between accounts 1200, Carrier Operating Property, 1300, Carrier Operating Property Leased to Others, and accounts 1400, Non-Carrier Operating Property, 1450, Non-Operating Property, shall be charged or credited, as appropriate, to

the carrier operating property accounts 1200 and 1300 at its book cost with the debits or credits to the appropriate accounts for the accrued depreciation and amortization to date of transfer.

2-24 Common property.

(a) If the carrier is engaged in forms of enterprise other than motor carrier operations and any of its carrier operating property is used in common for two or more purposes to such an extent and in such manner that it is otherwise impracticable to segregate it in the accounts, an allocation of the book cost thereof shall be made and the portion so ascertained to be assignable to motor carrier operations shall be recorded in the carrier operating property accounts 1200 and 1300. The remainder shall be recorded in accounts 1400 or 1450 as appropriate. It is not contemplated that minor or temporary changes in conditions shall necessitate frequent reallocations of common property.

(b) The carrier shall be prepared to show at any time and to report to the Commission when required, and by carrier operating property accounts 1200 and 1300 the following:

(1) The book cost of common property.

(2) The allocation of such cost to carrier operations and other purposes for which the jointly operated property is used, and

(3) The basis of the allocation.

(c) The expenses of operation, maintenance, depreciation and amortization of common property shall be recorded in the accounts prescribed in this part and the allocation of such expenses to the carrier operations shall be supported in the same manner as the allocation of the cost of such property.

2-25 Depreciation accounting.

(a) There shall be charged each month (or 4-week period) to account 5000, Depreciation Expense, and credited to account 2500, Reserve for Depreciation—Carrier Operating Property, during the service life of depreciable property, included in account 1200, Carrier Operating Property, amounts which will approximate the loss in service value not restored by current

§ 1206.2

49 CFR Ch. X (10–1–96 Edition)

maintenance or covered by insurance, the effect of which can be forecast with a reasonable approach to accuracy. The straight-line method of computing depreciation (see definition 38) shall be used and the current depreciation charge shall be obtained by applying the applicable portion of the annual percentage rate to the book cost balances, except that the mileage method (see definition 27) may be used on automotive equipment, in which event the rate per mile shall be applied to the number of miles traveled each period. In no event, however, shall the charges based on such mileage method be less during any calendar year than would result from the application of rates based on the straight-line method.

Carriers engaged in seasonal operations may apportion the estimated annual depreciation charge over the months in which operations are actually conducted.

(b) Depreciation charges on property included in accounts

- 1211 Structures
- 1221 Revenue Equipment
- 1231 Service Cars and Equipment

shall be computed on the unit plan (see definition 22) under the straight-line method. Depreciation charges on any unit of property which is depreciated under the unit plan shall cease when the estimated service value shall have been credited to the depreciation reserve.

(c) Depreciation charges on property included in accounts

- 1241 Shop and Garage Equipment
- 1251 Furniture and Office Equipment
- 1261 Miscellaneous Equipment

shall be computed under either the unit plan or the group plan. (See definition 22.) If the group plan is used the current depreciation charge shall be determined by applying the applicable portion of the annual percentage rate to the sum total of the book cost balances of the property included in each account, or subdivisions thereof, at the rate determined from weighted averages of service lives of the property included therein.

(d) Depreciation charges on property included in account 1271—Improvements to Leasehold Property, shall be made upon the same basis as for simi-

lar depreciable property includible in other property accounts. However, where it is reasonably certain that the lease will not be renewed and the property will revert to the lessor it should be depreciated over the remaining period of the lease or its estimated service life, whichever is less.

(e) Depreciation charges upon operating property constituting a distinct operating unit (see definition 24), leased from others under terms whereby the carrier has exclusive possession, shall be made on the same basis as for owned depreciable property. (See instruction 30.) Records shall be maintained similar to those for owned property showing the cost, service life and salvage value for each unit of depreciable operating property leased from others.

(f) Depreciation charges on operating property constituting a distinct operating unit (see definition 24) leased to others for transportation operations, when the lessee has exclusive possession, shall be charged to account 5500, Income from Lease of Carrier Property, Credit, with concurrent credits to account 2500, Reserve for Depreciation—Carrier Operating Property.

(g) Depreciation expense on non-carrier operating property and non-operating property shall be charged to the appropriate Other Income account and credited to account 2610, Reserve for Depreciation and Amortization, Other Property.

2–26 Cost of repairs.

(a) The cost of repairs chargeable to the various operation and maintenance expense accounts includes labor employed, materials used, and expenses incurred in all current maintenance (not including depreciation and amortization), such as:

(1) Inspecting, testing, and reporting on the condition of operating property specifically to determine the need for repairs, minor replacements, rearrangements, and changes.

(2) Testing for, locating, and clearing trouble.

(3) Routine work to prevent trouble, such as general overhauling, removing carbon, grinding valves, adjusting and relining brakes, adjusting shock absorbers, cleaning and adjusting engines, etc.

Surface Transportation Board, DOT

§ 1206.2

(4) Replacing minor items of operating property. (See also instruction 21(c).)

(5) Rearranging and changing the location of property not retired.

(6) Restoring the condition of property damaged by wear and tear, storms, breakage, floods, fire, accident, or other casualties. (See also paragraph (b) of this section.)

(7) Training employees, for repair work.

(8) Inspecting and testing after repairs have been made.

(b) Materials recovered in connection with repairs to property shall be credited to the same account to which the repair cost was charged.

(c) If employees engaged in transportation, station or terminal service are also required to make repairs, an equitable proportion of their pay and expenses shall be charged to the account appropriate for the cost of such repairs. (See instruction 28.)

(d) If the book cost of any property is carried in account 1281, Undistributed Property, the repairs to such property shall be charged to the accounts provided for repairs to property of the same nature and use, the book cost of which is carried in other operating property accounts. Repairs to property leased from others shall be treated in like manner.

2-27 Insurance.

(a) Provision has been made under Operation and Maintenance Expenses for recording amounts of premiums paid outside insurance companies in accounts as follows:

4520 Public Liability and Property Damage Insurance.

4541 Workmen's Compensation, Insurance.

4550 Baggage and Express Insurance.

4570 Fire and Theft Insurance.

4580 Other Insurance.

Premiums paid in advance shall be charged to account 1170, Prepayments, and equitably distributed to the appropriate accounts over the period for which the premiums have been paid, except minor premiums which may be charged direct and premiums chargeable to construction.

(b) Carriers authorized by the Commission to accrue charges for the purpose of estimating losses sustained by

others not covered by commercial insurance and representing liabilities to the carrier, such as bodily injury and property damage insurance and cargo loss and damage insurance, shall record periodic charges to the appropriate expense accounts in amounts sufficient to cover estimated losses based on the carrier's experience.

(c) The following accounts have been provided under Operation and Maintenance Expenses for the purpose of estimating amounts sufficient to settle claims by others for the classes of risks cited above which are not covered by commercial insurance:

4530 Injuries and Damages.

4546 Workmen's Compensation—Provision for Claims.

4560 Baggage and Express Loss and Damage.

4570 Fire and Theft Insurance.

4580 Other Insurance.

Accruals for estimated claims from injuries and damages, workmen's compensation and baggage and express loss and damage shall be included in account 2680, Injuries, Loss and Damage Reserves. The carrier shall not accrue amounts to cover risk of loss or damage to its property from fire, theft, or similar loss contingencies.

Periodic charges to expense accounts for the purpose of creating accruals for the estimated liability for losses sustained by others not covered by outside insurance shall be determined currently by the carrier from its best source of information and the rates used may be based on percentage of revenue, mileage of buses, amount of payrolls or other equitable basis.

[32 FR 20280, Dec. 20, 1967, as amended at 37 FR 25845, Dec. 5, 1972; 41 FR 32598, Aug. 4, 1976]

2-28 Distribution of pay and expenses of employees.

The charges to investments, operation and maintenance expenses, and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, shall be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the

time actually engaged during a representative period. The pay and expenses of an employee of one department who occasionally performs incidental services involving but small expense for another department may be included in the expense of the department in which the employee is regularly employed.

2–29 Joint expenses.

Where the carrier owns the joint facility, any amounts received as reimbursement of operation and maintenance costs shall be credited to the appropriate joint facilities—credit account under maintenance and garage expenses; station and terminal expenses; or administrative and general expenses. Any amounts received for depreciation, taxes and return on the joint facility, shall be credited to account 5390, Joint Facility Rents—Credit. Similarly, any amounts paid by the carrier under joint facility arrangements for operating and maintenance costs shall be charged to the appropriate joint facilities—debit account in the operation and maintenance expense group of accounts and any amounts paid for depreciation, taxes and return on the joint facility, shall be charged to account 5340, Joint Facility Rents—Debit.

2–30 Rent and lease of carrier property.

(a) Provision is made in the several subdivisions of account 5300, Operating Rents—Net, for rents receivable and payable for use of property other than that constituting a distinct operating unit or system. (See definition 24.)

(b) Taxes payable by the lessee upon property rented or leased shall be included in account 5200, Operating Taxes and Licenses, by the lessee.

(c) Other expenses payable by the lessee shall be included in the appropriate accounts on the books of the lessee.

(d) Amounts payable for use of operating property constituting a distinct operating unit (see definition 24) leased from others under terms whereby the carrier has exclusive possession shall be apportioned between rent and depreciation. The portion covering rent shall be included in account 5400, Rent for Lease of Carrier Property—Debit, and

the portion covering depreciation shall be included in account 5000, Depreciation Expense. (See instruction 25.)

(e) The lessor shall credit the amount receivable for use of the property leased to account 5500, Income from Lease of Carrier Property—Credit. The lessor shall charge the estimated depreciation accrual to account 5500 and credit account 2500, Reserve for Depreciation—Carrier Operating Property.

(f) If settlement for either rent or depreciation is not made currently the amounts thereof shall be accrued by both lessor and lessee in harmony with the instructions in paragraphs (c) and (d) of this section. The amounts accrued receivable, and payable, should be included in appropriate accounts classified under accounts 1890, Other Deferred Debits, and 2450, Other Deferred Credits, by the lessor and lessee, respectively.

2–31 Amortization of intangibles.

(a) For intangible assets acquired after December 31, 1979, the cost of the asset shall be amortized by systematic charges to account 5100, Amortization of Carrier Operating Property, or account 7500, Other Deductions, as prescribed by the account texts for accounts in the 1500 series. Systematic charges shall be made over the period of useful life not to exceed 40 years from the date of acquisition. Such charges shall be based on the straight line method of amortization unless the carrier demonstrates that another method more adequately reflects the decline in economic service value of the asset.

(b) For unamortized intangible assets acquired after October 31, 1970, but before December 31, 1979, the cost of the assets shall be adjusted in the accounts to retroactively reflect the generally accepted accounting principle of amortization of intangible assets. Subsequent accounting shall be in accordance with paragraph (a) above.

(c) For intangible assets held before November 1, 1970, the carrier shall consider the life expectancy of the asset to determine the appropriate accounting. Intangible assets with limited lives shall be amortized over their estimated

period of future use. A retroactive adjustment shall be necessary if the particular intangible asset has never been amortized. Intangible assets with indeterminate lives may remain unamortized or may be amortized prospectively over a period of 40 years from date of acquisition.

[46 FR 59545, Dec. 7, 1981]

2-32 Accounting for income taxes.

(a) The interperiod tax allocation method of accounting shall be applied where material timing differences (see definition 1-41(e)) occur between pretax accounting income and taxable income. Carriers may elect, as provided by the Revenue Act of 1971, to account for the investment tax credit by either the flow through method or the deferred method of accounting. See paragraphs (d) and (e) below. All income taxes (Federal, state and other) currently accruable for income tax return purposes shall be charged to account 8000, Income taxes on ordinary income, and account 9050, Income taxes on extraordinary items, as applicable.

(b) Under the interperiod tax allocation method of accounting the tax effect of timing differences (see definition 1-41) originating in the current accounting period are allocated to income tax expense of future periods when the timing differences reverse. Similar timing differences originating and reversing in the current accounting period should be combined into groups and the current tax rates applied to determine the tax effect of each group. A carrier shall not apply other than current tax rates in determining the tax effect of reversing differences except upon approval of the Commission. When determining the amount of deferred taxes, rather than computing state and other taxes individually by jurisdiction, the Federal income tax rate may be increased by a percent equivalent to the effect of taxes imposed by the jurisdictions. In classifying a deferred charge or credit as current or noncurrent a carrier shall follow the classification criteria used for the related asset or liability which caused the timing difference. A deferred charge or credit that is not related to an asset or liability because (1) there is no associated asset or liability

or (2) reduction of an associated asset or liability will not cause the timing difference to reverse shall be classified based on the expected reversal date of the specific timing difference. Such classification disregards any additional timing differences that may arise and is based on the criteria used for classifying other assets and liabilities.

(c) The future tax benefits of loss carryforwards shall normally be recognized in the year in which such loss is applied to reduce taxes. Only in those unusual instances when realization is assured beyond any reasonable doubt should the future tax benefits of loss carryforwards be recognized in the year of loss. The tax effects of any realizable loss carrybacks shall be recognized in the determination of net income (loss) of the loss periods; appropriate adjustments of existing net deferred tax credits may also be necessary in the loss period.

(d) Carriers electing to account for the investment tax credit by the flow through method shall credit account 8000, Income taxes on ordinary income, or account 9050, Income taxes on extraordinary items, as applicable, and charge account 2120, Taxes accrued, with the amount of investment tax credit utilized in the current accounting period. When the flow through method is followed for the investment tax credit, account 8040, Provision for deferred taxes, shall reflect the difference between the tax payable (after recognition of allowable investment tax credit) based on taxable income and tax expense (with full recognition of investment tax credit that would be allowable based on accounting income) based on accounting income.

(e) Carriers electing to account for the investment tax credit by the deferred method shall concurrently with making the entries prescribed in (d) above charge account 8040, Provision for deferred taxes or account 9060, Provision for deferred taxes—extraordinary items, as applicable, and shall credit account 2460, Accumulated deferred income tax credits with the investment tax credit utilized as a reduction of the current year's tax liability but deferred for accounting purposes. The investment tax credit so deferred

§ 1206.2

shall be a mortized by credits to account 8040, Provision for deferred taxes.

NOTE A: Any change in practice of accounting for the investment tax credit shall be reported promptly to the Commission. Carriers desiring to clear deferred investment tax credits because of a change from the deferral method to the flow through method shall submit the proposed journal entry to the Commission for consideration and advice.

NOTE B: The carrier shall follow generally accepted accounting principles where an interpretation of the accounting rules for income taxes is needed or obtain an interpretation from its public accountant or the Commission.

[39 FR 33348, Sept. 17, 1974, as amended at 40 FR 53253, Nov. 17, 1975; 47 FR 12350, Mar. 23, 1982]

2-33 Transactions with affiliated companies.

(a) The records and supporting data of all transactions with affiliated companies shall be maintained in a separate file. The types of transactions referred to in this paragraph are for management services or any other type of services rendered, sale or use of facilities or any other type of assets or property. The file shall be maintained so as to enable the carrier, upon a Commission request, to furnish accurate information with supporting documentation about particular transactions within 15 days of the request. We do not intend the file to include data relating to ordinary carrier operations (e.g., lawful tariff charges).

(b) Each bill rendered by an affiliated company shall state specifically the basis used for determining charges, unless the file contains other information to support the specific basis for charges.

(c) Punched cards, magnetic tapes, discs, or other machine-sensible device used for recording, consolidating, and summarizing accounting transactions and records with a carrier's electronic or automatic data processing system may constitute a file within the meaning of this instruction.

(d) The carrier shall record, as the cost of assets or services received from an affiliated supplier, the invoice price (plus any incidental costs related to those transactions) in those cases where the invoice price can be deter-

49 CFR Ch. X (10-1-96 Edition)

mined from a prevailing price list of the affiliated supplier available to the general public in the normal course of business. If no such price list exists, the charges shall be recorded at the lower of their cost to the originating affiliated supplier (less all applicable valuation reserves in case of asset sales), or their estimated fair market value determined on the basis of a representative study of similar competitive and arm's-length or bargained transactions.

Any difference between actual transaction price and the above, as well as charges that are not transportation related, shall be considered of a financing nature and shall be recorded, accordingly, as nonoperating charges or credits. (See instruction 2-34).

(e) Nothing contained herein shall be construed as restraining the carrier from subdividing accounts (see instruction 2-2(d)) for the purpose of recording separately transactions with affiliated companies.

[40 FR 44564, Sept. 29, 1975]

2-34 Charges to be just and reasonable.

All charges to the accounts prescribed in this system of accounts for carrier property, operating revenues, operating and maintenance expenses, and other carrier expenses, shall be just, reasonable and not exceed amounts necessary to the honest and efficient operations and management of carrier business. Payments shall not exceed the fair market value of goods and services acquired in an arm's-length transaction. Any payments in excess of such just and reasonable charges shall be included in account 7500, Other Deductions.

[40 FR 44564, Sept. 29, 1975]

2-35 Accounting for leases.

(a) Leases shall be accounted for as capital leases whenever the lease meets one or more of the following four criteria:

(1) The lease transfers ownership of the property to the lessee by the end of the lease term,

(2) The lease contains a bargain purchase option,

Surface Transportation Board, DOT

§ 1206.2

(3) The lease term is equal to 75 percent or more of the estimated economic life of the property, and,

(4) The present value at the beginning of the lease term of the minimum lease payments equals or exceeds 90 percent of the fair value of the leased property to the lessor at the inception of the lease less any related investment tax credit retained by the lessor.

(b) If the lease does not meet any of the four criteria, the lease shall be classified and accounted for as an operating lease.

(c) When accounting for capital leases the lessee shall record the asset and the related obligation. The amount recorded as the asset and the obligation shall be the present value at the beginning of the lease term of the minimum lease payments during the lease term, excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor. However, if that amount exceeds the fair value of the leased property, the amount recorded as the asset and the obligation shall be the fair value. The lessee shall compute the present value of the minimum lease payments using its incremental borrowing rate unless (1) it is practicable to learn the implicit rate computed by the lessor and (2) the implicit rate computed by the lessor is less than the lessee's incremental borrowing rate. If both of those conditions are met, the lessee shall use the implicit rate.

(d) Amortization of the recorded asset shall be as follows:

(1) If the lease meets either the first or the second criteria for capitalization, the asset shall be amortized in accordance with the lessee's normal depreciation policy.

(2) If the lease does not meet the first or second criteria, the asset should be amortized over the lease term.

(e) The accounting accorded the lease shall be subject to the same considerations as other obligations in classifying them with current and non-current liabilities in the classified balance sheet. Leases that meet the criteria requiring capitalization shall be recorded in those accounts that provide for carrier operating property or property used in other than carrier oper-

ations, as appropriate. The accounts shall segregate the amounts pertaining to capital leases.

(f) If the lease qualifies as an operating lease it should be accounted for by charging the rent to expense over the lease term. The rental expense should be recognized on a straight line basis over the lease term unless another method is more representative of the use and the benefits derived.

(g) The criteria specified in paragraph (a) should be applied to all leases regardless of the relationship between the lessor and the lessee unless it is clear that the terms of the lease transaction have been significantly affected by their relationship. In this situation, the accounting should be modified to recognize economic substance rather than legal form.

(h) In the case of subsidiary companies or companies under common control whose principal business activity is leasing property or facilities to the carrier, the carrier is encouraged to request special authority to file consolidated or combined financial statements. If the carrier does not wish to file consolidated or combined financial statements, capitalization of the lease will be required if the lease meets the criteria that would require capitalization.

NOTE: The carrier shall follow generally accepted accounting principles where an interpretation of the rules for lease accounting is needed or obtain an interpretation from its public accountant or the Commission.

[42 FR 56613, Oct. 27, 1977]

2-36 Transfers from government authorities.

When a Federal, State, or municipal government transfers cash or other assets to a motor carrier of passengers, the transaction shall be accounted for in accordance with the provisions set forth hereunder.

(a) The following forms of government transfers shall be included in account 3700, "Operating Revenues—Transfers from Government Authorities for Current Operations" when received:

(1) Payments as reimbursement for operating losses sustained on a specific route or in a certain region, such as

support of busline commuter operations;

(2) Subsidies designated by the donor to offset operating expenses of the recipient, and

(3) Subsidies which may be applied at the discretion of the recipient to operating expenses and/or operating property.

(b) Government transfers relating to the acquisition, addition to, or improvement of depreciable operating property shall be included in account 2410, “Deferred Revenues—Transfers from Government Authorities” when received. Account 2410 shall be periodically charged, and account 3800, “Operating Revenues—Amortization of Deferred Transfers from Government Authorities” shall be credited with amounts equal to the depreciation costs of the assets to which they apply.

(c) Government transfers in the form of, or designated for the purchase of nondepreciable operating property shall be included in account 2900, “Unearned Surplus” in the manner described in the text of that account.

(d) The provisions of this section do not apply to government payments for specific services rendered by the carrier in transporting passengers by bus line (other than services described in paragraph (a)(1) of this section). Such payments shall be included in account 3000, “Operating Revenues (Exclusive of Government Transfers).”

(e) The provisions of this section do not apply to government transfers relating to other than carrier operations.

(f) The provisions of this section do not apply to government transfers in exchange for debt and/or equity securities of recipients.

(g) Government transfers shall generally be recorded when made available to the carrier. However, transfer relating to specific operations shall be recorded as earned.

(h) Government transfers in the form of assets other than cash shall be recorded at fair value when received.

[43 FR 30560, July 17, 1978]

2–37 Business entertainment expenses.

(a) Business entertainment expenses are to be accounted for as operating expenses when incurred in conjunction with sales or marketing related activi-

ties. Sales or marketing related activities are those that emphasize a carrier’s ability to provide efficient, timely and competitive service. These activities include outlays designed to promote new business as well as outlays incurred in maintaining existing business. The entertainment expenditures must be reasonable in relation to the business conducted and the business purpose for the entertainment must be adequately supported. Examples of this type of activity include the following:

(1) Salespersons’ salaries and travel expenses, advertising, promotional and educational material;

(2) The conduct of shipper symposiums, conferences, meetings and traffic related functions;

(3) The use of direct mail solicitations and the publication and distribution of routing guides and service directories;

(4) Incidental promotional materials such as road atlases, calendars, pens, scratchpads, and other materials of nominal value;

(5) The conduct of business oriented lunches and dinners, public affairs programming, conferences and customer service calls;

(6) Sponsoring sales promotion functions, involving a number of customers or potential customers.

It must be noted that an activity listed above is not to be automatically accounted for as an operating expense. A carrier must be able to justify that an activity was primarily sales or marketing related.

(b) Business entertainment expenses are to be accounted for as non-operating expenses when they cannot be shown to be related to the sales or marketing activity. These are expenses that are primarily related to recreation or to the convenience and comfort of the individuals rather than to the transaction of business. Examples of this type of activity include the following:

(1) Recreational or resort entertainment, including but not limited to, fishing, hunting, tennis, golfing, skiing or other sporting or recreational trips or outings;

(2) Expense paid transportation in any carrier owned, leased or furnished

Surface Transportation Board, DOT

§ 1206.2

vehicles, planes, helicopters, boats, yachts, or other methods;

(3) Expense paid lodging in any carrier owned, leased or furnished motels, hotels, apartments, condominiums, lodges, rooms and other places of overnight accommodation;

(4) Paid admission to any sporting, cultural, educational, recreational, or entertaining occurrence or event;

(5) Gifts such as athletic equipment, food or liquor, beverages of all types, smoking materials, clothing and personal accessories;

(6) The furnishing of lunches, dinners, appetizers or beverages where there is no true business purpose;

(7) Social occasions such as holiday parties.

It must be noted that an activity listed above is not to be automatically accounted for as a non-operating expense. If a carrier can justify that the activity was primarily sales or marketing related, it may be accounted for as an operating expense.

NOTE: The examples listed above are not inclusive, but are intended as a guide to give carriers an indication of what will or will not be permitted to be recovered through the rate structure. In all instances the burden of proof will fall on the carrier involved.

[47 FR 9467, Mar. 5, 1982]

BALANCE SHEET ACCOUNTS¹

ASSET SIDE

Current Assets

1000 Cash.

This account shall include the amount of current funds available for use on demand in the hands of financial officers and deposits in banks or trust companies; also cash in transit for which agents or drivers have received credit.

NOTE A: This account shall be credited with the amount of checks or drafts transmitted to payees.

NOTE B: Funds subject to withdrawal restrictions: Funds subject to such restrictions and deposits in closed banks shall not be included in this account. Such funds definitely known to be available within 1 year shall be included in account 1190, Other Current As-

sets. Deposits in closed banks which are not available within 1 year shall be included in account 1890, Other Deferred Debits.

NOTE C: Compensating balances (see definition 1-44) under an agreement which legally restricts the use of such funds shall not be included in this account. Such balances shall be included in account 1043, "Miscellaneous special deposits" or account 1781, "Miscellaneous special funds."

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 9159, Mar. 3, 1976]

1020 Working funds.

This account shall include amounts advanced to officers, agents, employees, and others as petty cash or working funds from which certain expenditures are to be made and accounted for.

1040 Special deposits.

This account shall include the balance of the amounts included in accounts 1041, 1042, and 1043, for short-term deposits.

1041 Interest, special deposits.

This account shall include moneys and bank credits specially deposited in the hands of fiscal agents or others for the payment of interest on behalf of the carrier. When interest is paid from such deposits, it shall be credited to this account and charged to the appropriate accrued or matured interest account. Payments to trustees or other agents of the holders of bonds or other securities of the interest accrued thereon which operate under the terms of the securities or of mortgages supporting such securities as a release of the paying company from further liability for such interest, shall be charged to the appropriate interest accrual account.

1042 Dividend, special deposits.

This account shall include moneys and bank credits in the hands of fiscal agents or others for the payment of dividends on behalf of the carrier. When dividends are paid from such deposits they shall be credited to this account and charged to the appropriate dividend account.

1043 Miscellaneous special deposits.

This account shall include compensating balances (see definition 1-44)

¹For form of balance sheet statement, see account 2999.

§ 1206.2

under an agreement which legally restricts the use of such funds and which constitute support for short-term borrowing arrangements, and moneys and bank credits in the hands of fiscal agents or others for special purposes other than the payment of interest or dividends. This includes cash or securities deposited with Federal, State, or municipal authorities, public utilities, or others, as a guaranty for the fulfillment of obligations. Entries to this account shall specify the purpose for which the deposit is made. When such purposes are satisfied and the deposit is released, this account shall be credited with the amount deposited.

NOTE: Deposits available for general company purposes shall be included in account 1000, Cash.

[41 FR 9159, Mar. 3, 1976]

1060 Temporary cash investments.

(a) This account shall include the book cost (see instruction 15) of investments such as time drafts receivable and time loans, bankers' acceptances, United States Treasury certificates, marketable securities, and other similar investments acquired for the purpose of temporarily investing cash. Any securities included in this account must be of such a nature as to be readily convertible into cash at substantially the book value.

(b) This account shall be sub-divided to reflect separately:

(1) Temporary Cash Investments—Associated Companies.

(2) Temporary Cash Investments—Other.

(c) This account shall also be sub-divided to reflect the marketable equity securities' portion (and its corresponding valuation allowance) and other temporary investments. (See instruction 2-15.)

NOTE A: Amounts carried in this account as pledged shall be shown separately from amounts unpledged.

NOTE B: There shall not be included in this account amounts properly includible in accounts 1600, Investments and Advances—Associated Companies, or 1650, Other Investments and Advances.

[32 FR 20280, Dec. 20, 1967, as amended at 42 FR 33300, June 30, 1977]

49 CFR Ch. X (10-1-96 Edition)

1080 Notes receivable.

(a) This account shall include the book cost, not includible elsewhere, of all collectible obligations in the form of notes receivable, contracts receivable, and similar evidences (except interest coupons) of money receivable on demand or within a time not exceeding 1 year from date of issue.

NOTE A: Notes receivable from associated companies shall be included in account 1100, Receivables from Associated Companies.

NOTE B: The amount of notes receivable discounted, sold or transferred, unless transferred without recourse, shall be credited to account 2000, Notes Payable.

(b) This account shall be sub-divided to reflect separately:

(1) Notes Receivable—Officers, Stockholders and employees.

(2) Notes Receivable—Other.

1100 Receivables from associated companies.

(a) This account shall include the total of amounts receivable from associated companies (see definition 6(a)) which are subject to current settlement (see definition 17), such as balances in open accounts for services rendered, material furnished, traffic or interline accounts, claims, rent for use of property and similar items; interest and dividends due from associated companies; and loans, notes and drafts for which associated companies are liable.

(b) This account shall be sub-divided to reflect separately:

(1) Loans and Notes Receivable—Associated Companies.

(2) Interest and Dividends Receivable—Associated Companies.

(3) Accounts Receivable—Associated Companies.

NOTE A: On the balance sheet, accounts receivable from associated companies shall be set off against accounts payable to the same companies.

NOTE B: No amount representing dividends receivable shall be included in this account unless they have been declared or guaranteed.

NOTE C: Items which are not subject to current settlement shall be included in account 160, Investment and Advances—Associated Companies.

Surface Transportation Board, DOT

§ 1206.2

1120 Accounts receivable.

(a) This account shall include amounts due from others (except associated companies) for material and supplies furnished and services rendered including transportation and storage charges, use of property, other matured rents, amounts owing by public authorities, amounts of collectible judgments, current accounts with officers and employees, and other accounts and claims upon which responsibility is acknowledged by solvent concerns or individuals.

(b) This account shall also include the balances due from other carriers (except associated companies), against each of which there is a net debit balance representing traffic or interline accounts; also the net balance in current accounts due from agents, drivers, and other employees and representatives charged with the collection or custody of current revenues.

(c) This account shall be sub-divided to reflect separately:

(1) Accounts Receivable—Officers, stockholders and employees.

(2) Traffic or interline account balances.

(3) Accounts receivable—Others.

NOTE A: Amounts advanced to officers, employees, or others as working funds, shall be included in account 1020, Working Funds.

NOTE B: Accounts with other carriers representing traffic and interline accounts which contain net credit balances shall be included in account 2050, Accounts Payable.

1140 Subscribers to capital stock.

(a) This account shall include the balance due from subscribers upon legally enforceable subscriptions to capital stock.

(b) The amount of each subscription shall be charged to this account at the time the subscription is accepted. Concurrently there shall be credited to account 2730, Capital Stock Subscribed, the par or stated value of the stock subscribed or the agreed purchase price in the case of non-par stock without a stated value. Appropriate entries shall likewise be recorded with respect to any discount or premium on par value stocks or non-par value stocks with a stated value.

NOTE: The records supporting the entries to this account shall be kept so that the cor-

poration can furnish the name and address of each subscriber, the amount and kind of capital stock subscribed, the date of subscription, the date that each payment is due and the date that each is paid, the nature of each payment (whether cash or other consideration), and any other information that is necessary to make the history of the subscription complete.

1160 Interest and dividends receivable.

This account shall include the amount of current interest accrued to the date of the balance sheet on bonds, mortgages, notes, and other commercial paper owned; on loans made; open accounts; bank deposits, etc.; and the amount of dividends receivable on stocks owned. (See instruction 10.)

NOTE A: Interest and dividends receivable from associated companies shall be included in account 1100, Receivables from Associated Companies.

NOTE B: Interest which is not subject to current settlement shall be included in the account in which is carried the principal on which the interest is accrued.

NOTE C: No amount representing dividends receivable shall be included in this account unless they have been declared or guaranteed.

NOTE D: No interest or dividends on securities or obligations issued or assumed by the carrier shall be included in this account.

1170 Prepayments.

This account shall include the balances representing payment of items in advance of their accrual, the benefit of which is to be realized subsequent to the time of such payment. Entries shall be made each period transferring from this account to the appropriate account the portion of each prepayment which is applicable to that period. The account shall be kept so that there can be determined readily the amounts applicable to the following:

(a) Taxes and licenses.

(b) Insurance.

(c) Interest.

(d) Rents.

(e) Tires and tubes (see account 4160, Tires and Tubes—Revenue Equipment).

(f) Miscellaneous.

NOTE A: Prepayments of minor items applicable to the current year may be charged directly to the appropriate operation and maintenance expense or other accounts.

§ 1206.2

NOTE B: Interest and finance fees included in the face value of equipment and other obligations (a liability being recorded at face value) shall be included in account 1890, Other Deferred Debits.

[37 FR 25845, Dec. 5, 1972]

1180 Material and supplies.

(a) This account shall include the cost (less cash or other discounts when they can be determined) of all unapplied materials and supplies, including tools, repair parts, fuel, tires and tubes, etc. The cost shall include all specifically assignable transportation charges incurred in obtaining the delivery of such materials and supplies upon the premises of the carrier including loading and unloading and at the option of the carrier, it may include a suitable proportion of purchasing and store expenses in which case corresponding credits shall be made to the appropriate account. The cost shall also include sales and excise taxes on material purchases. Sales and excise taxes on gasoline, other motor fuels, motor oil, and tires and tubes, shall be charged to account 5200—Operating Taxes and Licenses. Other sales and excise taxes may be included in this account as part of the cost of materials purchased, or charged to account 5200 if the tax can be readily separated from the cost of the material.

(b) When any materials or supplies, the cost of which has been charged to this account, are issued for use, the amount at which they stand charged herein shall be credited to this account and charged to the appropriate construction, operation and maintenance expense, or other account. Such amount may be based upon the average cost of all items of a given type included in this account at the beginning of the period.

(c) Materials recovered in connection with construction, maintenance, or the retirement of property shall be charged to this account as follows:

(1) Re-usable materials shall be included in this account at amounts not to exceed cost, estimated if not known.

(2) Scrap and non-usable materials shall be carried at the estimated salvage value. So far as practicable, the difference between the amounts realized from sale or disposal and the

49 CFR Ch. X (10–1–96 Edition)

amounts at which the materials are carried in this account shall be adjusted in the depreciation reserves, repair accounts, or other accounts which were credited when the materials were charged to this account.

NOTE A: Interest charged on material bills, the payment of which is delayed, shall be charged to account 7100, Other Interest Deductions.

NOTE B: Inventories of materials and supplies shall be taken at intervals of one year or less, and the necessary adjustment shall be made to bring this account into harmony with the actual physical inventory. In effecting this adjustment, differences which may practicably be assigned to important classes of materials shall be equitably distributed among the accounts to which such classes of materials are ordinarily chargeable. Other differences shall be equitably apportioned among the operation and maintenance accounts to which materials have been charged since the last inventory. Such differences that cannot be allocated to the operation and maintenance accounts shall be included in account 4655, Purchasing and Store Expenses.

NOTE C: Sales taxes on gasoline, other motor fuels and motor oil and personal property taxes assessed on material and supplies shall be included in account 5200, Operating Taxes and Licenses.

1190 Other current assets.

This account shall include the amount of all assets of a current nature not includible in any of the foregoing current asset accounts. (See definition 17.)

1195 Deferred income tax debits.

This account shall include the current portion of deferred income tax debits and credits determined in accordance with instruction 2–32, when the balance is a net debit. A net credit balance shall be included in account 2185, “Deferred income tax credits”.

[47 FR 12351, Mar. 23, 1982]

Tangible Property

1200 Carrier operating property.

(a) This account shall include the total of the amounts representing the cost (see instruction 19) of carrier operating property, included in accounts 1201 to 1291, inclusive, owned and used by the carrier in its motor carrier operations, and which has an expected life

Surface Transportation Board, DOT

§ 1206.2

in service of more than 1 year, including such property owned by the carrier but held by nominees.

(b) When property normally having a service life of more than 1 year is installed for temporary use in motor carrier operations, it shall be accounted for in the same manner as property installed for permanent use.

(c) Records shall be kept so as to reflect separately the cost and date of acquisition of property jointly owned and property operated under a joint agreement; also the cost and date of acquisition of each structure, unit of equipment, or other major item of property (or at the option of the carrier of each body, chassis or other major part). When a major part of a unit of property, such as a body or chassis of equipment or portion of a structure has been replaced by either a new or rebuilt one, details shall appear in the supporting records showing also the cost of the property removed, the cost of the replacement, and the date of removal or replacement. If property such as a structure or unit of equipment is constructed new, or rebuilt by the carrier to increase its capacity or otherwise add to its usefulness for motor carrier service, or if parts are purchased and assembled by the carrier, the cost records for construction and assembly shall be maintained in a sufficiently complete manner to show the cost of labor, materials and other expenses incurred in such work.

(d) When a structure, unit of equipment, or other property is so rebuilt or remodeled as to create an expectation of service life fairly comparable with new property, the old property shall be retired (instruction 21). Charges to this account for the rebuilt or remodeled property shall be based upon the appraised value of the reused parts, or the net book cost at time of retirement of the retired unit, whichever is lower, plus the cost of rebuilding or remodeling. *Provided, however,* That in no event shall the total amount charged exceed the cost of similar new property.

(e) The cost of removing old appliances and replacing them with new appliances shall be charged to the proper account under operation and maintenance expenses.

(f) The cost of additions to and betterments of property leased from others shall be recorded in account 1271, Improvements to Leasehold Property. (See instruction 22.)

1201 Land and land rights.

(a) This account shall include the cost (see instruction 19) including the amount of mortgages of other liens, assumed, of land or interest in land, having a life of more than 1 year, for use directly in connection with the motor carrier operations of the carrier for such purposes as general office buildings, shops, garages, stations, terminals, waiting rooms, shelters, loading platforms, warehouses, and the like. This includes the first cost of acquiring leaseholds of land, easements, and rights-of-way, but no rents payable periodically in consideration of rights so obtained.

(b) The cost of buildings and other improvements (other than public improvements) shall not be included in the land accounts. If at the time of acquisition of an interest in land such interest extends to buildings or other improvements (other than public improvements), which are then devoted to carrier operations, the land and improvements shall be separately appraised and the cost allocated to land and buildings or improvements on the basis of the appraisals. If the improvements are removed or wrecked without being used in carrier operations, the cost of removing or wrecking shall be charged and the salvage credited to the account in which the cost of the land is recorded.

(c) Carriers shall keep the records so as to show separately the cost of each parcel of land or interest therein and the purpose or purposes for which used in motor carrier operations.

ITEMS

Clearing land of brush, trees, and debris (First cost of).
Condemnation proceedings, including court costs and special counsel fees.
Consents and abutting damages, payment for.
Conveyancers' and notaries' fees.
Easements and rights-of-way, cost of, and expenses of acquisition.
Fees and commissions to brokers and agents.
Grading.
Land, cost of.

§ 1206.2

49 CFR Ch. X (10–1–96 Edition)

Leases having a life of more than 1 year, costs of expenses incidental to acquiring.
Leases, voiding, to secure possession of land.
Relocating property of others.
Rights-of-way, including costs of locating.
Sidewalks on public streets abutting carrier's property.
Special assessments on the basis of benefits for new roads, new bridges, new pavements, new sewers, and other public improvements (but not any taxes levied to provide for maintenance of such improvements).
Surveys.
Taxes assumed, accrued prior to date of transfer of title.
Title, examining, registering, clearing, insuring and defending against claims relating to period prior to purchase.

NOTE A: When land is acquired in excess of that required for motor carrier operations, or for which there is not a definite plan for its use in such service within 1 year, the cost of such land shall be charged to account 1400, Non-Carrier Operating Property, or to account 1450, Non-Operating Property, as appropriate. If land originally charged to either of these accounts is later used for motor carrier operations, it shall be charged to Carrier Operating Property in service at its cost when acquired. (See instruction 23.)

NOTE B: Assessments for public improvements upon which payments are deferred shall be charged to this account in full and the unpaid balance carried in the appropriate liability account. Interest on unpaid balances shall be charged to the appropriate income deduction account.

1211 Structures.

(a) This account shall include the cost in place (see instruction 19) of structures used in motor carrier operations. This includes buildings or constructions to house, support, or safeguard property or persons, with all appurtenant fixtures permanently attached thereto, and improvements to land, and other structures or constructions.

(b) Carriers shall keep their records so as to show separately the cost of each structure included in this account and the purpose or purposes for which used in motor carrier operations.

ITEMS

Architect's plans.
Ash pits.
Awnings.
Boilers, furnaces, piping, wiring, fixtures and machinery for heating, lighting, signaling, ventilating and plumbing.
Bridges and culverts.
Chimneys.

Commissions and fees to brokers, agents, architects, and others.
Conduits (not to be removed).
Damages to abutting property during construction.
Door checks and door stops.
Drainage and sewerage systems.
Elevators, cranes, hoists, etc., and the machinery for operating them.
Excavation, including shoring, bracing, bridging, refill and disposal of excess excavated material.
Fences and hedges.
Fire protection systems.
Floor covering (permanently attached).
Foundations and piers for machinery constructed as a permanent part of a building or other unit listed herein.
Grading and preparing grounds for buildings, including landscaping of grounds after construction.
Leases, voiding, to secure possession of structures.
Oil pits and drainage systems.
Outside lighting systems.
Partitions, including movable.
Painting, first.
Permits and privileges, building.
Platforms, railings and gratings, when constructed as part of structure. Power boards for service to a building.
Refrigerating systems.
Retaining walls.
Scales, connected to and forming part of the structure.
Screens.
Sidewalks, pavements and driveways on building grounds.
Sprinkling systems.
Storage facilities constituting part of building.
Storage tanks.
Storm doors and windows.
Structures, cost of.
Subways, areaways, and tunnels, directly connected to and forming part of the structure.
Vaults, constructed as part of the building.
Water supply system for building or general company purposes.
Window shades and ventilators.

NOTE A: The cost of specially provided foundations not expected to outlast the machinery or apparatus for which they are provided, and the cost of angle irons, castings, etc., installed at the base of an item of equipment shall be charged to the same account as the cost of the machinery or equipment.

NOTE B: When part of a structure is removed in order to build an extension thereto, the accounting therefor shall be in accordance with instruction 21.

Surface Transportation Board, DOT

§ 1206.2

1221 Revenue equipment.

(a) This account shall include the cost (see instruction 19) of all units of revenue passenger equipment, and the cost of the first set of accessory equipment necessary to fit them for service, excluding tires and tubes (see account 4160, Tires and Tubes—Revenue Equipment). The term *revenue passenger equipment* includes body and chassis and all fixtures and appliances inside of or attached to the body or chassis.

(b) If revenue passenger equipment is purchased in a condition ready for service, the cost shall include the invoice or contract price (excluding tires and tubes), less discount, if any, plus freight, excise taxes, insurance in transit, unloading costs and other expenses incurred in obtaining delivery of these vehicles upon the premises of the carrier such as drive-away charges, and the cost of any additions or attachments made after delivery.

(c) This account may also include the cost of spare engines and other major units carried on hand for the purpose of temporarily replacing such units taken into the shop for overhauling, repairing, or any other reason.

ITEMS

Automobiles.
Busses.
Combination busses.
Horses and mules.
Stages.

1231 Service cars and equipment.

This account shall include the cost (see instruction 19) of automotive vehicles used in connection with keeping revenue vehicles in operation, including cars and trucks used as trouble wagons for servicing revenue vehicles on the road. This account shall also include the cost of the first set of appliances or accessory equipment, including tires and tubes, necessary to fit such vehicles for service, such as cranes, hoists and other appliances, devices and tools forming the equipment of service cars.

ITEMS

Emergency repair vehicles and appliances.
Refueling cars.
Sand and salt cars.
Snow-fighting vehicles and equipment.

Spare units for service vehicles, on hand in shop (optional).

Tow cars and appliances.

Vehicles used by officials, starters and inspectors.

1241 Shop and garage equipment.

(a) This account shall include the cost installed (see instruction 19) of machinery and equipment used in shops and garages when such machinery and equipment is not an integral part of the housing structure, together with specially provided foundations and settings not expected to outlast the machinery mounted thereon. Records shall be kept so as to show separately the cost of each major item of equipment.

(b) If the carrier has shops or garages at more than one location, the records shall be maintained to reflect the carrier's investment at each location.

ITEMS

Air compressors and hose, gauges and tanks.
Anvils.
Arbor presses.
Battery charging outfits.
Belts, shafts and countershafts.
Boring or reaming machines.
Car washing equipment.
Cranes and hoists (portable).
Creepers.
Drill presses.
Electric equipment.
Engines and boilers.
Forges.
Gasoline and oil pumps and portable tanks.
Greasing racks and pumps.
Grinders.
Jacks.
Lathes.
Lockers.
Machine tools.
Motor driven hand tools.
Motor starters.
Oil reclaiming machines.
Paint sprayers.
Pneumatic tools.
Storage bins and shelving (movable).
Store room equipment (except office equipment).
Stoves.
Testing apparatus.
Tire changing equipment.
Tool racks.
Vices.
Vulcanizing equipment.
Weighing devices.
Welding apparatus.
Wheel pullers.
Work benches.

§ 1206.2

NOTE A: The cost of small portable tools and implements of slight value or short life shall be charged to the appropriate expense account.

NOTE B: The cost of cranes, hoists, and other appliances, devices, and tools forming the equipment of service cars and trucks shall be charged to account 1231, Service Cars and Equipment.

1251 Furniture and office equipment.

(a) This account shall include the cost (see instruction 19), installed of furniture and appliances used in general offices, garage offices, stations, terminals, warehouses, and waiting rooms, when such equipment is not an integral part of the housing structure.

(b) If the carrier has equipment included in this account at more than one location, the records shall be maintained to reflect the carrier's investment at each location.

(c) If the carrier operates or owns auxiliary station facilities such as restaurants and news stands, the cost of equipment therein shall be charged to this account and carried under a special subdivision entitled "Furniture and Office Equipment—Special Facilities."

ITEMS

Book cases.
Cash registers.
Chairs, stools and benches.
Clocks.
Counters.
Desks.
Equipment in rest, dining, recreation and medical rooms.
Fans, electric.
Filing cabinets.
Fire extinguisher equipment.
Floor coverings.
Heaters and lamps (movable).
Kitchen equipment.
Lighting fixtures (movable).
Lockers.
Loud speaker systems.
Newsstand equipment.
Office equipment (mechanical).
Parcel room equipment.
Partitions and railings.
Restaurant equipment.
Safes (movable).
Show cases and shelves.
Tables and counters.
Teletypewriters.
Ticket cases.
Ticket machines.
Time clocks.
Time-table racks.
Typewriters.

49 CFR Ch. X (10–1–96 Edition)

Vacuum cleaners.
Water coolers.

NOTE: Small articles of slight value or of short life shall be charged to the appropriate expense accounts.

1261 Miscellaneous equipment.

This account shall include the cost (see instruction 19) of other motor carrier equipment such as miscellaneous wheeled equipment used at warehouses, stations, terminals, and loading platforms in connection with handling traffic.

ITEMS

Blocks and falls.
Canvas covers (tarpaulins).
Carts.
Chain hoists.
Dollies (platform).
Electric motor trucks.
Hamper trucks.
Platform trucks.
Rollers.
Scales.
Signal equipment.
Signs (electric and portable).
Skidboards.
Warehouse trucks.
Weighing devices.

1271 Improvements to leasehold property.

(a) This account shall include, except as provided in paragraph (b) of this section the cost of initial improvements (including rearrangements, additions, and betterments) to property used for motor carrier operations and held under lease or through control of the carrier owning the property, and in existence at the date of the balance sheet; and, the cost of any subsequent additions to and betterments of such leased or controlled property but not including replacements of other than the carrier's own improvements. Depreciation on such expenditures shall be provided for in accordance with instruction 25.

(b) When the cost of alterations to leased property used in motor carrier operations otherwise chargeable to this account is not in excess of \$500.00 or the period of the lease is less than one year, the cost may be charged to the accounts chargeable with the cost of repairs to such property. (See provisions of instruction 22.)

[46 FR 45960, Sept. 16, 1981]

Surface Transportation Board, DOT

§ 1206.2

1281 Undistributed property.

(a) When a carrier purchases or sells any property constituting a distinct operating unit (see definition 24) or otherwise finds it necessary because of incomplete financial records to make a general readjustment of operating property records, temporary charges or credits to this account may be made with approval of the Commission, and the distribution of the amounts involved shall be made promptly to the appropriate accounts after authorization by the Commission.

(b) Balances in accounts previously carried representing property owned as of the effective date of this system of accounts may be carried temporarily in this account. Journal entries distributing such balance to the appropriate properly accounts prescribed in this part shall be made and filed with the Commission not later than 1 year after the effective date of this system of accounts.

1291 Unfinished construction.

This account shall include the cost of construction projects not ready for service at the date of the balance sheet. It shall include all elements of cost as set forth in instruction 19.

NOTE: This account is intended to include only charges for new construction not involving any replacement. If, however, at the beginning of a job involving the replacement or retirement of any operating property, the accounting carrier makes full credits therefor to the appropriate property accounts, the cost of installing new property in substitution or replacement may be carried in this account pending completion of the work. (See also account 1890, Other Deferred Debts.)

1300 Carrier operating property leased to others.

(a) This account shall include the cost (see instruction 19) of carrier operating property owned by the carrier but leased to others as distinct operating units (see definition 24) or systems for use in motor carrier operations, where the lessee has exclusive possession.

(b) This account shall be subdivided so as to reflect separately the investment in each class of property as pro-

vided for under account 1200, Carrier Operating Property.

1400 Non-carrier operating property.

This account shall include the book cost of land, structures and equipment owned by the carrier and used in other than motor carrier operations and not provided for in account 1200, Carrier Operating Property, and account 1300, Carrier Operating Property Leased to Others.

1450 Non-operating property.

This account shall include the book cost of land, structures and equipment owned by the carrier, but not used in any of its operating activities.

Intangible Property

1500 Organization, franchises and permits.

This account shall include the balance of the amounts included in accounts 1501 to 1541, inclusive.

NOTE: See Instruction 2–31.

[32 FR 20280, Dec. 20, 1967, as amended at 46 FR 59546, Dec. 7, 1981]

1501 Organization.

This account shall include fees paid to State or other governmental authority for the privilege of incorporation, and expenditures incident to organizing the corporation, partnership, or other enterprises, and putting it into readiness to do business.

ITEMS

Fees and expenses for incorporation.
Fees and expenses for mergers or consolidations.
Office expenses incident to organizing the company.
Stock and minute books and corporate seal.

NOTE A: This account shall not include any discounts upon securities issued or assumed; nor shall it include any costs incident to negotiating loans, selling bonds or other evidences of debt, or expenses in connection with the authorization, issuance or sale of stock. (See instructions 12, 13, and accounts 1900, Discounts on Capital Stock, and 1910, Commission and Expense on Capital Stock.)

NOTE B: Exclude from this account, and include in account 4620, Law Expenses, the cost of preparing and filing papers in connection with the extension of the term of incorporation unless the first organization costs have been written off.

§ 1206.2

NOTE C: When charges are made to this account for expenses incurred in mergers, consolidations, acquisitions or reorganizations, amounts previously included herein on the books of the retiring companies shall not be carried over. If such items represent part of the assets acquired they shall be included in account 1550, Other Intangible Property. (See instruction 20.)

NOTE D: See Instruction 2-31.

[32 FR 20280, Dec. 20, 1967, as amended at 46 FR 59546, Dec. 7, 1981]

1511 Franchises.

(a) This account shall include amounts actually paid to a State or political subdivision thereof or to other governmental authority in consideration of franchises, permits, consents, or certificates running in perpetuity or for a specified term of more than 1 year together with the necessary reasonable expenses incident to procuring such franchises, consents, or certificates of convenience and necessity.

(b) When a franchise, permit, consent or certificate is acquired by assignment, the charge to this account shall not exceed the actual cost to the original holder thereof. Payments in excess of the cost to the original holder, together with any expenses incurred by the acquiring carrier shall be charged to account 1550, Other Intangible Property. (See instruction 20.)

(c) When any franchises, permits, consents or certificates have expired, and are not immediately renewed, are sold or otherwise disposed of, credits to this account shall be made representing the amounts at which such items (including expenses of acquisition) are carried herein. Concurrent charges shall be made to account 2600, Reserve for Amortization—Carrier Operating Property, or to account 5100, Amortization of Carrier Operating Property, as appropriate. * * * Expenses incurred in connection with renewals shall be charged to the appropriate operation and maintenance expense account.

(d) This account shall be sub-divided to reflect separately amounts pertaining to:

- (1) Perpetual franchises.
- (2) Fixed-term franchises.

NOTE A: Regularly recurring payments made to any political subdivision for the right to operate within its boundaries shall

49 CFR Ch. X (10-1-96 Edition)

be charged to account 5200, Operating Taxes and Licenses.

NOTE B: See Instruction 2-31.

[32 FR 20280, Dec. 20, 1967, as amended at 46 FR 59546, Dec. 7, 1981]

1541 Patents.

(a) This account shall include the cost (see instruction 19) of patent rights, licenses, and privileges necessary or valuable to the economical conduct of motor carrier operations, and which have a life of more than 1 year from the date they become effective.

(b) When any right or license included herein expires or is canceled and is not immediately renewed, is sold, or otherwise disposed of, credit to this account shall be made representing the amount at which such right or license is included herein. Concurrent charge shall be made to account 2600, Reserve for Amortization—Carrier Operating Property, or to account 5100, Amortization of Carrier Operating Property, as appropriate. Expenses incurred in connection with renewals shall be charged to the appropriate operation and maintenance expense account.

NOTE: See Instruction 2-31.

[32 FR 20280, Dec. 20, 1967, as amended at 46 FR 59546, Dec. 7, 1981]

1550 Other intangible property.

(a) This account shall include any intangibles not provided for elsewhere, including any undistributed portion of the purchase cost of a transportation system or portion thereof, constituting a distinct operating unit (see definition 24) not includible in specific accounts provided for assets acquired or liabilities assumed. (See instruction 20.)

(b) The carrier may amortize or write off the balance carried in this account by credits hereto and concurrent charges to account 7500, Other deductions.

NOTE: See Instruction 2-31.

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 53252, Nov. 17, 1975; 46 FR 59546, Dec. 7, 1981]

Surface Transportation Board, DOT

§ 1206.2

Investment Securities and Advances

1600 Investments and advances—Associated companies.

(a) This account shall include the book cost (see instruction 15) of the carrier's investments in securities issued or assumed by associated companies; notes of associated companies maturing later than 1 year from date of issue; and the amount of advances to associated companies not subject to current settlement including accrued interest on such advances when not subject to current settlement. Exclude from this account securities held in special funds or as temporary cash investments. (See definitions 6, 8, account 1060, Temporary Cash Investments, and instruction 15.)

(b) This account shall be subdivided to reflect separately:

- (1) Common stocks.
- (2) Preferred stocks.
- (3) Bonds.
- (4) Notes.
- (5) Other investments.
- (6) Advances.

NOTE A: Balances in open accounts with associated companies which are subject to current settlement shall be included in account 1100, Receivables from Associated Companies.

NOTE B: Securities pledged shall be shown separately from securities unpledged.

NOTE C: Securities borrowed by the carrier and pledged shall not be included in this account. A memorandum record shall be kept.

1650 Other investments and advances.

(a) This account shall include the book cost (see instruction 15) of the carrier's investments in securities issued or assumed by other than associated companies; notes of other companies and persons, maturing later than 1 year from date of issue; the cash surrender values of insurance policies carried on the lives of officers and employees when the carrier is beneficiary of such policies; advances to other companies and individuals not subject to current settlement, including any accrued interest on such advances when not subject to current settlement.

(b) This account shall be subdivided to reflect separately:

- (1) Common stocks.
- (2) Preferred stocks.
- (3) Bonds.

(4) Notes.

(5) Other investments.

(6) Advances.

NOTE A: Balances in open accounts with other companies and individuals which are subject to current settlement shall be included in account 1120, Accounts Receivable.

NOTE B: Securities pledged shall be shown separately from securities unpledged.

NOTE C: Securities borrowed by the carrier and pledged shall not be included in this account. A memorandum record shall be kept.

1675 Reserve for adjustment of investments in securities.

(a) This account shall be credited with amounts charged to account 7500, Other Deductions, to provide a reverse for adjustments in the value of investment securities included in account 1600, Investments and Advances-Associated Companies, and account 1650, Other Investments and Advances, where there is a permanent impairment in the recorded values.

(b) If reserves are maintained for anticipated losses in specific securities, when such securities are disposed of, this account shall be charged to the extent of the credit balance applicable to the particular securities involved. The remainder, if any, shall be charged to account 7500, Other Deductions.

(c) In case a general reserve for losses in unspecified security values is maintained, all such losses on disposition shall be charged to this account to the extent of the credit balance, and the remainder, if any, shall be charged to account 7500, Other Deductions.

[39 FR 34047, Sept. 23, 1974, as amended at 40 FR 53252, Nov. 17, 1975]

1676 Allowance for net unrealized loss on noncurrent marketable equity securities.

(a) This account shall reflect the amount by which aggregate cost exceeds market value for the noncurrent marketable equity securities found in accounts 1600 and 1650. This account shall be debited or credited so that the balance at the balance sheet date shall reflect such difference. (Refer to instruction 2-15.)

(b) This account shall not include amounts by which aggregate cost exceeds market value if such differences are judged to be other than temporary.

§ 1206.2

(Such differences should be charged to account 1676.)

[42 FR 33300, June 30, 1977]

Special Funds

1701 Sinking funds.

(a) This account shall include the amount of cash or other items when held by trustees or other fiscal agents in charge of sinking funds, or by the carrier itself when they are segregated in a distinct fund, for the purpose of redeeming outstanding obligations. (See instruction 15.)

ITEMS

Cash.

Securities of other companies or other assets, at cost except as otherwise provided herein.

Live securities, issued or assumed by the carrier, at face value. (For conditions under which such securities may be kept alive, see instruction 14.)

Amounts deposited with trustees or other fiscal agents on account of mortgaged property sold when held for the redemption of securities.

Securities of the carrier issued to trustees without intervening sale, at face value.

(b) A separate subdivision shall be kept for each fund, the title of which shall designate the obligation in support of which the fund was created.

1751 Depreciation funds.

This account shall include the amount of cash and the cost (see instruction 15) of securities of other companies and other assets which have been specifically set aside for the purpose of providing a fund for the replacement of units of depreciable property.

1781 Miscellaneous special funds.

This account shall include the amount of cash and the cost (see instruction 15) of securities of other companies and other assets in insurance, employees' pension, savings, relief, hospital and other funds which have been raised and specifically set aside or invested for purposes not provided for elsewhere; and the face value of securities issued or assumed by the carrier which may be held alive in such funds under instruction 14. Also include in this account deposits in lieu of mort-

49 CFR Ch. X (10–1–96 Edition)

gaged property sold and other trust deposits, pending their refund when equivalent property is acquired or pending their transfer under mortgage provisions to account 1701 Sinking Funds. A separate subdivision shall be provided for each fund.

Note: This account shall include compensating balances (see definition 1–44) under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements.

[32 FR 20280 Nov. 17, 1967, as amended at 41 FR 9159, Mar. 3, 1976]

Deferred Debits

1890 Other deferred debits.

(a) This account shall include all debit balances in suspense accounts that cannot be entirely cleared and disposed of until further information is received; also items of a deferred nature (except items chargeable to account 1800, Prepayments, or account 2370, Unamortized Discount on Debt) which are subsequently to be amortized to the appropriate operation and maintenance expense or other accounts. This includes amounts on deposit with banks which have failed, pending determination of loss; amounts paid for options pending final disposition which are not recoverable; expenditures for plans and investigations made for determining the feasibility of projects under contemplation, pending further disposition; and expenditures for valuations, inventories, and appraisals made in connection with the contemplated purchase or sale of property. (See instruction 19.) If projects in connection with which such preliminary costs were incurred are abandoned, the expense shall be charged to account 7500, Other Deductions.

(b) This account shall also include other debit items which are subject to amortization by order of the Commission.

(c) This account shall also include the balances in clearing accounts maintained to carry temporarily the cost of operating and maintaining such facilities as office buildings, storehouses, etc.; and such overhead costs as

Surface Transportation Board, DOT

§ 1206.2

it is desirable to apportion to the construction, operating, and other accounts involved. (See instruction 16.)

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 53252, Nov. 17, 1975; 41 FR 52468, Nov. 30, 1976]

1895 Accumulated deferred income tax debits.

This account shall include the non-current amount of deferred income tax debits and credits determined in accordance with instruction 2-32, when the balance is a net debit. A net credit balance shall be included in account 2460, "Accumulated deferred income tax credits".

[47 FR 12351, Mar. 23, 1982]

Miscellaneous Debit Items

1900 Discount on capital stock.

This account shall include the discounts suffered in the sale of capital stock. (See instructions 12, 14.)

1910 Commission and expense on capital stock.

This account shall include all expenses incurred in connection with the issuance and sale of capital stock. (See instructions 12, 14.)

ITEMS

Fees and expenses in obtaining permission from regulatory bodies for the issuance of stock and in filing papers of notification thereunder.

Fees paid to promoters.

Listing stock on exchanges.

Preparation and distribution of prospectuses.

Preparation and issuance of certificates of stock.

Soliciting subscriptions for stock, including fees, commissions, advertising and printing.

Taxes paid on stock issues.

1920 Reacquired securities.

This account shall include in subdivisions for each class, the face, par, or stated value of bonds, and other forms of securities which have been actually issued or assumed by the carrier, and reacquired and are neither retired nor properly included in sinking or other funds.

NOTE A: The accounting for the reacquisition of securities and resales thereof shall be in accordance with instruction 14.

NOTE B: This account shall be maintained so as to reflect separately securities pledged and unpledged.

NOTE C: In reports to the Commission the balance in this account shall be deducted from the securities accounts on the liability side, thereby extending into the money column the amounts to reflect the actually outstanding securities.

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 44564, Sept. 29, 1975]

1990 Nominally issued securities.

(a) This account shall include in subdivisions for each class, the face value of capital stock, bonds, and other forms of securities which have been nominally but not actually issued by the carrier. (See definitions 2, 30.)

(b) When stock without par value is nominally issued, a memorandum entry shall be made to this account showing the number of shares thus issued.

NOTE A: This account shall be maintained so as to reflect separately securities pledged and unpledged.

NOTE B: In reports to the Commission, the balance in this account shall be deducted from the securities accounts on the liability side, thereby extending into the money column the amounts to reflect the actually outstanding securities.

LIABILITY SIDE

Current Liabilities

2000 Notes payable.

(a) This account shall include the face value of outstanding obligations in the form of notes, drafts, acceptances, and other similar evidences of indebtedness which by their terms do not run for a period in excess of 1 year, including the face value of notes receivable discounted or sold without releasing the carrier from liability as endorser thereon.

(b) Subdivisions shall be maintained to show separately obligations maturing upon demand from obligations bearing a specified date of maturity.

NOTE A: Notes payable to associated companies shall be included in account 2030, Payable to Associated Companies.

NOTE B: Unmatured equipment obligations shall be included in account 2190, Equipment Obligations and Other Debt Due Within One Year, or account 2300, Equipment Obligations, as appropriate.

§ 1206.2

NOTE C: This account shall not include obligations due within one year which are intended to be refinanced on a long-term basis. Long-term refinancing of short-term obligations means; (1) replacement with long-term obligations or equity securities, or (2) renewal, extension, or replacement with short-term obligations for an uninterrupted period extending beyond one year from the balance sheet date.

The intention to refinance on a long-term basis shall be supported by the ability to refinance. Evidence of this ability includes either; (1) the actual issuance of a long-term obligation or equity securities for the purpose of refinancing the short-term obligation, after the balance sheet date but before the balance sheet is issued, or (2) before the balance sheet is issued, the existence of a financing agreement which is long-term and based on terms readily determinable with no existing violations of its provisions, and with a lender which is financially capable of honoring the agreement.

[32 FR 20280 Dec. 20, 1967, as amended at 41 FR 9164, Mar. 3, 1976]

2020 Matured equipment and long-term obligations.

This account shall include the amount (including obligations for premiums) of equipment obligations, long-term obligations and receivers' certificates matured and unpaid without any specific agreement for extension of maturity, including unrepresented bonds called for redemption.

2030 Payables to associated companies.

(a) This account shall include the total of amounts payable to associated companies (see definition 6) which are subject to current settlement (see definition 17), such as credit balances in open accounts for services rendered, material furnished, traffic or interline accounts, claims, rent for use of property and similar items; interest and dividends due to associated companies; and loans, notes and drafts which are payable to associated companies.

(b) This account shall be subdivided to reflect separately:

(1) Loans and notes payable—Associated companies.

(2) Interest and dividends payable—Associated companies.

(3) Accounts payable—Associated companies.

49 CFR Ch. X (10–1–96 Edition)

NOTE A: On the balance sheet accounts payable to associated companies shall be set off against accounts receivable from the same companies.

NOTE B: No amount representing dividends payable shall be included in this account unless they have been declared or guaranteed.

NOTE C: Items which are not subject to current settlement shall be included in account 2200 Advances Payable—Associated Companies.

NOTE D: This account shall not include obligations to associated companies due within one year which are expected to be refinanced on a long-term basis (See note C following account 2000, Notes payable).

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 9164, Mar. 3, 1976]

2050 Accounts payable.

(a) This account shall include amounts payable to others (except associated companies) for materials and supplies and services received, including use of property, other matured rents, amounts due to public authorities, amounts of payable judgments, current accounts with officers and employees, personal injury and property damage claims, the carrier's liability for transportation taxes and sales taxes collected from customers, deductions from employees' wages for social security and income taxes, and other similar items.

(b) This account shall also include the balances due to other carriers (except associated companies) in favor of each of which there is a net credit balance representing traffic or interline accounts.

(c) This account shall be subdivided to reflect separately:

(1) Accounts payable—Officers, stockholders, and employees.

(2) Traffic or interline account balances.

(3) Accounts payable—Others.

NOTE: Accounts with other carriers representing traffic or interline accounts which contain net debit balances shall be included in account 1120, Accounts Receivable.

2070 Wages payable.

This account shall include the amount of wages payable or accrued pay rolls at the date of the balance sheet. Unclaimed wages should be transferred to account 2190, Other Current Liabilities.

Surface Transportation Board, DOT

§ 1206.2

2080 Unredeemed tickets.

Carriers using the "ticket lift basis" in recording revenues shall credit this account with the amounts received from the sale of mileage books, scrip books, tokens, strip or coupon tickets, commutation or other forms of tickets which are valid for transportation. This account shall be charged and the appropriate revenue account credited as tickets, tokens, or coupons are honored for transportation. This account shall also be charged with unused portions of tickets, tokens, or coupons with concurrent credits to cash or other appropriate account for the amount redeemed and to the appropriate revenue account for the portion not so redeemed or redeemable.

NOTE: Carriers using the "ticket sales basis" in recording revenues shall credit account 3200, Passenger Revenue with their proportion received from the sale of tickets, etc.

2090 C.o.d.'s unremitted.

This account shall be credited with amount of c.o.d.'s collected from consignees for shippers on express delivered.

This account shall be charged when remittances of amounts of c.o.d.'s are made to shippers.

NOTE: Fees for handling c.o.d.'s shall be credited to the express revenue account.

2100 Dividends declared.

This account shall include the amount of dividends declared but not paid on any issue of capital stock of the carrier. Dividends shall be credited to this account as of the day upon which they become a liability of the carrier.

NOTE: Dividends declared and payable to associated companies shall be included in account 2030, Payable to Associated Companies.

2120 Taxes accrued.

(a) This account shall be credited each period with the amount of taxes accrued during the period, with concurrent debits to the appropriate accounts for tax charges. As credits to this account will necessarily be based upon estimates, they shall be adjusted from time to time during the year so that

the tax charge accounts may show as nearly as possible, the taxes applicable to the year. Payments of taxes for which accruals have been made shall be debited to this account. Amounts representing prepayment of taxes applicable to the period subsequent to the date of the balance sheet shall be included in account 1800, Prepayments.

(b) The records supporting the entries to this account shall be kept so that the carrier can furnish information as to the amount and basis for each tax accrual, the kinds of taxes paid, the amount of each and the accounts charged with the tax accruals.

NOTE A: The liability for income taxes of sole proprietors or members of a partnership shall not be included in this account.

NOTE B: The liability for social security and income taxes deducted from employees' wages for payment to taxing bodies shall be included in account 2050, Accounts Payable.

NOTE C: The liability for Federal or State Taxes on transportation charges collectible by motor carriers shall be included in account 2050, Accounts Payable.

2150 Interest accrued.

(a) This account shall include the amount of interest accrued to the date of the balance sheet, but not payable until after that date, on all indebtedness of the carrier except interest which is added to the principal.

(b) When interest matures without being paid, it shall be charged to this account and credited to account 2030, Payables to Associated Companies, or account 2160, Matured Interest, as appropriate. Payments to trustees or other agents of the holders of bonds or other securities, of the interest accrued thereon, which operate under the terms of the securities (or of mortgages supporting such securities) as a release of the carrier from further liability for such interest, shall be accounted for in the same manner as payments of interest made directly to bondholders.

NOTE: Interest accrued upon any judgment against the carrier shall be credited to the account to which such judgment stands credited.

2160 Matured interest.

This account shall include the amount of matured and unpaid interest on obligations of the accounting carrier whether the cause of the failure to

§ 1206.2

pay the interest is on the part of the creditor or for other reasons, except where such interest is added to the principal of the obligation.

NOTE: Interest payable to associated companies shall be included in account 2030, Payables to Associated Companies.

2180 Other current liabilities.

This account shall include all current and accrued liabilities not includible in any of the foregoing accounts. This includes unmatured rents accrued, unclaimed wages, and estimated amounts payable within one year covering liability for claims for injuries to persons, loss and damage, and similar items.

2185 Deferred income tax credits.

This account shall include the current portion of deferred income tax charges and credits determined in accordance with instruction 2-32 when the balance is a net credit. A net debit balance shall be included in account 1195, "Deferred income tax debits".

[47 FR 12351, Mar. 23, 1982]

Long-term Debt Due Within One Year

2190 Equipment obligations and other debt due within one year.

This account shall include the total amount of bonds, equipment obligations, and other long-term debt obligations, including obligations maturing serially or payable in installments, which are due and payable within one year, and for which arrangements for long-term refinancing have not been made (See note C following account 2000, Notes payable) or for which no sinking funds have been provided. This account shall be subdivided according to the different classes of debt so maturing.

[41 FR 9164, Mar. 3, 1976]

Advances Payable

2200 Advances payable—Associated companies.

(a) This account shall include the amount of advances from associated companies including obligations due within one year which are expected to be refinanced on a long-term basis (See

49 CFR Ch. X (10-1-96 Edition)

note C following account 2000, Notes payable), whether evidenced by notes or open accounts which are not subject to current settlement, including interest accrued thereon, when such interest is not subject to current settlement.

(b) This account shall be subdivided so as to show for each creditor:

(1) Notes payable.

(2) Open accounts not subject to current settlement.

(3) Interest accrued on amounts included in this account when not subject to current settlement:

NOTES: Amounts of temporary advances which are subject to current settlement such as charges for materials and supplies currently furnished, charges for repairs to equipment, etc., shall be included in account 2030, Payables to Associated Companies.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 9164, Mar. 3, 1976]

2250 Other advances payable.

(a) This account shall include the amount of advances from individuals and companies other than associated companies, whether evidenced by notes or open accounts, which are not subject to current settlement, including interest accrued thereon when such interest is not subject to current settlement.

(b) This account shall be subdivided so as to show for each creditor:

(1) Notes payable.

(2) Open accounts not subject to current settlement.

(3) Interest accrued on amounts included in this account when not subject to current settlement.

(c) The liability for advances payable to individuals and companies, other than affiliated companies, maturing within one year of the close of the accounting period is includible in account 2190—Equipment Obligations and Other Debt Due Within One Year.

NOTES: Amounts of temporary advances which are subject to current settlement such as charges for materials and supplies currently furnished, charges for repairs to equipment, etc., shall be included in account 2050, Accounts Payable.

Surface Transportation Board, DOT

§ 1206.2

Equipment and Other Long-term Obligations

2300 Equipment obligations.

(a) This account shall include the face value of unmatured equipment obligations issued by the carrier and maturing more than one year from the close of the accounting period or, if payable in installments, the face value of such installments not due within one year from such closing. (See account 2190—Equipment obligations and other debt due within one year.) This includes equipment bonds, equipment notes, chattel mortgages, and other obligations for which equipment is pledged as security or is held under a conditional sales agreement; also, the face value of equipment obligations issued by others, the payment of which has been assumed by the carrier; and of equipment obligations due within one year which are expected to be refinanced on a long-term basis (See note C following account 2000, Notes payable).

(b) This account shall be kept so as to show the face value of equipment obligation (1) nominally issued, and (2) actually outstanding. (See definitions 3, 31.)

(c) A separate subdivision shall be maintained for each class of equipment obligation and no issues shall be considered to be of the same class unless identical as to liability and nature of property covered.

NOTE A: Equipment obligations matured and unpaid without specific agreement for extension as to time of payment, including unrepresented equipment obligations called for redemption shall be included in account 2020, Matured Equipment and Long-Term Obligations.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 9164, Mar. 3, 1976]

2310 Capitalized lease obligations.

(a) Long-term leases which are clearly in substance installment purchases shall be capitalized. The liability under such leases which have been capitalized in fixed asset accounts shall be recorded in this account. (See instruction 2-35.)

(b) This account shall be kept so as to show the liability under each lease obligation.

NOTE A: The portion of the liability for long-term leases which is payable within 1 year of the close of the accounting period is includible in account 2190, Equipment obligations and other debt due within one year.

NOTE B: Leases which merely state the right to use property and a related obligation to pay specific rents over a definite future period shall not be considered to be assets and liabilities.

[42 FR 56614, Oct. 27, 1977]

2330 Bonds.

(a) This account shall include the face value of bonds, other than equipment obligations issued by the carrier and maturing more than one year from the close of the accounting period; also, obligations due within one year which are expected to be refinanced on a long-term basis (See note C following account 2000, Notes payable); also the face value of such bonds issued by others, the payment of which has been assumed by the carrier. (See account 2190, Equipment obligations and other debt due within one year.)

(b) This account shall be kept so as to show the face value of bonds (1) nominally issued, and (2) actually outstanding. (See definitions 3, 31.)

(c) A separate subdivision shall be maintained for each class and series of bonds, and no issue shall be considered to be of the same class unless identical as to liability and nature of property covered.

NOTE A: Bonds matured and unpaid without specific agreement for extension as to time of payment, including unrepresented bonds called for redemption, shall be included in account 2020, Matured Equipment and Long-Term Obligations.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 9164, Mar. 3, 1976]

2360 Other long-term obligations.

(a) This account shall include all long-term obligations not otherwise provided for which mature more than one year from the close of the accounting period, including obligations due within one year which are expected to be refinanced on a long-term basis (See account 2190, Equipment obligations and other debt due within one year; for explanation of long-term refinancing, see note C following account 2000, Notes payable). This covers such items,

§ 1206.2

executed or assumed, as real estate mortgages; assessments for public improvements; receipts outstanding for long-term obligations; and other obligations maturing more than one year from date of issue.

(b) This account shall also include the face value of certificates of indebtedness issued upon the property by receivers in possession of the property acting under the orders of a court.

NOTE A: Separate subdivisions shall be maintained for each class of obligation included herein, and records shall be maintained to show separately for each issue all details as to date of issue, date of maturity, interest dates and rates, security for obligations, etc.

NOTE B: Matured obligations which are unpaid shall be included in account 2020, Matured Equipment and Long-Term Obligations.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 9164, Mar. 3, 1976]

2370 Unamortized discount on debt.

This account shall include the total of the next debit balances representing the excess of the discount over the premium in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations. Separate subdivisions shall be maintained for each issue of such obligations. (See instruction 2-13.)

NOTE: Issue costs related to long-term debt (debt expense) shall be included in account 1890, Other Deferred Debits, and amortized proportionately on a consistent basis to account 7300, Amortization of Debt Discount and Expense. (See instruction 2-13.)

[41 FR 52468, Nov. 30, 1976]

2380 Unamortized premium on debt.

This account shall include the total of all credit balances representing the excess of the premium over the discount in connection with the issuance of each class of the carrier's outstanding long-term or equipment obligations. Separate subdivisions shall be maintained for each issue of obligations. (See instruction 2-13.)

NOTE: Issue costs related to long-term debt (debt expense) shall be included in account 1890, Other Deferred Debits, and amortized proportionately on a consistent basis to ac-

49 CFR Ch. X (10-1-96 Edition)

count 7300, Amortization of Debt Discount and Expense. (See instruction 2-13.)

[41 FR 52468, Nov. 30, 1976]

Deferred Credits

2410 Deferred revenues—transfers from government authorities.

This account shall include amounts representing the cost of acquisition, addition to, or improvement of depreciable operating property received or receivable from Federal, State, or local authorities. Items to be included in this account shall be determined in accordance with instruction 2-36.

An appropriate record shall be maintained of each asset associated with these transfers showing: (1) Original cost to carrier (or fair value if not purchased), (2) accumulated depreciation, and (3) estimated salvage value, if any.

This account shall be charged periodically, and account 3800, "Operating Revenues—Amortization of Deferred Transfers from Government Authorities," shall be credited with amounts equal to the depreciation costs of the assets to which they apply. When such assets are retired or otherwise disposed of, this account shall be charged, and account 3800 concurrently credited with any remaining associated amounts. (See instruction 2.36).

NOTE: This account shall not include government transfers in the form of, or designated for the purchase of land or other non-depreciable property. Transfers of this type are includible in account 2900, "Unearned Surplus."

[43 FR 30560, July 17, 1978]

2450 Other deferred credits.

(a) This account shall include the credit balances in suspense accounts that cannot be entirely cleared and disposed of until additional information is received, and other items of a deferred nature. (See instruction 16.)

[32 FR 20280, Dec. 20, 1967, as amended at 39 FR 33348, Sept. 17, 1974]

2460 Accumulated deferred income tax credits.

(a) This account shall be credited with the noncurrent portions of deferred income tax debits and credits

Surface Transportation Board, DOT

§ 1206.2

when the balance is a net credit, as determined by instruction 2-32. A net debit balance shall be included in account 1895, "Accumulated deferred income tax debits".

(b) This account shall be credited with the amount of investment tax credits utilized in the current year for income tax purposes but deferred for accounting purposes (see instruction 2-32).

(c) This account shall be concurrently debited with amounts credited to account 3040, "Provision for deferred taxes," representing amortization of amounts for investment tax credits deferred in prior accounting periods.

(d) This account shall be maintained in such a manner as to show separately: (1) The unamortized balance of deferred income taxes and deferred investment tax credits separately as of the beginning and as of the end of each year, (2) entries which affected the account balance, and (3) the current year's net credits or charges applicable to timing differences and deferred investment tax credits.

NOTE A: For definitions of income tax terminology see definition 1-41. Account 8040, "Provision for deferred taxes", and account 9060, "Provision for deferred taxes—extraordinary items" shall concurrently be charged (credited) with the net effect of material timing effects. Other related deferred income tax balance sheet accounts are:

Account 1195, "Deferred income tax debits."
Account 1895, "Accumulated deferred income tax debits."

Account 2185, "Deferred income tax credits."

[47 FR 12351, Mar. 23, 1982]

Reserves

2500 Reserve for depreciation—Carrier operating property.

(a) This account shall be credited with the following:

(1) Amounts charged to account 5000, Depreciation Expense, account 5500, Income from Lease of Carrier Property—Credit, or other accounts for currently accruing depreciation (see definition 22) of carrier operating property as provided in instruction 25.

(2) The amount of depreciation accrued to date of transfer applicable to carrier operating property acquired as distinct operating units as provided in instruction 20.

(3) The amount of depreciation accrued to date of transfer, applicable to property transferred from accounts 1400, Non-Carrier Operating Property, or 1450, Non-Operating Property, to accounts 1200, Carrier Operating Property, or 1300, Carrier Operating Property Leased to Others. (See instruction 23.)

(b) Charges to this account in connection with carrier operating property retired shall be made in accordance with instruction 21. This account shall also be charged with the amount of depreciation accrued to date of transfer applicable to property transferred from accounts 1200, Carrier Operating Property, or 1300, Carrier Operating Property Leased to Others, to accounts 1400 or 1450.

(c) This account shall be subdivided to reflect the balance applicable to each class of property as follows:

2511 Structures.
2521 Revenue Equipment.
2531 Service Cars and Equipment.
2541 Shop and Garage Equipment.
2551 Furniture and Office Equipment.
2561 Miscellaneous Equipment.
2571 Improvements to Leasehold Property.
2581 Undistributed Property.
2591 Carrier Operating Property Leased to Others.

2600 Reserve for amortization—Carrier operating property.

(a) This account shall be credited with amounts charged to account 5100, Amortization of Carrier Operating Property, or other appropriate account, for amortization of the cost of acquiring leaseholds, franchises, consents, privileges, patents, and other intangible property having a fixed term life. This account shall also be credited with amounts charged to account 7500, Other Deductions, as appropriate, for the amortization or writeoff of cost of acquiring perpetual leaseholds and of intangible property which does not have a fixed term life.

(b) When any leasehold, franchise, permit, consent, privilege or patent expires, is sold or relinquished, or is otherwise retired from service, this account shall be charged with the amount previously credited hereto in respect of such property. The difference between the proceeds realized and the

§ 1206.2

net book cost (see definition 29 and instruction 21) of the property retired shall be included in account 5100, Amortization of Carrier Operating Property.

(c) Records shall be maintained so as to show separately the balances applicable to each item of intangible property which is being amortized.

(d) This account shall be credited with such amounts as are necessary to reflect, as of the effective date of this system of accounts, the expired portion of the life of franchises, permits, consents, patent rights, leaseholds, easements, rights-of-way, other interest in land, or other intangible property which has a fixed term life, the cost of which is included in operating property accounts 1200 and 1300 and intangible property accounts 1500 and 1550. To the extent that provision has not previously been made the amounts credited to this reserve shall be concurrently debited to account 2946, Other debits to Surplus.

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 53252, Nov. 17, 1975]

2610 Reserve for depreciation and amortization—Other property.

This account shall include amounts provided for depreciation and amortization of properties carried in accounts 1400, Non-Carrier Operating Property, and 1450, Non-Operating Property.

2650 Reserve for uncollectible accounts.

This account shall be credited each period with amounts reserved for receivables which may become uncollectible.

NOTE A: Charges applicable to receivables for carrier operating revenues shall be included in account 4680, Uncollectible Revenues.

NOTE B: Charges applicable to other than carrier operating revenues shall be included in account 7500, Other Deductions.

NOTE C: Charges for items not applicable to motor carrier operations shall be included in accounts 6000, Net Income from Non-Carrier Operations, or 6100, Net Income from Non-Operating Property, as appropriate.

49 CFR Ch. X (10–1–96 Edition)

2680 Injuries, loss and damage reserves.

(a) This account shall be credited with amounts charged to accounts 4530, Injuries and damages, 4546, Workmen's Compensation—Provision for Claims, Baggage and Express Loss and Damage, or other appropriate accounts to provide a reserve against claims for deaths of or injuries to employees and others; for damages to property not owned or held under lease by the carrier; and for loss, destruction, damage, or delays to property intrusted to the carrier for transportation or storage, which are not covered by outside insurance. (See instruction 27.) A schedule of risks covered by this reserve shall be maintained in sufficient detail to indicate the character of the risks covered and the rates used.

(b) This account shall be charged with claims payable for injuries and damages when the risk is specifically provided for in the schedule applicable to this account.

(c) When liability for any injury or damage is admitted by the carrier either voluntarily or because of the decision of a court or other lawful authority such as a workmen's compensation board, industrial commission, etc., the amount shall be charged to this account. The amount of such a liability shall be credited to account 2030, Payable to Associated Companies, account 2050, Accounts Payable, or account 2450, Other Deferred Credits, as appropriate, until paid or liquidated.

(d) This account shall be subdivided to reflect:

(1) Reserve for personal injuries and property damage.

(2) Reserve for baggage and express loss and damage.

NOTE: The accounting for repairs and replacements of property owned, or leased from others, shall be as provided in paragraph (b) of account 2660, Insurance Reserves.

(e) At the close of the accounting period the estimated amounts payable within one year covering liability for claims for injuries to persons, loss and damage, and similar items shall be transferred for purposes of the balance

Surface Transportation Board, DOT

§ 1206.2

sheet statement to account 2180—Other Current Liabilities.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32598, Aug. 4, 1976]

2690 Other reserves.

(a) This account shall include amounts reserved by the carrier for purposes which are not provided for in any of the preceding reserves. There shall be reported hereunder such accounts as sinking fund reserves, contingency reserves and other reserves created by charges to income or surplus.

(b) This account shall be maintained in such manner as to show the amount of each separate reserve and the nature and the amounts of the debits and credits thereto.

Capital Stock

2700 Preferred capital stock.

2710 Common capital stock.

(a) These accounts shall include the par value of stocks with par value; the stated value of non-par stocks having a stated value; and the cash value of the consideration received, including assessments, for non-par stocks without stated value, which have been nominally or actually issued.

(b) Separate accounts shall be provided for each class of stock, and the title of each account shall clearly identify the class of stock covered. Issues of stock shall not be considered as of the same class unless identical in all provisions, nor shall there be carried any undivided item in respect of more than one class of stock.

(c) When stock is issued for cash, that fact shall be stated; if for any consideration other than cash, the person to whom it is issued shall be designated and the consideration for which it is issued shall be described with sufficient particularity to identify it. If such issuance is to the treasurer or other agent of the corporation for purpose of sale, that fact and the name of such agent shall be shown; and such agent shall show like details concerning the consideration realized therefor in his account of the disposition thereof, which when accepted by the corpora-

tion, shall be preserved as a corporate record.

(d) When capital stock is retired and canceled, these accounts shall be charged with the amount at which such stock is carried in these accounts.

NOTE A: For each class of stock the records shall show the number of shares nominally issued, actually outstanding, and nominally outstanding. (See definitions 3, 31.) When non-par stock (without stated value) is nominally issued a memorandum entry shall be made showing only the number of shares so issued.

NOTE B: When non-par stock is issued in exchange for par stock, or non-par stock with stated value, amounts included in account 2720, Premiums and Assessments on Capital Stock, for the retired stock, shall be treated as part of the consideration received for non-par stock.

NOTE C: No entries recording changes in the par value of stocks with par value; the stated value of non-par stocks having a stated value; or the recorded value of non-par stocks without stated value shall be made in any account for capital stock without approval of the Commission.

2720 Premiums and assessments on capital stock.

(a) This account shall include the excess of the actual cash value (at the time of sale of the stock) of the consideration received over the par or stated value of the stock issued, plus accrued dividends, if any; and subsequent assessments against stockholders representing payments required in excess of par or stated value.

(b) A separate subdivision shall be maintained for premiums on each class and series of stock.

(c) When capital stock is retired and canceled, the amount in this account with respect to the shares retired and canceled shall be debited hereto in accordance with instruction 14.

2730 Capital stock subscribed.

This account shall include the amount of legally enforceable subscriptions to capital stock of the carrier. It shall be credited with the par or stated value, or with the subscription price in the case of stock without par or stated value, exclusive of accrued dividends, if any. Concurrently a debit shall be made to account 1140, Subscribers to Capital Stock, for the agreed purchase price and any discount or premium

§ 1206.2

debited or credited to the appropriate discount or premium account. When properly executed stock certificates have been issued representing the stocks subscribed, this account shall be debited and the appropriate capital stock account credited with the par or stated value (or the consideration received in the case of non-par stock without a stated value) of the stock.

Non-Corporate Capital

2800 Sole proprietorship capital.

This account shall include the investment in an unincorporated carrier by the proprietor thereof and shall be charged with all withdrawals from the business by its proprietor. At the end of each calendar year the net income for the year as developed in the income account shall be transferred to this account. There shall also be entered in this account such items as in corporate organizations are handled through earned surplus accounts 2930 to 2946. (See optional accounting procedure provided in note B, hereunder.)

NOTE A: Amounts payable to the proprietor as fair and reasonable compensation for services performed, shall be charged to the appropriate operation and maintenance expense or other accounts.

NOTE B: This account may be restricted to the amount considered by the proprietor to be the permanent investment in the business, subject to change only by additional investment by the proprietor of the withdrawals of portions thereof not representing net income. When this option is taken the surplus accounts shall be maintained and entries thereto shall be made in accordance with the texts thereof.

2810 Partnership capital.

This account shall be credited, where the business is conducted by an unincorporated firm, co-partnership or under any style other than that of an incorporated company or sole proprietorship, with the respective amounts paid into the business by the partners therein, and shall be charged with all withdrawals from the business by each partner. At the end of each calendar year the net income for the year as developed in the income account shall be transferred to this account. There shall also be entered in this account such items as in corporate organizations are

49 CFR Ch. X (10–1–96 Edition)

handled through earned surplus accounts 2930 to 2946. (See optional accounting procedure provided in note C hereunder.)

NOTE A: Amounts payable to the partners as fair and reasonable compensation for services performed, shall be charged to the appropriate operation and maintenance expense or other accounts.

NOTE B: Separate accounts shall be kept to show the net equity of each member of the co-partnership and the transactions affecting the interest of each such partner. The total of the balances in such accounts shall be shown as one amount in the balance sheet.

NOTE C: This account may be restricted to the amount considered by the members of the co-partnership to be their permanent investment in the business, subject to change only by additional investments by the co-partners or the withdrawals of portions thereof not representing net income. When this option is taken the surplus accounts shall be maintained and entries thereto shall be made in accordance with the texts thereof.

Unappropriated Surplus

2900 Unearned surplus.

(a) This account shall include all surplus not classified in this part as earned surplus. It shall include such items as surplus arising from the donations by stockholders of the carrier's capital stock; surplus recorded at reorganization or in connection with recapitalization; net credits resulting from reacquisition or resales of carrier's capital stock (see instruction 14); amortization of discount and expenses on capital stock (see instruction 12); and from a reduction of the par or stated value of the carrier's capital stock where allowed by statute.

(b) This account shall be subdivided into accounts to show each source of unearned surplus (including the cumulative amounts representing the cost of nondepreciable property received from government authorities, in accordance with the provisions of instruction 2–35).

(c) No entry shall be made in this account to create unearned surplus arising out of the reevaluation of carrier operating property except upon written order of the Commission.

[43 FR 30560, July 17, 1978]

Surface Transportation Board, DOT

§ 1206.2

2930 Earned surplus.

(a) This account shall include the balance of the amounts included in accounts 2932 to 2946, inclusive, either debit or credit, of unappropriated surplus arising from earnings. It shall not include surplus property includible under accounts 2800, Sole Proprietorship Capital, 2810, Partnership Capital, or 2900, Unearned Surplus.

(b) The balance of all earned surplus accounts (2932 to 2946, inclusive) shall be closed to this account at the end of each calendar year.

2931 Prior period adjustments to beginning retained surplus account.

This account shall include adjustments after giving income tax effect, in accordance with the text of instructions 2-7, to the balance in the retained surplus account at the beginning of the calendar year, upon approval by the Commission.

[40 FR 53252, Nov. 17, 1975]

2932 Credit balance transferred from income account.

This account shall include the net credit balance brought forward from the income account for the current calendar year.

2933 Other credits to surplus.

(a) This account shall include other credit adjustments, net of assigned income taxes, not provided for elsewhere in this system but only after such inclusion has been authorized by the Commission.

(b) The records supporting entries in this account shall be so maintained that an analysis thereof may be readily made available.

2942 Debit balance transferred from income account.

This account shall include the net debit balance brought forward from the income account for the current calendar year.

2943 Dividend appropriations.

(a) This account shall include amounts declared as dividends on capital stock actually outstanding.

(b) This account shall be subdivided to show separately the dividends on

each class of stock. If a dividend is not payable in cash, the consideration shall be described in the entry with sufficient particularity to identify it.

NOTE: Dividend charges shall be restricted to actually outstanding stock and this account shall not include charges for dividends on capital stock issued by the carrier and owned by it.

2944 Appropriations to reserves.

This account shall include appropriations from surplus for sinking fund and other reserves and allotments of surplus, or transfers of definite amounts from surplus into sinking fund and other reserves under the terms of mortgages, deeds of trust, or under contracts, and such other appropriations of surplus to be set aside in special reserve accounts as the accounting carrier may make.

2945 Other appropriations.

This account shall include appropriations of surplus not includible elsewhere.

2946 Other debits to surplus.

(a) This account shall include (1) charges which reduce or write off discount on capital stock issued by the company, and (2) in pooling of equity interests situations, the excess of the value of the surviving company's capital stock over the aggregate total of the capital stock of the separate companies before such merger or consolidation, but only to the extent that unearned surplus is not available for such purposes. (See instructions 21(d) and 20(a)(2)(ii).)

(b) This account shall include other debit adjustments, net of assigned income taxes, not provided for elsewhere in this system but only after such inclusion has been authorized by the Commission.

(c) The records supporting entries in this account shall be so maintained that an analysis thereof may be readily made available.

2946.5 Net unrealized loss on noncurrent marketable equity securities.

This account shall include the accumulated changes in account 1676 to the extent that these changes represent a

§ 1206.2

net unrealized loss (aggregate cost exceeds market value).

[42 FR 33301, June 30, 1977]

2947 Treasury stock.

(a) This account shall include in subdivisions for each class the reacquisition cost of capital stock which has been actually issued or assumed by the carrier, then reacquired, and is neither retired nor canceled, nor properly includible in sinking or other funds.

(b) This account shall be maintained to reflect separately securities pledged and unpledged.

(c) This account shall be shown on the Balance Sheet as a deduction in arriving at Stockholders' Equity.

NOTE A: The accounting for the reacquisition of capital stock and resale thereof shall be in accordance with instruction 2-14, paragraph (a).

[40 FR 44564, Sept. 29, 1975]

2999 Form for balance sheet statement.

(See instructions 17, 18.)

ASSET SIDE			
Current assets:			
1000	Cash		\$
1020	Working Funds		
1040	Special Deposits		
1060	Temporary Cash Investments		
	(a) Pledged	\$	
	(b) Unpledged	\$	
1080	Notes Receivable	\$	
1100	Receivables from Associated Companies		
1120	Accounts Receivable		
	Less: Reserve for Uncollectible Accounts		
1140	Subscribers to Capital Stock		
1160	Interest and Dividends receivable		
1170	Prepayments		
1180	Materials and Supplies		
1190	Other Current Assets		
1195	Deferred income credits		
	Total Current Assets		
Tangible Property:			
1200	Carrier Operating Property		
	Less: Reserve for Depreciation and Amortization		
1300	Carrier Operating Property Leased to Others		
	Less: Reserve for Depreciation and Amortization		
1400	Non-Carrier Operating Property		
	Less: Reserve for Depreciation and Amortization		
1450	Non-Operating Property	\$	

49 CFR Ch. X (10-1-96 Edition)

	Less: Reserve for Depreciation and Amortization		\$
	Total Tangible Property		
Intangible Property:			
1500	Organization, Franchises and Permits	\$	
	Less: Reserve for Amortization		\$
1550	Other Intangible Property		
	Less: Reserve for Amortization		
	Total Intangible Property		
Investment Securities and Advances:			
1600	Investments and Advances; Associated Companies		\$
	(a) Pledged	\$	
	(b) Unpledged		
1650	Other Investments and Advances		\$
	(a) Pledged		
	(b) Unpledged		
	Less:		
	(a) Reserve for adjustment of investments in securities		
	(b) Allowance for net unrealized loss on noncurrent marketable equity securities		
	Total investment securities and advances		
Special Funds:			
1701	Sinking Funds		
1751	Depreciation Funds		
1781	Miscellaneous Special Funds		
	Total Special Funds		
Deferred debits:			
1890	Other Deferred Debits		
1895	Accumulated deferred income tax charges		
	Total Deferred Debits		
Miscellaneous Debit Items:			
1900	Discount on Capital Stock		
1910	Commission and Expense on Capital Stock		
	Total Miscellaneous Debits		
	Total Assets		
	Contingent Assets (not included above)	\$	
LIABILITY SIDE			
Current Liabilities:			
2000	Notes Payable		\$
2020	Matured Equipment and Long-Term Obligations		
2030	Payables to Associated Companies		
2050	Accounts Payable		
2070	Wages Payable		
2080	Unredeemed Tickets		
2090	C.O.D.'s Unremitted		
2100	Dividends Declared		
2120	Taxes Accrued		
2150	Interest Accrued		\$
2160	Matured Interest		
2180	Other Current Liabilities		
2185	Deferred income credits		

Surface Transportation Board, DOT

§ 1206.2

Total Current Liabilities (exclusive of long-term debt due within one year)		
Long-term debt due within one year:		
2190 Equipment obligations and other debt		
Advances Payable:		
2200 Advances Payable; Associated Companies		
2250 Other Advances Payable		
Total Advances Payable		
Equipment and Other Long-Term Obligations:		
2300 Equipment Obligations	\$	
Less: Recquired and Nominally Issued		
2310 Capitalized Lease Obligations		
2330 Bonds		
Less: Recquired and Nominally Issued		
2360 Other Long-Term Obligations	\$	
Less: Recquired and Nominally Issued		\$
2410 Deferred revenues—transfers from government authorities		
2370 Unamortized Discount on Debt		
2380 Unamortized Premium on Debt		
Total Equipment and Other Long-term Obligations (net)		
Deferred Credits:		
2400 Unamortized Premium on Debt	\$	
2450 Other Deferred Credits		
2460 Accumulated deferred income tax credits		
Total Deferred Credits		
Reserves:		
2680 Injuries, Loss and Damage Reserves		
2690 Other Reserves		
Total Reserves		
Capital Stock:		
2700 Preferred capital stock	\$	
Less: Nominally issued		
2710 Common capital stock	\$	
Less: Nominally issued		
2720 Premiums and Assessments on Capital Stock		
2730 Capital Stock Subscribed		
Total Capital Stock		
Non-Corporate Capital:		
2800 Sole Proprietorship Capital		
2810 Partnership Capital		
Total Non-Corporate Capital		
Unappropriated Surplus:		
2900 Unearned Surplus	\$	
2930 Earned Surplus (Deficit in red)		
Total Unappropriated Surplus		
Total Liabilities		
2946.5 Net unrealized loss on noncurrent marketable equity securities		0
2957 Treasury Stock		0
Total unappropriate surplus		
Total liabilities and equity		
Contingent liabilities (not included above)	\$	

[32 FR 20280, Dec. 20, 1967, as amended at 37 FR 25846, Dec. 5, 1972; 39 FR 33349, Sept. 17, 1974; 39 FR 34047, Sept. 23, 1974; 40 FR 44564, Sept. 29, 1975; 41 FR 32598, Aug. 4, 1976; 41 FR 52468, Nov. 30, 1976; 42 FR 33301, June 30, 1977; 42 FR 56613, Oct. 27, 1977; 43 FR 30560, July 17, 1978]

INCOME ACCOUNTS

(ORDINARY ITEMS)

Operating Revenues

3000 Operating revenues (exclusive of transfers from government authorities).

This account shall include the total operating revenues as provided in the primary operating revenue accounts, derived by the carrier from its motor carrier operations during the period covered by the income account.

NOTE: Transfers from government authorities shall be accounted for in accordance with the provisions of instruction 2-36.

[43 FR 30559, July 17, 1978]

3200 Passenger revenue.

(a) This account shall include all revenue accrued from the transportation of passengers over regularly operated routes. This includes:

(1) Revenue upon the basis of local tariff fares.

(2) The carrier's proportion of revenue from joint tariff fares.

(b) This account shall be charged with:

(1) Redemptions of unused or partially used local passenger tickets.

(2) The carrier's proportion of redemption of unused and partially used through or interline passenger tickets.

(3) The carrier's proportion of overcharges resulting from the application, in error, of fares in excess of tariffs.

(4) The carrier's proportion of refunds of tickets issued in lieu of passes under regulations of the Commission and section 217(b) of Part II of the Interstate Commerce Act.

NOTE A: The foregoing is based upon the practice of accounting on a "ticket sales basis" and not on a "ticket lift basis." Carriers using the "ticket lift basis" shall credit this account with the revenue earned from the transportation of passengers as determined by the "ticket lift" concurrently charging account 2080, Unredeemed Tickets.

§ 1206.2

NOTE B: By “regularly operated routes” is meant routes or portions thereof over which uniform service is maintained at intervals of 1 week or less.

NOTE C: Revenue from transportation of passengers on special busses at fares based on special rates shall be credited to account 3210, Special Bus Revenue.

NOTE D: Payments to other carriers for transportation of passengers, their baggage and personal effects to complete any portion of the reporting carrier’s haul, shall be charged to account 4250, Purchased Transportation, or account 4370, Purchased Collection and Delivery, as appropriate.

NOTE E: Divisions of tariff rates due other carriers shall be included in the appropriate accounts payable account.

NOTE F: Revenue derived from sleeping accommodations furnished passengers shall be included in account 3900, Other Operating Revenue.

3210 Special bus revenue.

(a) This account shall include the amounts earned by the carrier from busses chartered for special passenger and other special contract service.

(b) This account shall be charged with the amounts of all special bus refunds.

3220 Baggage revenue.

(a) This account shall include the revenues earned from the transportation of baggage in excess of free authorized allowances and for the transportation of packages, articles, dogs, etc., as baggage.

(b) This account shall be charged with the amounts of all baggage refunds.

3300 Mail revenue.

(a) This account shall include revenue earned from the transportation of United States and other mails, and from bonuses for special mail transportation.

(b) This account shall be charged with fines and penalties imposed by the Government in connection with the transportation of mail which are not collectible from agents or employees.

3400 Express revenue.

(a) This account shall include the amounts earned by the carrier from the transportation of express matter (including milk and cream) at specified

49 CFR Ch. X (10–1–96 Edition)

tariff rates and the fees for handling express c.o.d.’s.

(b) This account shall be charged with:

(1) The carrier’s proportion of overcharges resulting from use of erroneous rates, weights, classifications or computations.

(2) Uncollected earnings on express destroyed in transit and on short and lost express.

3500 Newspaper revenue.

(a) This account shall include the revenue earned from the transportation of newspapers at specified tariff rates.

(b) This account shall be charged with the amounts of all refunds on newspaper revenue billing resulting from overcharges, etc.

3600 Miscellaneous station revenue.

This account shall include the revenue earned by the carrier from:

(a) Weighing, vending and other automatic machines located at stations.

(b) Advertising cards at stations.

(c) Companies or others for the privilege of operating newsstands, lunch counters, soda fountains, etc., at stations, and selling papers, periodicals, pillows or pillow service, tobacco, etc., on busses.

(d) Telephone companies for the privilege of installing and operating commercial telephones and coinbox telephones at stations.

(e) Taxicab companies for the privilege of operating taxicab stands at stations.

(f) Operation of parcel rooms.

(g) Parcel room privileges in stations and terminals of the carrier and leased to others.

(h) Storage of baggage.

(i) Operation of restaurants, cafes, lunch rooms, lunch counters, cafeterias and soda fountains.

(j) Operation of all other miscellaneous station concessions, not provided for elsewhere.

3700 Operating revenues—transfers from government authorities for current operations.

This account shall include amounts received or receivable from Federal, State, or municipal authorities which

Surface Transportation Board, DOT

§ 1206.2

are specifically designated to offset operating expenses, or which may be applied at the discretion of the carrier to operating expenses and/or carrier operating property.

This account shall include amounts received from government authorities to offset operating costs sustained on specific routes, such as payments by regional transit authorities in connection with specified commuter operations performed by the carrier.

This account shall also include indirect receipts which reduce operating expenses such as assumption of station maintenance costs, abatement of taxes, or other indirect contributions by government agencies, if clearly identifiable and measurable.

NOTE: This account shall not include receipts from government agencies in the form of, or designated for the acquisition, addition to, or improvement of carrier operating property. (See instruction 2-36.)

[43 FR 30560, July 17, 1978]

3800 Operating revenues—amortization of deferred transfers from government authorities.

This account shall include the amortization applicable to amounts representing the cost of acquisition, addition to, or improvement of depreciable operating property received from Federal, State or municipal authorities. (See instruction 2-36, and account 2410, “Deferred Revenues—Transfers from Government Authorities.”)

[43 FR 30560, July 17, 1978]

3900 Other operating revenue.

This account shall include revenues not provided for in accounts 3200 to 3600, inclusive, derived from the operation of property, the investment in which is included in account 1200, Carrier Operating Property, including amounts received from sleeping accommodations on busses, snowplow work and revenue from display of advertising in and on revenue automotive equipment, and the excess of guaranteed route revenue over tariff revenues.

Operation and Maintenance Expenses

4000 Operation and maintenance expenses.

This account shall include the total of operation and maintenance expenses, as provided in the primary accounts, incurred by the carrier in its motor carrier operations during the period covered by the income account.

4100 Equipment maintenance and garage expenses.

This account shall include the total of amounts included in accounts 4110 to 4196, inclusive.

4110 Supervision of shop and garage.

This account shall include the pay and expenses (including cost of operating automobiles) of officials and employees engaged in supervising and directing the repairs to revenue automotive equipment and shop and garage property used in providing motor-carrier service, including superintendents, foremen (except working foremen), inspectors, shop and garage clerks, and time keepers. (See instruction 28.)

4121 Repairs to shop and garage equipment.

This account shall include the cost of repairs (see instructions 26, 28) to tools, equipment and permanently located machinery used in shops and garages. (For list of equipment, see account 1241, Shop and Garage Equipment.)

NOTE A: The cost of repairs to portable tools shall be included in account 4132, Other Shop and Garage Expenses.

NOTE B: Amounts recovered from insurance companies or others and losses provided for in account 2660, Insurance Reserves, for damages to shop and garage equipment shall be credited to this account in such manner as to be readily identifiable.

4122 Operation and maintenance of service equipment.

This account shall include the cost of labor, fuel, tires and supplies for the operation and the cost of repairs to service equipment, such as trouble cars and wagons, wreckers, repair trucks,

§ 1206.2

snowplows, sweepers, scrapers, refueling cars, automobiles, motorcycles, or other equipment included under account 1231, Service Cars and Equipment. (See instructions 26, 28.)

NOTE A: The pay of employees and expenses incurred in operating snowplows, sand, and salt cars, and other service equipment used in cleaning and safeguarding roads, shall be charged to account 4261, Road Expense.

NOTE B: Amounts recovered from insurance companies or others and losses provided for in account 2660, Insurance Reserves, for damage to service equipment shall be credited to this account in such manner as to be readily identifiable.

NOTE C: When any service equipment is used in a particular operation other than maintenance, such as automobiles or motorcycles used in connection with advertising, the cost of operation of such service equipment shall be charged to the account provided for expenses of that character.

4128 Repairs to shop and garage buildings and grounds.

This account shall include the cost of repairs to shop and garage structures used in motor carrier operations such as shops, garages, and service stations, together with fixtures, grounds and approaches. (See instructions 26, 28.)

ITEMS

Changing location of partitions. (See also note A hereunder.)
Maintaining public improvements, including assessments covering such work.
Maintaining yards and grounds, including fences, shrubbery, driveways, sidewalks, platforms, and sewers.
Minor improvements to leased buildings and grounds. (See also instruction 22.)
Repainting buildings, including redecorating interiors of buildings.
Repairing building machinery, fixtures, appurtenances, and appliances, such as elevators, plumbing, and equipment for heating, lighting, and ventilating.
Repairing rented buildings and grounds.
Replacing and repairing awnings, screens, window shades and ventilators, storm doors, storm windows, movable partitions, and similar movable minor items of buildings. (See also note A hereunder.)
Replacing minor items of buildings including labor and material used and the cost of removal and recovery of the items retired less salvage recovered. (See also instruction 21, and note A hereunder.)
Restoring condition of buildings or grounds damaged or otherwise altered in the course of repairs, replacements, additions, or bet-

49 CFR Ch. X (10–1–96 Edition)

terments. (See also account 2660, Insurance Reserves.)

NOTE A: The cost of any substantial increase or decrease in partitions shall be charged or credited, as appropriate, to account 1211—Structures. When partitions of a movable type are replaced by partitions of a permanent type or vice versa, the costs involved shall be accounted for through the operating property and the depreciation reserve accounts.

NOTE B: The cost of initial improvements (including repairs and rearrangements in the preparation for service of purchased buildings or grounds) shall be charged to account 1201, Land and Land Rights, or account 1211, Structures, as appropriate. The accounting for expenditures on property leased from others shall be as provided in instruction 22.

NOTE C: Amounts recovered from insurance companies or others and losses provided for in account 2660—Insurance Reserves, for damages to buildings and grounds shall be credited to this account in such manner as to be readily identifiable.

4131 Light, heat, power, and water for shops and garages.

This account shall include the cost of light, heat, power and water used at each shop and garage; the cost of fuel used for heating, lighting or power; also include pay and expenses of employees engaged in producing light, heat, and power. (See instruction 28.)

ITEMS

Fuel for heating, lighting, or power used in shops and garages.
Heat purchased for shops and garages.
Light for shops and garages.
Power for battery charging or for other uses than repairs.
Wages and expenses of employees engaged in producing light, heat, and power for shops and garages.
Water.

4132 Other shop and garage expenses.

This account shall include the cost of miscellaneous shop and garage expenses, including the replacement cost (see instruction 21) of small tools, such as reamers, taps, files, hammers and all small tools of like nature; labor and material used in the repair of small tools; pay of employees engaged in receiving, issuing and distributing parts and supplies; pay of gas and oil attendants; transportation, loading and unloading charges on parts and supplies, handled in shops and garages, when not specifically assignable to such parts

Surface Transportation Board, DOT

§ 1206.2

and supplies; and other miscellaneous labor and expenses not provided for elsewhere. (See instruction 16.)

ITEMS

Ice and other refrigerants.
Lubricants for shop and garage machinery.
Portable hand tools of short life.
Small tools used in repairs or for general shop and garage purposes.
Snow and dust removal—shop and garage yards.
Supplies used in cleaning and for general shop and garage purposes, such as lamps, grease, oil, waste, brushes, brooms, etc.
Other expenses in shops and garages.

4140 Repairs to revenue equipment.

This account shall include cost of repairs to revenue automotive equipment used in transportation service. (For list of equipment see account 1221, Revenue Equipment.) This account shall be maintained so as to reflect separately the cost of repairs to revenue automotive equipment involved in accidents. (See instructions 26, 28.)

NOTE A: An accident for the purpose of this account is damage caused through the collision of a vehicle with either a stationary or moving object, or through tire failure or fire.

NOTE B: The accounting for expenditures on motor vehicles leased from others shall be as provided in instruction 22.

NOTE C: Amounts recovered from insurance companies or others and losses provided for in account 2660, Insurance Reserves, for repairs to motor vehicles shall be credited to this account in such manner as to be readily identifiable.

NOTE D: The cost of repairs to equipment used in collection and delivery service if determinable shall be included in account 4360, Collection and Delivery.

4150 Servicing of revenue equipment.

This account shall include the pay of employees (see instruction 28) engaged in preparing revenue automotive equipment for service and of garage and shop employees other than those engaged in making repairs; the cost of supplies used and miscellaneous expenses incurred in washing, cleaning, greasing, and otherwise keeping equipment ready for service; and amounts paid to public garages for storage or servicing (including towing) of revenue automotive equipment.

ITEMS

Garage employees:

Cleaners.
Oilers and greasers.
Washers.
Garage expenses:
 Battery charging (labor and distilled water).
Cleaning supplies, such as soap, sponges, brooms, brushes, cloths, rubber clothing, etc.
Graphite.
Grease.
Public garage storage charges.
Public garage servicing charges, including washing, greasing, cleaning, etc., but not repairs.
Washing vehicles.

4160 Tires and tubes—Revenue equipment.

(a) This account shall include the cost of labor and material used in repairing and renewing (setting up or mounting) tires on revenue automotive equipment, including shoes, inner tubes, valves, flaps, and caps. (See instruction 28.)

(b) The entire cost of tires and tubes for revenue automotive equipment purchased outright may be charged to this account at the time vehicles are purchased or charged to account 1170, Prepayments, and a prorated portion charged to this account for each period based on mileage or other equitable basis. If the latter method is used, adjustments of over or under charges at the time of replacement shall be made through this account.

(c) Credit to this account any revenues derived from the sale of used tires and tubes and any adjustments on defective tires and tubes, the cost of which has previously been debited hereto.

(d) When the carrier contracts to use tires at a flat sum per period or on a basis of miles run or upon some similar basis, the charges for such tire service, including the cost of abused tires, shall be included each period in this account.

NOTE A: The cost of tires and tubes used by service cars shall be charged to account 4122, Operation and Maintenance of Service Equipment.

NOTE B: The cost of tires and tubes for collection and delivery equipment if determinable shall be included in account 4360, Collection and Delivery.

[32 FR 20280, Dec. 20, 1967, as amended at 37 FR 25846, Dec. 5, 1972]

§ 1206.2

49 CFR Ch. X (10–1–96 Edition)

4191 Joint garage expenses—Debit.

This account shall include the carrier's proportion of costs incurred by others in maintaining and operating joint shop and garage equipment and facilities, including overhead costs, except items chargeable to account 5340, Joint Facility Rents—Debit. (See definition 25, and instruction 29.)

4196 Joint garage expense—Credit.

This account shall include the amounts chargeable to others as their proportion of the costs incurred by the carrier in maintaining and operating joint shop and garage equipment and facilities, including overhead costs, except items creditable to account 5390, Joint Facility Rents—Credit. (See definition 25, and instruction 29.)

4200 Transportation expense.

This account shall include the total of amounts included in accounts 4210 to 4264.

4210 Supervision of transportation.

This account shall include the pay and expenses (including cost of operating automobiles) of officials and employees engaged in supervising and directing transportation service, including superintendents, dispatchers, starters, inspectors, and employees engaged in furnishing tickets and supplies to drivers of passenger vehicles, or to receiving remittances, etc.; cost of light, heat, water, and refrigeration for the transportation department; and the cost of schedule or service checks. (See instruction 28.)

4220 Drivers' wages and bonuses.

This account shall include the wages and bonuses of drivers of passenger vehicles engaged in passenger transportation service, including wages paid for time during which they are required to be on duty in readiness for active service. The wages of drivers on special trips for hire should also be charged to this account.

NOTE: Charge to account 4360, Collection and Delivery, the wages of employees engaged in collecting express from consignors and delivering express to consignees, and local pick-up and delivery service provided for inter-city passengers, when such wages can be separated from those applicable to

regular operation between terminals. (See instruction 28.)

4230 Fuel for revenue equipment.

This account shall include the cost of gasoline, other fuel and enriching materials used by passenger equipment. Include in this account the cost of storing and handling fuel and amounts payable to others for the cost of transportation.

NOTE A: Taxes on fuel shall be charged to account 5200, Operating Taxes and Licenses.

NOTE B: Fuel used by service cars shall be charged to account 4122, Operation and Maintenance of Service Equipment.

NOTE C: The cost of fuel used by equipment in collection and delivery service if determinable shall be included in account 4360, Collection and Delivery.

4240 Oil for revenue equipment.

This account shall include the cost of lubricating oils used in lubricating passenger equipment. Include in this account the cost of storing and handling lubricating oil and amounts payable to others for the cost of transportation.

NOTE A: Taxes on lubricating oil shall be charged to account 5200, Operating Taxes and Licenses.

NOTE B: The cost of lubricating oil used by service cars shall be charged to account 4122, Operation and Maintenance of Service Equipment.

NOTE C: The cost of lubricating oil used by equipment in collection and delivery service if determinable shall be included in account 4360, Collection and Delivery.

4250 Purchased transportation.

This account shall include amounts payable to others for performing any portion of the carrier's inter-city tariff haul under contractual arrangements whereby the agreements for the compensation is based on other than actual division of tariff rates, and under arrangements whereby the expenses of the operation are borne by the hired carrier.

4261 Road expense.

This account shall include the cost to the carrier of labor and material used in sanding roadways, spreading ashes or the removal of snow and ice, and otherwise. This includes the cost of tools and materials used in this work, including the cost of delivering such

Surface Transportation Board, DOT

§ 1206.2

materials; wages of men operating snowplows, sweepers, tractors, scrapers, etc.; amounts paid to others for removing snow and ice; and other supplies and expenses, such as meals for crews engaged in removing snow and ice. (See instruction 28.)

NOTE: The cost of repairs to equipment used in snow removal shall be included in account 4122, Operation and Maintenance of Service Equipment.

4262 Bridge, tunnel and ferry tolls.

This account shall include tolls at rates per passenger, per ton, per vehicle, or other basis for the use of bridges, tunnels and ferries by revenue passenger equipment in transportation service.

4263 Wages of miscellaneous transportation employees.

This account shall include the wages of co-operators (conductors), hostesses (conductorettes), lecturers and guides on busses, porters and stewards on busses, secret service inspectors, and other employees performing similar service.

4264 Other transportation expenses.

This account shall include carrier transportation expenses not provided for in other accounts in the transportation group.

ITEMS

Alcohol and other non-freeze preparations.
All expenses incidental to the comfort of passengers in connection with break-downs on the road.
Badges for employees.
Conductors' books, punches, etc.
Fines for traffic violations.
Fire extinguisher supplies (for passenger equipment).
Hat checks.
Head rest covers including laundry.
Ice and other refrigerants (for passenger equipment).
Lamps, bulbs and carbon (for passenger equipment).
Lodging for drivers and miscellaneous transportation employees.
Meals for drivers and miscellaneous transportation employees.
Notices.
Secret service inspections by other than employees.
Signs (paper and carboard).
Tire chains.
Uniforms, including their care.

4300 Station expense.

This account shall include the total of amounts included in accounts 4311 to 4396, inclusive.

4311 Salaries and commissions.

This account shall include the wages and salaries of station employees; amounts paid to station or ticket agents in commissions or bonuses in lieu of salary; and the wages of express and mail handlers and clerks in passenger stations. (See instruction 28.)

ITEMS

Announcers.
Baggage agents.
Baggagemen.
Clerks.
Commissions or bonuses to employees in lieu of wages.
Express agents.
Express handlers.
Janitors.
Mail handlers.
Platform men.
Porters.
Station agents.
Station gatemen.
Station masters.
Telephone and information operators.
Ticket agents.

NOTE: Commissions paid to other than the accounting carrier's employees for the sale of tickets, handling of express, baggage, newspapers, etc., shall be included in account 4331, Commissions Paid.

4314 Supplies and expenses.

This account shall include the expenses incurred (exclusive of salaries and wages of station employees) in the operation of passenger terminals, waiting rooms, shelter sheds, and other similar property used by the transportation department in connection with passenger traffic, such as the cost of the light, heat, water, and ice; cost of uniforms and badges for station employees; cost of hand tools and implements used in handling express and mail; cost of operation and maintenance or upkeep of permanent signs designating a station, depot or passenger terminal; and the cost of supplies used and amounts of other expenses incurred in operating passenger stations.

ITEMS

Ash removal.

§ 1206.2

Badges for employees.
Cleaning supplies.
Heating or cooling, including supplies.
Laundry service, including supplies.
Lighting.
Mail, baggage, and express handling costs, including baggage room expenses (exclusive of labor).
Power costs for station machinery.
Snow and dust removal on station grounds.
Sprinkling station grounds.
Tools and supplies for station use.

4319 Repairs to station buildings and equipment.

This account shall include the cost of repairs to company stations, passenger terminals, waiting rooms, platforms, and other structures, together with fixtures, grounds and approaches, used in passenger transportation service; also include the cost of repairs to station furniture and equipment (but not equipment used in general offices) and carts, electric motor trucks, platform trucks, scales, and loading platforms, in connection with revenue baggage, mail and express.

4331 Commissions paid.

This account shall include the amounts paid to others (except to the carrier's employees and to interline carriers) on a commission or guaranteed basis for the sale of tickets, handling of express, baggage, newspapers, etc.

4332 Other expenses allowed.

This account shall include the amounts allowed to the operators of commission stations and passenger terminal for expenses such as advertising, rent, light, heat, power and water, telephone, telegraph and messenger services, etc.

4340 Interline commission paid.

This account shall include all commissions paid to interline carriers.

4350 Interline commissions earned—Credit.

This account shall include all commissions earned on interline tickets sold.

4360 Collection and delivery.

(a) This account shall include the wages of drivers and helpers and other

49 CFR Ch. X (10–1–96 Edition)

expenses of equipment used in collecting express from consignors and delivering express to consignees and local pick-up and delivery service provided for intercity passengers when such local service is included in the intercity tariff rate. (See instruction 28.)

(b) This account is intended to be used only when the expenses incurred in such local service can be separated from those incurred in regular operation between terminals.

(c) This account shall be subdivided to reflect separately:

(1) Wages of drivers and helpers.

(2) Gasoline and oil expense (not including taxes).

(3) Tires and tubes.

(4) Repairs and servicing of equipment.

(5) Other assignable operations and maintenance expenses.

4370 Purchased collection and delivery.

This account shall include amounts payable for collection, delivery and transfer service performed by others under contractual arrangements, whereby the agreement for the amount payable is based on other than actual division of tariff rates.

4391 Joint station facilities—Debit.

This account shall include the carrier's proportion of costs incurred by others in maintaining and operating joint station equipment and facilities, including overhead costs, except items chargeable to account 5340, Joint Facility Rents—Debit. (See definition 25, and instruction 29.)

4396 Joint station facilities—Credit.

This account shall include the amounts chargeable to others as their proportion of the costs incurred by the carrier in maintaining and operating joint station equipment and facilities, including overhead costs, except items creditable to account 5390, Joint Facility Rents—Credit. (See definition 25, and instruction 29.)

4400 Traffic, solicitation and advertising expense.

This account shall include the total of amounts included in accounts 4410 to 4470, inclusive.

Surface Transportation Board, DOT

§ 1206.2

4410 Salaries and expenses.

(a) This account shall include all salaries and expenses in connection with the promotion and solicitation of traffic. This includes the salaries of officers and their assistants who are directly in charge of traffic promotion and solicitation, including salaries of the traffic manager, general express and passenger agents; general commercial, city, general district and excursion agents, and their clerks and assistants.

(b) This account shall also include the cost of supplies used and the amounts of expenses incurred and cost of operating automobiles by officers and their assistants who are directly in charge of traffic promotion and solicitation.

NOTE: When officers and employees whose pay is chargeable to this account are engaged in work not chargeable to traffic promotion, or have jurisdiction over this and other departments, their salaries and expenses shall be allocated to the accounts appropriate. (See instruction 28.)

4430 Tariffs and schedules.

This account shall include the salaries and expenses of officers and employees engaged in the preparation of tariffs, schedules and time tables, the cost of printing and other expenses incurred in the preparation of tariffs, schedules and time tables, including postage and transportation charges. (See instruction 28.)

4440 Tickets and baggage checks.

This account shall include the salaries and expenses of employees engaged in receiving and distributing tickets, baggage checks, etc., together with the cost of manufacturing tokens and of printing tickets, baggage checks, milk checks, cash fare receipts, prepaid orders, identification checks, passes and other items of a similar nature, including transportation charges in connection therewith. (See instruction 28.)

4450 Other traffic expenses.

This account shall include the carrier's proportion of expenses of traffic associations, including membership fees, and all other traffic expenses not provided for elsewhere.

4470 Advertising.

(a) This account shall include the salaries and expenses in connection with advertising for the purpose of securing traffic, such as may be incurred in the preparation, printing and distribution of strictly advertising matter (not time tables).

(b) This account shall also include the salaries and expenses of employees preparing advertising copy; the commissions paid outside advertising agents; cost of printing, publishing, and other advertising matter; the cost of advertising space in newspapers and periodicals; expenses incurred in connection with radio broadcasting for the purpose of securing traffic; electric, neon and display signs (permanent or portable), for attracting traffic, bulletin boards, cards, cases, display cards and photographs; postage and express charges on advertising matter; cost of bill posting and similar expenses. (See instruction 28.)

NOTE: Cost of operation and maintenance of permanent signs designating a station or terminal shall be included in account 4314, Supplies and Expenses.

4500 Insurance and safety expense.

This account shall include the total of amounts included in accounts 4510 and 4580, inclusive.

4510 Salaries and expenses—Insurance and safety.

(a) This account shall include the following items:

(1) Salaries and wages, traveling and office expenses of officers, clerks and other employees of the insurance department, and special costs incurred in procuring insurance, such as brokerage fees (not included in premiums), notarial fees, and insurance inspection service.

(2) Salaries and expenses of safety department, cost of safety-first and other campaigns among employees or the public for the purpose of preventing accidents and damages.

(3) Salaries and expenses of officers and employees engaged regularly in claim department work; payments for the service of employees and others called in consultation in relation to claim adjustments; pay and expenses of

§ 1206.2

employees while engaged as witnesses at inquests and law suits.

(4) Salaries and expenses of officers and employees of the law department when specifically assigned to and engaged in injury and damage cases, and expenses of such officers and employees incurred on such cases when incidentally so engaged.

(5) Payment to attorneys, investigators, adjusters, etc., who are not regular employees of the carrier for services and expenses in connection with injury and damage cases.

(6) Cost of operating automobiles used by employees whose pay is charged to this account.

(b) Reimbursements from insurance companies or others for expenses charged to this account on account of injuries and damages shall be credited to this account.

NOTE: No part of the salaries of officers and employees of the law department shall be included in this account for merely incidental service in connection with injury and damage claims.

4520 Public liability and property damage insurance.

This account shall include premiums payable to outside insurance companies for protection against liability to the public for injuries to persons and damages to the property of others, resulting from the operation of owned and leased vehicles in motor carrier service. (See instruction 27.)

NOTE A: Premiums for insurance on property intrusted to the carrier for transportation or storage shall be included in account 4550, Baggage and Express Insurance.

NOTE B: Amounts payable in settlement of claims for bodily injury or property damage which are not recoverable from insurance companies and for which the carrier has not provided estimated accruals for claims shall be charged to account 4530, Injuries and Damages.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32598, Aug. 4, 1976]

4530 Injuries and damages.

This account shall be charged each period with amounts estimated to settle claims by others for injuries to persons (other than employees—see account 4546, Workmen's Compensation—Provision for Claims) or damage to or

49 CFR Ch. X (10–1–96 Edition)

destruction or loss of property, whether caused by fire, accident, or other cause, which are not covered by commercial insurance and which are not provided for elsewhere. (See instruction 27.) The carrier shall not accrue amounts to cover risk of loss or damage to its property from fire, theft, or similar loss contingencies.

This account shall also be charged with amounts payable in settlement of claims for injuries to persons and damage to property of others which are not recoverable from insurance companies or for which estimates have not been provided.

NOTE: Payments to or on behalf of employees other than those covered by workmen's compensation insurance, including accident and death benefits; salaries; hospital expenses; medical supplies; also salaries, fees, and expenses of surgeons, doctors, nurses, etc., when provided for through a plan for employees' benefits, shall be charged to account 4652, Employees' Welfare Expenses.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32598, Aug. 4, 1976]

4541 Workmen's compensation—Insurance.

This account shall include premiums payable to outside insurance companies for protection against liability for injuries to or deaths of employees payable under the provisions of workmen's compensation acts. (See instruction 27.)

NOTE: Amounts payable in settlement of claims under the provisions of Workmen's Compensation Acts which are not recoverable from insurance companies shall be charged to account 4546, Workmen's Compensation—Provision for Claims.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32598, Aug. 4, 1976]

4546 Workmen's compensation—Provision for claims.

This account shall be charged each period with amounts estimated to settle claims by others for injuries to and death of employees arising under the workmen's compensation acts. (See instruction 27.) This account shall also be charged with amounts payable in settlement of claims which are not recoverable from insurance companies or for which estimates have not been provided.

Surface Transportation Board, DOT

§ 1206.2

NOTE: Payments to or on behalf of employees other than those covered by workmen's compensation insurance, including accident and death benefits; salaries; hospital expenses; medical supplies; also salaries, fees, and expenses of surgeons, doctors, nurses, etc., when provided for through a plan for employees' benefits, shall be charged to account 4652, Employees' Welfare Expenses.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32598, Aug. 4, 1976]

4550 Baggage and express insurance.

This account shall include premiums payable to outside insurance companies to indemnify the carrier against costs and expenses incurred through loss of and damage to express matter and baggage entrusted to the carrier for transportation or storage. (See instruction 27.)

NOTE: Amounts payable in settlement of claims for loss of or damage to property entrusted to the carrier for transportation or storage which are not recoverable from insurance companies and for which the carrier has not provided estimates shall be included in account 4560, Baggage and Express Loss and Damage.

[41 FR 32598, Aug. 4, 1976]

4560 Baggage and express loss and damage.

This account shall be charged each period with amounts estimated to settle claims by others for loss, damage, destruction or delay to express matter, baggage, parcels, etc., entrusted to the carrier for transportation or storage. (See instruction 27.) The carrier shall not accrue amounts to cover risk of loss or damage to its property from fire, theft, or similar loss contingencies. This account shall also be charged with amounts payable in settlement of claims which are not recoverable from insurance companies or for which estimates have not been provided.

NOTE: Any provision or amounts payable for injuries or damages to employees and others, or amounts payable on account of damages to the property of others not entrusted to the carrier for transportation or storage shall be included in account 4530, Injuries and Damages.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32598, Aug. 4, 1976]

4570 Fire and theft insurance.

(a) This account shall include premiums payable to outside insurance companies for fire and theft insurance on owned and lease vehicles and for fire insurance on structures, machinery, and equipment used in motor carrier operations. (See instruction 27.)

(b) This account shall be charged with losses arising under the classes of risks enumerated in paragraph (a) which are not recoverable from insurance companies. The carrier shall not accrue amounts to cover risk of loss or damage to its property from fire, theft, or similar loss contingencies.

(c) This account shall be charged with losses arising under the classes of risks enumerated in paragraph (a) which are not recoverable from insurance companies and for which the carrier has not provided self-insurance.

NOTE: Recoveries from insurance companies or others for damages to the carrier's owned or leased property shall be accounted for as provided in paragraph (b) of account 2660, Insurance Reserves.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32598, Aug. 4, 1976]

4580 Other insurance.

(a) This account shall include premiums paid to outside insurance companies for boiler; burglar; fidelity; holdup; lightning; plate glass; owners, landlords and tenants liability; and other forms of insurance coverage not elsewhere provided for. (See instruction 27.)

(b) This account shall be charged with losses arising under the classes of risks enumerated in paragraph (a) of this section, which are not recoverable from insurance companies. The carrier shall not accrue amounts to cover risk of loss or damage to its property from fire, theft, or similar loss contingencies.

NOTE: The cost of life insurance on the lives of officers and other employees of the carrier whereunder the carrier is the beneficiary shall be charged to account 7500, Other Deductions. Cash surrender values of such policies shall be carried in account 1650, Other Investments and Advances.

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 32599, Aug. 4, 1976]

§ 1206.2

4600 Administrative and general expense.

This account shall include the total amounts included in accounts 4611 to 4696, inclusive.

4611 Salaries of general officers.

This account shall include the salaries, bonuses and other forms of consideration for services of general officers whose jurisdiction extends over the entire transportation system of the carrier; and fees payable to receivers. As here used, the term *General Officers* would ordinarily include the following: Chairman of the Board, President, Vice President, Treasurer, Secretary, Comptroller, General Auditor General Manager.

NOTE A: Do not include in this account amounts payable to organizations for services chargeable to account 4660, Management and Supervision Fees and Expenses.

NOTE B: If officers and assistants supervise particular departments of carrier operations, or other operations, or are engaged in specific work other than supervision of the entire transportation system, their pay and expenses shall be apportioned to the appropriate accounts for carrier operations or other operations. (See instruction 28.)

4612 Expenses of general officers.

This account shall include expenses incurred, including cost of operating automobiles, for the benefit of motor carrier operations by administrative officers (as defined in account 4611) such as traveling, and other incidental expenses.

ITEMS

Hotel.
Meals.
Membership fees and dues in trade, technical and professional associations.
Traveling expenses.

NOTE: Expenses in connection with operating the general offices of the carrier shall be included in account 4630, General Office Supplies and Expenses.

4613 Salaries of general office employees.

This account shall include the salaries (see instruction 28), bonuses and other forms of consideration for services of employees who are engaged in the general administrative offices of the carrier and whose services are not

49 CFR Ch. X (10–1–96 Edition)

chargeable to any other department or to other operations, including the following: accountants, bookkeepers, cashiers, clerks, engineers, janitors, messengers, paymasters, statisticians, stenographers, traveling auditors.

4616 Expenses of general office employees.

This account shall include the expenses incurred, including cost of operating automobiles, for the benefit of motor carrier operations by employees whose salaries are included in account 4613, Salaries of General Office Employees.

ITEMS

Hotel.
Meals, including payment therefor on account of overtime work.
Membership fees and dues in trade, technical and professional associations.
Traveling expenses.

4620 Law expenses.

This account shall include, except as provided for elsewhere, the pay and expenses of officers, assistants, office forces, and other employees of the law department; fees and retainers, supplies, and expenses of attorneys not regularly employed; court costs; and supplies and expenses of the law office.

ITEMS

Salaries:
Attorneys and assistants.
Clerks.
Counsel.
Law clerks.
Special counsel.
Other employees of law department.
Expenses:
Building service.
Cost of law suits.
Cost of operating automobiles.
Cost of preparing and printing agreements, briefs, reports, etc.
Court costs.
Court fees.
Law books, periodicals and subscriptions to special services.
Law expenses of receivers.
Legal forms, and law offices supplies postage and stationery.
Meals, including payment therefor on account of overtime work.
Payments to attorneys who are not regular employees.
Premiums on court and other bonds.
Printing.

Surface Transportation Board, DOT

§ 1206.2

Tax reports, claims, etc., when handled by legal staff.

Transcripts of testimony, copies of exhibits, etc.

Traveling expenses of attorneys, witnesses, etc.

Witness fees.

NOTE A: The pay of law department officers and employees engaged in formal cases before regulatory commissions, or in cases in which such a commission is a party, or when specifically assigned to injury and damage cases, shall be charged to account 4673, Other Regulatory Commission Expenses, account 4510, Salaries and Expenses—Insurance and Safety, or other appropriate account. (See instruction 28.)

NOTE B: Law expenses incident to the purchase and construction of carried operating property or the acquisition of certificates from Federal or State commissions or securing from local authorities franchises or consents with a life of more than one year shall be charged to the appropriate subdivision of account 1500, Organization, Franchises and Permits. Law expenses incident to the issuance of long-term debt or capital stock shall be charged to account 1880, Unamortized Debt Discount and Expense, account 2400, Unamortized Premium on Debt, or account 1910, Commission and Expense on Capital Stock, as appropriate.

4630 General office supplies and expenses.

This account shall include the cost of office supplies and the office expense in connection with the general administrative functions of the carrier's motor carrier operations.

ITEMS

Books.

Cleaning office.

Drinking water and refrigeration.

Heat and light.

Janitor service.

Letterheads and envelopes.

Paper.

Pens, pencils, ink, fasteners and office supplies.

Postage.

Printing forms for office use.

Repairs to general office buildings, furniture, fixtures, and equipment.

Stationery and office supplies.

Subscriptions to newspapers, periodicals and clipping bureaus.

Towels.

Typewriter supplies.

Waste baskets.

4640 Communication service.

This account shall include the cost of all communication service payable to outside companies, such as telephone, teletypewriter, telegraph, radio, etc.

NOTE: Taxes on telegrams and telephone tolls shall be charged to account 5200, Operating Taxes and Licenses.

4651 Outside auditing expenses.

This account shall include amounts paid as fees for auditing and accounting services rendered by individuals or firms other than carrier's employees.

NOTE: The fees of independent auditors and accountants in preparing financial and other statements incident to the issuance of long-term debt or capital stock shall be charged to account 1880, Unamortized Debt Discount and Expense, account 2400, Unamortized Premium on Debt, or account 1910, Commission and Expense on Capital Stock, as appropriate.

4652 Employees' welfare expenses.

(a) This account shall include pensions or other benefits paid to active and retired employees, their representatives or beneficiaries, and salaries and expenses incurred in conducting relief, benefit and general medical departments. It shall include payments to or on behalf of employees on account of injuries or accidental death when such payments come within the scope of a carrier's general provision for employees' benefits.

(b) If the carrier has definitely undertaken by contract to pay pensions to employees when regularly retired for superannuation or disability and has established a fund to be held in trust for such pension purposes, the carrier shall charge to this account periodic amounts determined through the application of equitable actuarial factors to the current payrolls, which, together with interest accruals on trust funds, will, as nearly as may be practicable, provide for the payment of such pensions, or for the purchase of annuities corresponding thereto. The amounts so charged shall be concurrently credited to a separate subdivision of account 2690, Other Reserves. The total of actual payments and accruals for future payments charged to this account for pensions, shall not exceed the amounts determined as hereinbefore prescribed.

§ 1206.2

The carrier shall maintain a complete record of the actuarial computations through which the accrual each period of its pension liabilities is established.

(c) Upon the adoption of the accrual plan of accounting, pension payments to employees retired before the adoption of such plan shall be charged to an existing pension reserve, this account 4652. If a carrier pays into its pension trust fund the amount of its existing pension reserve, any such amounts in excess of provision for pensions granted prior to the adoption of the accrual plan may be applied in whole or in part to the adjustment of future accrual charges.

(d) Before adopting the accrual plan of accounting for pensions, the carrier shall inform the Commission of the details of its pension plan, giving full statement of the facts which in its judgment establish a contractual obligation for pension payments, together with the actuarial formula under which it proposes to create its pension trust fund, and also a copy of the declaration of trust under which the fund is to be established.

(e) No charges shall be made to this account in anticipation of discretionary pension payments in the future.

ITEMS

Accident, sickness, death, and other disability benefits to employees, their representatives or beneficiaries.

Employees of relief, benefit, and general medical departments, pay and expenses of. Expenses in connection with employees' disability cases, such as hospital, nursing, and medical attendance.

Fees and retainers for medical and similar services incurred by relief, benefit, and general medical departments.

Medical service.

Office supplies.

Postage, printing and stationery.

Premiums paid for group insurance for the benefit of employees or their beneficiaries.

Traveling expenses.

NOTE: The cost of life or other insurance whereunder the carrier is the beneficiary shall be charged to account 7500, Other Deductions. Cash surrender values of such policies shall be carried in account 1650, Other Investments and Advances.

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 53252, Nov. 17, 1975]

49 CFR Ch. X (10–1–96 Edition)

4655 Purchasing and store expenses.

(a) This account shall include salaries and expenses of purchasing agents, and their assistants, whose jurisdiction extends over all purchases such as parts, gasoline and other fuel, stationery supplies, etc.

(b) This account shall include credits for cash and other discounts when it is not practicable to apply such discounts directly to the cost of materials to which they relate.

(c) This account shall include such differences from inventory adjustments which have not been otherwise apportioned in accordance with note B under account 1180, Material and Supplies.

NOTE A: Suitable proportions of items included in this account may be allocated to the cost of materials and supplies. (See instruction 19.)

NOTE B: See also instruction 16 with reference to clearing accounts which may be maintained.

4656 Other general expenses.

(a) This account shall include all general expenses connected with motor carrier operations not provided for elsewhere including fees and expenses payable to directors and trustees; expenses in connection with publishing and mailing reports and notices to stockholders, etc.; cash overages and shortages and fees for filing annual reports and other documents not specifically related to certificates or applications for issuance of securities.

(b) This account shall also include contributions for charitable, social or community welfare purposes which have a direct relation to the protection of the property of carrier property, development of its business, or welfare of its employees. (See account 7500, Other Deductions.)

NOTE: Direct contributions to employees' welfare associations shall be included in account 4652, Employees' Welfare Expenses.

[32 FR 20280, Dec. 20, 1967, as amend at 42 FR 64351, Dec. 23, 1977]

4660 Management and supervision fees and expenses.

(a) This account shall include fees and expenses payable to any corporation, firm or individual, other than officers and employees of the carrier, for

Surface Transportation Board, DOT

§ 1206.2

continuously rendered supervision and management.

(b) This account shall be subdivided to reflect:

(1) Management and supervision fees and expenses of associated companies.

(2) Management and supervision fees and expenses of other companies.

(c) Records supporting this account shall be kept so as to show (1) the basis of the fees, i.e., the gross or net earnings of the carrier, if such is the basis, (2) the percentage applied in determining the fee, (3) the amount of the fee, and (4) the amount of the expenses.

4671 Franchise requirements—Debit.

(a) This account shall include the total cost to the carrier in connection with payments to governmental authorities in compliance with franchises, ordinances or similar requirements, except taxes and license fees, provided, however, that the carrier may charge this account with the amounts based on regular tariff rates of intrastate transportation furnished without charge under provisions of franchises.

(b) When no direct outlay is involved concurrent credit for such charges shall be to account 4672, Franchise Requirements—Credit.

4672 Franchise requirements—Credit.

This account shall include concurrent credits for charges which are made to account 4671, Franchise Requirements—Debit, to the extent that such charges do not represent direct outlays.

4673 Other regulatory commission expenses.

(a) This account shall include expenses incurred by the carrier in connection with formal cases before Federal or State regulatory bodies or cases in which such a body is a party; also include payments made to a regulatory commission for fees or amounts assessed against the accounting carrier for pay and expenses of the regulatory commission, its officers, agents and employees, other than those incurred in securing certificates of convenience and necessity and authority for the issuance of securities.

(b) Amounts includible in this account which by approval or direction of the Commission are to be spread over future periods shall be charged to account 1890, Other Deferred Debits, and amortized by charges to this account.

ITEMS

Fees, retainers, and expenses of counsel, solicitors, attorneys, clerks, attendants, witnesses, and others whose services are secured for the defense or prosecution of petitions or complaints presented to regulatory bodies.

The pay of officers and employees specifically assigned to or engaged in the valuation of property owned or used by the carrier, in connection with such cases, and the cost of similar work performed by others.

Amounts assessed by Federal and State regulatory commissions for pay and expenses of their officers, agents, and employees; office and traveling expenses; stationery, printing and engineering supplies; and other expenses and supplies including expenses of officers and employees upon matters covered by this account even though no portion of their pay is assignable hereto.

NOTE A: Expenses incurred for the improvement of service, for additional inspection, or rendering reports which are made necessary by the rules and regulations, or orders, of regulatory bodies, shall be charged to the appropriate operation and maintenance expense accounts.

NOTE B: Expenses incident to securing certificates of convenience and necessity shall be charged to the appropriate subdivision of account 1500, Organization, Franchises and Permits. Expenditures incident to securing authorization for issuance of long-term debt or capital stock shall be charged to account 1880, Unamortized Debt Discount and Expense, account 2400, Unamortized Premium on Debt, or account 1910, Commission and Expense on Capital Stock, as appropriate.

CROSS REFERENCE: For regulations relating to certificates of public convenience and necessity, see parts 1120 and 1121 of this chapter.

4680 Uncollectible revenues.

(a) This account shall include charges for receivables for carrier operating revenues which, after a reasonably diligent effort to collect, have proved impracticable of collection. If accounts which have been so written off are afterwards collected, the amount received shall be credited to this account; *Provided, however,* That such recoveries are from accounts charged off against this account.

§ 1206.2

(b) Charges to this account may be made on the basis of the estimated average loss due to uncollectible accounts in which case the concurrent credit shall be to account 2650, Reserve for Uncollectible Accounts. To the reserve thus established shall be charged such amounts as are determined to be uncollectible; amounts written off and subsequently collected shall be credited to the reserve. When charges to such accounts are thus made by estimate, the estimate shall be adjusted at the end of each calendar year to conform to the experience of the accounting carrier as determined by analysis of its accounts receivable.

NOTE: Losses on receivables for other than operating revenues, and losses on notes or claims, shall be included in account 7500, Other Deductions.

4691 Joint operating expense—Debit.

This account shall include amounts payable to others representing the cost of operation and maintenance of joint facilities used for general purposes, such as a general office, or where amounts payable cannot be segregated between the functional groups of expense accounts provided in this part. (See instruction 29.)

4696 Joint operating expense—Credit.

This account shall include amounts received by the accounting carrier as reimbursement for operating and maintaining costs incurred by it in connection with a joint facility used for general purposes such as general office, or when the amounts received cannot be segregated between the functional groups of expense accounts provided in this part. (See instruction 29.)

Depreciation Expense

5000 Depreciation expense.

(a) This account shall include the amount of depreciation charges applicable to the accounting period for all classes of depreciable carrier operating property, including improvements to leased property, if any, as provided in instruction 25. The amounts charged to this account shall be concurrently credited to account 2500, Reserve for Depreciation—Carrier Operating Property.

49 CFR Ch. X (10–1–96 Edition)

(b) The following subdivisions of this account shall be maintained to reflect the amount of depreciation charges on each class of property and the necessary depreciation adjustment on carrier operating property at the time it is retired from service as provided in instruction 21 (see definition 33):

- 5011 Depreciation of Structures.
- 5021 Depreciation of Revenue Equipment.
- 5031 Depreciation of Service Cars and Equipment.
- 5041 Depreciation of Shop and Garage Equipment.
- 5051 Depreciation of Furniture and Office Equipment.
- 5061 Depreciation of Miscellaneous Equipment.
- 5071 Depreciation of Improvements to Leasehold Property.
- 5081 Depreciation of Undistributed Property.
- 5091 Depreciation of Adjustment.

Amortization Expense

5100 Amortization of carrier operating property.

This account shall include the amount of the amortization charges applicable to the accounting period for amounts carried in account 1501, Organization, account 1511, Franchises, and account 1541, Patents, for fixed-term franchises, licenses, and patent rights; and for fixed-term interest in land and land rights carried in account 1201—Land and Land Rights. Such charges shall be computed so as to distribute the book cost of each item evenly throughout its service life to the carrier. (See also account 2600, Reserve for Amortization—Carrier Operating Property.)

Taxes and Licenses

5200 Operating taxes and licenses.

(a) This account shall include the amount of Federal, State, county, municipal and other taxing district taxes, which relate to motor carrier operations and property used therein (except taxes provided for in account 8000, Income Taxes on Ordinary Income).

(b) This account shall be charged each month (or 4-week period) with the amount of taxes applicable thereto, with concurrent credits to account 2120, Taxes Accrued, or account 1170, Prepayments, as appropriate. When it

Surface Transportation Board, DOT

§ 1206.2

is not possible to determine the actual taxes, they shall be estimated and the applicable portion of the total tax included in this account each month (or 4-week period). Taxes included in this account on an estimated basis shall be adjusted when the actual levies become known. Taxes on gasoline, other motor fuel and lubricating oil shall be included in this account on the basis of actual consumption.

(c) The records shall be kept so as to show separately for each of the following subdivisions the amount of each class of tax included in this account and the basis on which it is levied, segregated between the amounts levied by the Federal government, and by State, Municipal, and other taxing authorities.

[32 FR 20280, Dec. 20, 1967, as amended at 37 FR 25846, Dec. 5, 1972]

5210 Gasoline, other fuel and oil taxes.

Include in this account all taxes levied by Federal, State, or other governmental bodies on motor fuel and motor oil consumed during the current accounting period.

5220 Vehicle license and registration fees.

Include in this account the cost of all fees assessed for the privilege of operating vehicles over the highways, such as registration fees, license plate fees, mileage taxes, seat taxes, seat-mile taxes, gross weight taxes, ton-mile taxes, port of entry fees, permits for overload and oversize, Federal use tax, certificates of title fees, vehicle qualification fees and similar items.

5230 Real estate and personal property taxes.

Include in this account the amount of taxes based on the value of real estate and personal property.

5240 Social security taxes.

Include in this account the amount of social security, unemployment, and oldage benefit taxes payable to the Federal and State governments.

5250 Other taxes.

Include in this account all other operating taxes not specifically provided for in accounts 5210 to 5240, inclusive.

ITEMS

Capital stock taxes.
City licenses and permits.
Corporation taxes assessed for privilege of doing business as a corporation.
Gross receipts taxes not otherwise provided for.
Occupancy taxes.
Sales taxes paid by carrier as vendor.
Stock transfer taxes.
Telephone, telegraph, and other communication taxes.
Tires and tubes, taxes on purchase or rental of, and
All other taxes, licenses or fees not otherwise provided for.

NOTE A: Taxes on property leased from others for use in motor carrier operations, when the lessee is obligated under the terms of the lease to pay such taxes in addition to stipulated rent, shall be included in this account.

NOTE B: All other sales or excise taxes not provided for in this account shall be included in the account charged with the cost of the material or services.

NOTE C: Amounts received by the carrier in reimbursement of taxes on property operated as a joint facility (see definition 25) shall be credited to account 5390, Joint Facility Rents; Credit. Payments to other carriers for a portion of taxes on joint facilities shall be charged to account 5340, Joint Facility Rents; Debit.

NOTE D: The following taxes and fees shall not be charged to this account:

1. Fees for filing annual reports and other documents not specifically related to certificates or applications for issuance of securities shall be charged to account 4656, Other General Expenses.

2. Special assessments for street or other improvements and fees or charges, sometimes called taxes, such as water taxes, street sprinkling and sidewalk repairs, which are payments for some specific services rendered by municipal or other taxing bodies, shall be charged to the appropriate property investment or maintenance accounts. (See note B, account 1201, Land and Land Rights.)

3. Taxes on property, the investment in which is included in account 1400, Non-carrier operating property, and account 1450, Non-operating property, shall be charged to account 6000, Net Income from Non-carrier Operations, or account 6100, Net Income from Non-operating Property, as appropriate.

§ 1206.2

4. Taxes on property leased to others shall be charged to the account to which the rent revenue is credited.

5. Taxes assumed by the carrier on bond and note interest shall be charged to account 7200, Taxes Assumed on Interest.

6. Taxes paid on original issues of capital stock shall be included in account 1910, Commission and Expense on Capital Stock.

7. The cost of State identification plates, for which a small charge is made to cover cost of manufacture, shall be included in account 4264, Other Transportation Expenses, or account 4360, Collection and Delivery, as appropriate.

Operating Rents

5300 Operating rents—Net.

This account shall include the net total of amounts included in accounts 5310 to 5390, inclusive. (See instruction 30.)

5310 Equipment rents—Debit.

This account shall include the amounts payable for use of automotive equipment on whatever basis such rent may be determined. All expenses incurred in connection with the operation of leased equipment which the lessee is obligated to assume in addition to the amount stipulated as rent, shall be included in the operation and maintenance or other accounts as appropriate.

NOTE: Amounts payable for rental of equipment included in the lease of a distinct operating unit shall be charged to account 5400, Rent for Lease of Carrier Property—Debit.

5320 Other operating rents—Debit.

This account shall include all rental payments for the use of property employed in motor carrier operations not provided for elsewhere, such as:

- (a) Rent for shop and garage space.
- (b) Rents paid for use of property by the transportation department.
- (c) Rents paid for use of terminals and stations.
- (d) Rents paid for use of property by the traffic and solicitation department.
- (e) Rents paid for use of the general office.

NOTE: Rental payments for property not used in transportation operations shall be charged to the appropriate other income account.

49 CFR Ch. X (10–1–96 Edition)

5340 Joint facility rents—Debit.

This account shall include amounts payable to other carriers as their proportion of rent, including taxes and depreciation, for the use of property under a joint facility arrangement. (See definition 25, and instruction 29.)

5350 Equipment rents—Credit.

This account shall include amounts receivable for use of automotive equipment on whatever basis such rent may be determined.

NOTE: Amounts receivable for rental of equipment included in the lease of a distinct operating unit shall be credited to account 5500, Income from Lease of Carrier Property—Credit.

5360 Rent from owned land and structures.

This account shall include the rent from land and structures, the cost of which is included in accounts 1200, Carrier Operating Property, and 1300, Carrier Operating Property Leased to Others, except joint facilities.

NOTE: Rent from subleases of property rented from others shall be included in account 5370, Sublease Rental Income.

5370 Sublease rental income.

This account shall include rents receivable from subleases of carrier operating property rented from others.

5390 Joint facility rents—Credit.

This account shall include amounts receivable from other carriers as their proportion of rent, including taxes and depreciation, for the use of property under a joint facility arrangement. (See definition 25, and instruction 29.)

Lease of Carrier Property

5400 Rent for lease of carrier property—Debit.

This account shall include amounts payable, for rent of property constituting a distinct operating unit (see definition 24 and instruction 30) or system leased from others for use in motor carrier operations when the carrier has exclusive possession.

NOTE: Taxes payable upon leased property, assumed by the lessee, shall be included in account 5200, Operating Taxes and Licenses.

Surface Transportation Board, DOT

§ 1206.2

5500 Income from lease of carrier property—Credit.

(a) This account shall include amounts receivable for rent of property constituting a distinct operating unit (see definition 24, and instruction 30) or system leased by the carrier to others for motor carrier operations where the lessee has exclusive possession.

(b) This account shall include as a deduction from rent revenue, expenses such as repairs, depreciation, insurance, and taxes assumed by the lessor; uncollectible rents, etc., in connection with the property leased.

(c) This account shall be divided to show separately for each lease the following:

- (1) Rent revenue.
- (2) Expenses.
- (3) Depreciation and amortization.
- (4) Taxes.
- (5) Uncollectible rents.

Other Income

6000 Net income from non-carrier operations.

(a) This account shall include the revenues from and expenses incurred in the operation of property, the investment in which is carried in account 1400, Non-Carrier Operating Property.

(b) This account shall be subdivided to reflect:

- (1) The total revenues derived from non-carrier operating property operations.
- (2) The total expenses incurred in non-carrier operating property operations.

NOTE A: The expenses referred to include every element of cost incurred in such operations including depreciation, rents, taxes and insurance.

NOTE B: Each carrier may adopt its own classification of revenue and expenses for this account. The classification shall be such, however, as to permit ready analysis of the revenue and expense.

6100 Net income from non-operating property.

(a) This account shall include all rent revenues from land, buildings, and other property not devoted to transportation operations, the book cost of which is included in account 1450, Non-Operating Property.

(b) This account shall include as a deduction from rent revenue, expenses such as repairs, depreciation, amortization, taxes, uncollectible rents, insurance, etc., in connection with the property leased.

(c) This account shall be subdivided to show separately for each lease the following:

- (1) Rent revenue.
- (2) Expenses.
- (3) Depreciation and amortization.
- (4) Taxes.
- (5) Uncollectible rents.

6200 Interest income.

(a) This account shall include interest accruing to the accounting carrier upon securities of other companies and Federal, State, or municipal governments, on loans, notes and advances; special deposits and all other interest bearing assets, including simple interest charged to property during its construction. Interest accrued shall not be credited to this account unless its payment is reasonably assured; in other cases, credits to this account shall be based upon the interest actually collected.

(b) This account shall be kept so as to show separately the interest income from each investment and from each associated company.

NOTE A: No interest upon reacquired securities issued or assumed by the accounting carrier shall be credited to this account.

NOTE B: Interest accrued on securities of other companies held in sinking or other special funds shall be credited to account 6400, Income from Sinking and Other Funds.

6300 Dividend income.

(a) This account shall include revenue derived by the accounting carrier from the dividends on stocks of other companies held by it. Accruals of guaranteed dividends may be included in this account if the payment is reasonably assured.

(b) This account shall be kept so as to show separately the dividend income from each investment and from each associated company.

NOTE: No dividends on reacquired securities issued by the carrier shall be credited to this account.

§ 1206.2

6400 Income from sinking and other funds.

This account shall include all revenues (whether interest or dividends) accrued on cash, securities (not issued or assumed by the accounting carrier) or other assets held in sinking fund and other special funds.

NOTE: This account covers all income from investments of special funds, whether required to be retained in the fund or not. If such income is required to be retained in the fund and the fund required to be represented by a reserve, the amount of such accretions to the fund shall be concurrently credited to the appropriate reserve account and charged to account 2944, Appropriations to Reserves.

6500 Other non-operating income.

This account shall include all income accrued to the accounting carrier in accordance with the terms of any contract by which the carrier is entitled to participate in the profits from the operations of others and all other non-operating income not provided for in any of the foregoing accounts.

This account shall also include the current unrealized gain on the marketable equity securities in account 1060, only to the extent the gain is represented by a decrease in the valuation allowance. (See instruction 2-15.)

NOTE A: "Profits from the operations of others" does not include any dividends on stock. Revenues from dividends shall be credited to account 6300, Dividend Income, or to account 6400, Income from Sinking and Other Funds, as appropriate. appropriate.

NOTE B: Gains from extinguishment of debt shall be aggregated and, if material, credited to account 9010, Extraordinary items, upon approval by the Commission.

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 53252, Nov. 17, 1975; 42 FR 33301, June 30, 1977]

6600 Unusual or infrequent items (credit).

Included in this account shall be material items unusual in nature or infrequent in occurrence, but not both, accounted for in the current year in accordance with the text of instruction 2-7, upon approval by the Commission.

[40 FR 53253, Nov. 17, 1975]

49 CFR Ch. X (10-1-96 Edition)

Income Deductions

7000 Interest on long-term obligations.

(a) This account shall include all interest accrued on unmatured outstanding long-term obligations issued or assumed by the accounting carrier; also interest accrued on debentures and on receivers' certificates which mature more than 1 year after date of issue. This account does not include interest on securities held by the accounting carrier in its treasury, in sinking or other special funds, or pledged as collateral.

(b) This account shall be kept so as to show the interest expense (accrual) on each of the following classes or subdivisions of long-term obligations:

- (1) Equipment obligations.
- (2) Advances.
- (3) Bonds.
- (4) Other long-term obligations.

7100 Other interest deductions.

This account shall include interest on all short-term obligations of the accounting carrier, such as notes or loans for terms of less than 1 year, unpaid taxes, or other accounts payable, etc., and also interest on matured long-term obligations.

7200 Taxes assumed on interest.

This account shall include amounts paid to holders of the bonds or other indebtedness of the carrier in reimbursement of income and other taxes levied against income from such obligation or levied as a tax for ownership of the obligation, where the mortgage, indenture, or other instrument provides for payment of such taxes by the carrier.

7300 Amortization of debt discount and expense.

This account shall include for any period that proportion of the unamortized discount and expense on outstanding long-term debt which is applicable to the period. This proportion shall be determined according to a rule, the uniform application of which during the interval between the issue and maturity of any debt will completely amortize the discount at which

Surface Transportation Board, DOT

§ 1206.2

such debt was issued and the debt expense connected therewith. Debt expense and debt discount charged to this account shall be concurrently credited to account 1890, "Other Deferred Debits," and 2370, "Unamortized Discount on Debt," respectively. (See also instruction 2-13.3.)

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 52468, Nov. 30, 1976]

7400 Amortization of premium on debt—Credit.

This account shall include the proportion of the premium at which outstanding long-term debt was issued which is applicable to each period. This proportion shall be determined according to a rule the uniform application of which during the interval between the issuance and the maturity of any debt will completely amortize the premium at which such debt was issued. Amounts credited to this account shall be concurrently charged to account 2380, "Unamortized Premium on Debt." (See instruction 2-13.)

[32 FR 20280, Dec. 20, 1967, as amended at 41 FR 52468, Nov. 30, 1976]

7500 Other deductions.

This account shall include all deductions from gross income not provided for in any of the foregoing accounts such as:

(a) Unsecured accruals on obligations arising under contracts whereby the accounting carrier has guaranteed the annual or more frequent periodic payment of money or performance of other obligation on the part of another corporation or person, and because of the default of such other corporation or person, the liability of the accounting carrier has become actual.

(b) Losses resulting from the operations of others, whenever, in accordance with the terms of any contract, the accounting carrier is bound to contribute toward reimbursement of such losses.

(c) Losses on receivables, notes or claims, which are not includible in account 4680, Uncollectible Revenue.

(d) Amortization charges of the book value of property included in account 1550, Other Intangible Property, and other items carried among its assets.

(e) Contributions for charitable, social, or community welfare purposes which do not have a direct relation to the protection of carrier property, development of its business or welfare of its employees. (See account 4656, Other General Expenses.)

(f) Penalties and fines for violations of law not provided for in account 4264, Other Transportation Expenses.

(g) Premiums for life insurance carried on the lives of officers and employees when the carrier is the beneficiary.

(h) Losses resulting from extinguishment of debt shall be aggregated and, if material, charged to account 9010, Extraordinary items, upon approval by the Commission.

(i) Unrealized losses on the marketable equity securities in account 1060 to the extent these losses are represented by an increase in the valuation allowance. (See instruction 2-15.)

[32 FR 20280, Dec. 20, 1967, as amended at 40 FR 53253, Nov. 17, 1975; 42 FR 33301, June 30, 1977; 42 FR 64351, Dec. 23, 1977]

7600 Unusual or infrequent items (debit).

Included in this account shall be material items unusual in nature or infrequent in occurrence, but not both, accounted for in the current year in accordance with the text of instruction 2-7, upon approval by the Commission.

[40 FR 53253, Nov. 17, 1975]

Income Taxes

8000 Income taxes on income from continuing operations.

(a)(1) This account shall be debited with the monthly accruals for all income taxes which are estimated to be payable and which are applicable to ordinary income (see instruction 2-32). See text of account 9060, Income taxes on extraordinary and prior period items.

(2) Details pertaining to the tax consequences of other unusual and significant items and also cases where the tax consequences are disproportionate to the related amounts included in income accounts, shall be submitted to the Commission for consideration and decision as to proper accounting.

(b) This account shall be subdivided as follows: 8010 *Federal Income Taxes*,

§ 1206.2

8020 *State Income Taxes*, and 8030 *Other Income Taxes*.

NOTE: Personal income taxes of sole proprietors and members of a partnership shall not be charged to this account; if paid from funds of the business, the amounts thereof shall be charged to account 2800, Sole Proprietorship Capital, or account 2810, Partnership Capital, as appropriate.

[32 FR 20280, Dec. 20, 1967, as amended at 39 FR 33349, Sept. 17, 1974]

8040 Provision for deferred taxes.

(a) This account shall include the tax effect of all timing differences (see definitions 1-41 (g) and (e)) originating and reversing in the current accounting period, and the future tax benefits of loss carryforwards recognized in accordance with instruction 2-32(c).

(b) This account shall include credits for the amortization of the investment tax credit if the carrier elected to use the deferred method of accounting for the investment tax credit. (See instruction 2-32(d)).

[39 FR 33349, Sept. 17, 1974]

DISCONTINUED OPERATIONS

8100 Income (loss) from operations of discontinued segments.

This account shall include the results of operations of a segment of a business (see definition 1-43), after giving effect to income tax consequences, that has been or will be discontinued in accordance with the text of instruction 2-7, upon approval by the Commission.

[40 FR 53253, Nov. 17, 1975]

8120 Gain (loss) on disposal of discontinued segments.

This account shall include the gain or loss from the disposal of a segment of a business, after giving effect to income tax consequences, in accordance with the text of instruction 2-7, upon approval by the Commission.

[40 FR 53253, Nov. 17, 1975]

EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES

9010 Extraordinary items (net).

(a) This account shall include extraordinary items accounted for during the current accounting year in accord-

49 CFR Ch. X (10-1-96 Edition)

ance with the text of instruction 2-7, upon submission of a letter from the carrier's independent accountants, approving or otherwise commenting on the item and upon approval by the Commission.

(b) This account shall be maintained in a manner sufficient to identify the nature and gross amount of each debit and credit.

(c) Federal income tax consequences of charges and credits to this account shall be recorded in account 9050, Income taxes on extraordinary items, or 9060, Provision for deferred taxes—extraordinary items.

[40 FR 53253, Nov. 17, 1975]

9050 Income taxes on extraordinary items.

This account shall include the estimated income tax consequences (debit or credit) assignable to the aggregate of items of both taxable income and deductions from taxable income which for accounting purposes are classified as extraordinary, and are recorded in account 9010, Extraordinary items (net). The tax effect of any timing differences caused by recognizing an item in the account provided for extraordinary items in different periods in determining accounting income and taxable income shall be included in account 9060, Provision for deferred taxes—extraordinary items.

[40 FR 53253, Nov. 17, 1975]

9060 Provision for deferred taxes—extraordinary items.

This account shall include debits or credits for the current accounting period for income taxes deferred currently, or for amortization of income taxes deferred in prior accounting periods applicable to items of revenue or expense included in account 9010, Extraordinary items (net). (See instruction 2-32).

[40 FR 53253, Nov. 17, 1975]

9070 Cumulative effect of changes in accounting principles.

This account shall include the cumulative effect of changing to a new accounting principle, after giving effect

Surface Transportation Board, DOT

§ 1206.2

to income tax consequences, in accordance with instruction 2-7, upon approval by the Commission.

[40 FR 53253, Nov. 17, 1975]

9999 Form of income statement.

ORDINARY ITEMS	
i. Carrier Operating Income	
Revenues:	
3000 Operating revenues (Exclusive of transfers from government authorities)	
3700 Operating revenues—transfers from government authorities for current operations	
3800 Operating revenues—amortization of deferred transfers from government authorities	
Expenses:	
4000 Operation and Maintenance Expenses	
5000 Depreciation Expense	
5100 Amortization of Carrier Operating Property	
5200 Operating Taxes and Licenses	
5300 Operating Rents—Net	
Total Expenses	
Net Operating Revenue	
5400 Rent for Lease of Carrier Property—Debit	
5500 Income from Lease of Carrier Property—Credit	
Net Carrier Operating Income	
ii. Other Income	
6000 Net Income from Noncarrier Operations	
6100 Net Income from Nonoperating Property	
6200 Interest Income	
6300 Dividend Income (other than from affiliates)	
6400 Income from Sinking and Other Funds	
6500 Other Nonoperating Income	
6600 Unusual or infrequent items (credit)	
Income from affiliated companies	
Dividends	
Equity in undistributed earnings (losses)	
Total Other Income	
Gross Income	
iii. Income Deductions	
7000 Interest on Long-Term Obligations	
7100 Other Interest Deductions	
7200 Taxes Assumed on Interest	
7300 Amortization of Debt Discount and Expense	
7400 Amortization of Premium on Debt—Credit	
Total income deductions	
7500 Other Deductions	
7600 Unusual or infrequent items (debit)	
Total income deductions	
Income from continuing operations before income taxes	
8000 Income taxes on income from continuing operations	
8040 Provision for deferred taxes	
Income (loss) from continuing operations	

ORDINARY ITEMS—Continued

iv. Discontinued Operations	
8100 Income (loss) from operations of discontinued segments (less applicable income taxes of—)	
8120 Gain (loss) on disposal of discontinued segments (less applicable income taxes of—)	
Income (loss) before extraordinary items	\$
Extraordinary Items and Accounting Changes	
9010 Extraordinary Items (Net)	
9050 Income taxes on extraordinary items	
9060 Provision for deferred taxes—extraordinary items	
Total extraordinary items	
9070 Cumulative effect of changes in accounting principles (less applicable income taxes of—)	
Net Income (or Loss) Transferred to Earned Surplus	

(49 Stat. 546, as amended, 563, as amended, 564, as amended, 49 U.S.C. 304, 320, 322, as amended, 49 U.S.C. 12, 20, 304, 320)

[32 FR 20280, Dec. 20, 1967, as amended at 39 FR 33349, Sept. 17, 1974; 39 FR 34047, Sept. 23, 1974; 40 FR 53253, Nov. 17, 1975; 43 FR 30560, July 17, 1978]

PARTS 1220-1239—PRESERVATION OF RECORDS

NOTE: Section 20(7)(b) of the Interstate Commerce Act includes the following provision:

Any person who shall knowingly and willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required under this section to be filed, or in the accounts of any book of accounts or in any records or memoranda kept by a carrier, or required under this section to be kept by a lessor or other person, or who shall knowingly and willfully destroy, mutilate, alter, or by any other means or device falsify the record of any such accounts, records, or memoranda, * * * shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: *Provided*, That the Commission may in its discretion issue orders specifying such operating, accounting, or financial papers, records, books, blanks, tickets, stubs, correspondence, or documents of such carriers, lessors, or other persons as may, after a reasonable time, be destroyed, and prescribing the length of time the same shall be preserved.

§ 1220.0

49 CFR Ch. X (10–1–96 Edition)

PART 1220—PRESERVATION OF RECORDS

Sec.

- 1220.0 Applicability.
- 1220.1 Records required to be retained.
- 1220.2 Protection and storage of records.
- 1220.3 Preservation of records.
- 1220.4 Companies going out of business.
- 1220.5 Waiver of requirements of these regulations.
- 1220.6 Schedule of records and periods of retention.

AUTHORITY: 49 U.S.C. 10321 and 11145, and 5 U.S.C. 553.

SOURCE: 50 FR 10775, Mar. 18, 1985 and 51 FR 22083, June 18, 1986, unless otherwise noted.

§ 1220.0 Applicability.

The preservation of record rules contained in this part shall apply to the following:

Railroad companies
Electric railway companies
Express companies
Persons furnishing cars to railroads
Motor carriers and brokers
Water carriers
Household goods freight forwarders
Ratemaking organizations

This part applies also to the preservation of accounts, records and memoranda of traffic associations, demurrage and car service bureaus, weighing and inspection bureaus, and other joint activities maintained by or on behalf of companies listed in the above paragraph of this subpart.

[50 FR 1075, Mar. 18, 1985 and 51 FR 22083, June 18, 1986, as amended at 51 FR 44297, Dec. 9, 1986]

§ 1220.1 Records required to be retained.

Companies subject to this part shall retain records for the minimum retention periods required by § 1220.6, Schedule of records and periods of retention. After the required retention periods, the records may be destroyed at the discretion of each company's management. It shall be the obligation of the subject company to maintain records that adequately support financial and operational data required by the Commission. The company may request a ruling from the Commission on the retention of any record. The provisions of this part shall not be construed as ex-

cusing compliance with the lawful requirements of any other governmental body prescribing longer retention periods for any category of records.

§ 1220.2 Protection and storage of records.

(a) The company shall protect records subject to this part from fires, floods, and other hazards, and safeguard the records from unnecessary exposure to deterioration from excessive humidity, dryness, or lack of ventilation.

(b) The company shall notify the Commission if prescribed records are substantially destroyed or damaged before the term of the prescribed retention periods.

§ 1220.3 Preservation of records.

(a) All records may be preserved by any technology that is immune to alteration, modification, or erasure of the underlying data and will enable production of an accurate and unaltered paper copy.

(b) Records not originally preserved on hard copy shall be accompanied by a statement executed by a person having personal knowledge of the facts indicating the type of data included within the records. One comprehensive statement may be executed in lieu of individual statements for multiple records if the type of data included in the multiple records is common to all such records. The records shall be indexed and retained in such a manner as will render them readily accessible. The company shall have facilities available to locate, identify and produce legible paper copies of the records.

(c) Any significant characteristic, feature or other attribute that a particular medium will not preserve shall be clearly indicated at the beginning of the applicable records as appropriate.

(d) The printed side of forms, such as instructions, need not be preserved for each record as long as the printed matter is common to all such forms and an identified specimen of the form is maintained on the medium for reference.

[50 FR 10775, Mar. 18, 1985, as amended at 56 FR 30874, July 8, 1991]

Surface Transportation Board, DOT

§ 1220.6

§ 1220.4 Companies going out of business.

The records referred to in these regulations may be destroyed after business is discontinued and the company is completely liquidated. The records may not be destroyed until dissolution is final and all pending transactions and claims are completed. When a company is merged with another company under jurisdiction of the Commission, the successor company shall preserve records of the merged company in accordance with these regulations.

§ 1220.5 Waiver of requirements of these regulations.

A waiver from any provision of these regulations may be made by the Commission upon its own initiative or upon submission of a written request by the company. Each request for waiver shall demonstrate that unusual circumstances warrant a departure from

prescribed retention periods, procedures, or techniques, or that compliance with such prescribed requirements would impose an unreasonable burden on the company.

§ 1220.6 Schedule of records and periods of retention.

The following schedule shows periods that designated records shall be preserved. The descriptions specified under the various general headings are for convenient reference and identification, and are intended to apply to the items named regardless of what the records are called in individual companies and regardless of the record media. The retention periods represent the prescribed number of years from the date of the document and not calendar years. Records not listed below shall be retained as determined by the management of each company.

SCHEDULE OF RECORDS AND PERIODS OF RETENTION

Item and category of records	Retention period
A. CORPORATE AND GENERAL	
1. Incorporation and reorganization:	
(a) Charter or certificate of incorporation and amendments	Note A.
(b) Legal documents related to mergers, consolidations, reorganization, receiverships and similar actions which affect the identity or organization of the company.	Do.
2. Minutes of Directors, Executive Committees, Stockholders and other corporate meetings	Do.
3. Titles, franchises and authorities:	
(a) Certificates of public convenience and necessity issued by regulating bodies	Until expiration or cancellation.
(b) Operating authorizations and exemptions to operate	Do.
(c) Copies of formal orders of regulatory bodies served upon the company	Note A.
(d) Deeds, charters, and other title papers	Until disposition of property.
(e) Patents and patent records	Note A.
4. Annual reports or statements to stockholders	3 years.
5. Contracts and agreements:	
(a) Service contracts, such as for operational management, accounting, financial or legal services, and agreements with agents.	Until expiration or termination plus 3 years.
(b) Contracts and other agreements relating to the construction, acquisition or sale of real property and equipment except as otherwise provided in (a) above.	Do.
(c) Contracts for the purchase or sale of material and supplies except as provided in (a) above.	Until expiration.
(d) Shipping contracts for transportation or caretakers of freight	Do.
(e) Contracts with employees and employee bargaining groups	Until expiration.
(f) Contracts, leases and agreements, not specifically provided for in this section	Until expiration or termination plus 1 year.
6. Accountant's auditor's, and inspector's reports:	
(a) Certifications and reports of examinations and audits conducted by public accountants.	3 years
(b) Reports of examinations and audits conducted by internal auditors, time inspectors, and others.	Do.
7. Other: (See Note A)	
B. TREASURY	
1. Capital stock records:	
(a) Capital stock ledger	Note A.
(b) Capital stock certificates, records of or stubs of	Do.
(c) Stock transfer register	Do.
2. Long-term debt records:	
(a) Bond indentures, underwritings, mortgages, and other long-term credit agreements	Until redemption plus 3 years.
(b) Registered bonds and debenture ledgers	Do.
(c) Stubs or similar records of bonds or other long-term debt issued	Note A.

SCHEDULE OF RECORDS AND PERIODS OF RETENTION—Continued

Item and category of records	Retention period
3. Authorizations from regulatory bodies for issuance of securities including applications, reports, and supporting papers.	Do.
4. Records of securities owned, in treasury, or held by custodians, detailed ledgers and journals, or their equivalent.	Until the securities are sold, redeemed or otherwise disposed of.
5. Other: (See Note A)	
C. FINANCIAL AND ACCOUNTING	
1. Ledgers:	
(a) General and subsidiary ledgers with indexes	Until discontinuance of use plus 3 years.
(b) Balance sheets and trial balance sheets of general and subsidiary ledgers	3 years.
2. Journals:	
(a) General journals	Until discontinuance of use plus 3 years.
(b) Subsidiary journals and any supporting data, except as otherwise provided for, necessary to explain journal entries.	3 years.
3. Cash books:	
(a) General cash books	Until discontinuance of use plus 3 years.
(b) Subsidiary cash books	3 years.
4. Vouchers:	
(a) Voucher registers, indexes, or equivalent	Do.
(b) Paid and canceled vouchers, expenditure authorizations, detailed distribution sheets and other supporting data including original bills and invoices, if not provided for elsewhere.	Do.
(c) Paid drafts, paid checks, and receipts for cash paid out	3 years.
5. Accounts receivable:	
(a) Record or register of accounts receivable, indexes thereto, and summaries of distribution.	3 years after settlement.
(b) Bills issued for collection and supporting data	Do.
(c) Authorization for writing off receivables	1 year.
(d) Reports and statements showing age and status of receivables	Do.
6. Records of accounting codes and instructions	3 years after discontinuance.
7. Other: (Note A)	
D. PROPERTY AND EQUIPMENT	
NOTE.—All accounts, records, and memoranda necessary for making a complete analysis of the cost or value of property shall be retained for the periods shown. If any of the records elsewhere provided for in this schedule are of this character, they shall be retained for the periods shown below, regardless of any lesser retention period assigned	
1. Property records:	
(a) Records which maintain complete information on cost or other value of all real and personal property or equipment.	3 years after disposition of property.
(b) Records of additions and betterments made to property and equipment	Do.
(c) Records pertaining to retirements and replacements of property and equipment	Do.
(d) Records pertaining to depreciation	Do.
(e) Records of equipment number changes	Do.
(f) Records of motor and engine changes	Do.
(g) Records of equipment lightweighed and stenciled	Only current or latest records.
2. Engineering records of property changes actually made	3 years after disposition of property.
3. Other: (Note A)	
E. PERSONNEL AND PAYROLL	
1. Personnel and payroll records	1 year (Note A).
F. INSURANCE AND CLAIMS	
1. Insurance records:	
(a) Schedules of insurance against fire, storms, and other hazards and records of premium payments.	Until expiration plus 1 year.
(b) Records of losses and recoveries from insurance companies and supporting papers	1 year after settlement.
(c) Insurance policies	Until expiration of coverage plus 1 year.
2. Claims records:	
(a) Claim registers, card or book indexes, and other records which record personal injury, fire and other claims against the company, together with all supporting data.	1 year after settlement.
(b) Claims registers, card or book indexes, and other records which record overcharges, damages, and other claims filed by the company against others, together with all supporting data.	Do.
(c) Records giving the details of authorities issued to agents, carriers, and others for participation in freight claims.	3 years.
(d) Reports, statements and other data pertaining to personal injuries or damage to property when not necessary to support claims or vouchers.	Do.

Surface Transportation Board, DOT

§ 1220.6

SCHEDULE OF RECORDS AND PERIODS OF RETENTION—Continued

Item and category of records	Retention period
(e) Reports, statements, tracers, and other data pertaining to unclaimed, over, short, damaged, and refused freight, when not necessary to support claims or vouchers.	1 year.
(f) Authorities for disposal of unclaimed, damaged, and refused freight	3 years.
3. Other: (See Note A)	
G. TAXES	
1. Taxes. (Note A)	
H. PURCHASES AND STORES	
1. Purchases and stores. (Note A)	
I. SHIPPING AND AGENCY DOCUMENTS	
1. Bills of lading and releases:	
(a) Consignors' shipping orders, consignors' shipping tickets, and copies of bills of lading freight bills from other carriers and other similar documents furnished the carrier for movement of freight.	1 year.
(b) Shippers' order-to-notify bills of lading taken up and cancelled	Do.
2. Freight waybills:	
(a) Local waybills	Do.
(b) Interline waybills recieved from and made to other carriers	Do.
(c) Company freight waybills	Do.
(d) Express waybills	Do.
3. Freight bills and settlements:	
(a) Paid copy of freight bill retained to support receipt of freight charges:	
(1) Bus express freight bills provided no claim has been filed	Do.
(2) All other freight bills	Do.
(b) Paid copy of freight bill retained to support payment of freight charges to other carriers:	
(1) Bus express freight bills provided no claim has been filed	Do.
(2) All other freight bills	Do.
(c) Records of unsettled freight bills and supporting papers	1 year after disposition.
(d) Records and reports of correction notices	1 year.
4. Other freight records:	
(a) Records of freight received, forwarded, and delivered	Do.
(b) Notice to consignees of arrival of freight; tender of delivery	Do.
5. Agency records (to include conductors, pursers, stewards, and others):	
(a) Cash books	Do.
(b) Remittance records, bank deposit slips and supporting papers	Do.
(c) Balance sheets and supporting papers	Do.
(d) Statements of corrections in agents' accounts	Do.
(e) Other records and reports pertaining to ticket sales, baggage handled, miscellaneous collections, refunds, adjustments, etc.	Do.
J. Transportation	
1. Records pertaining to transportation of household goods:	
(a) Estimate of charges	1 year.
(b) Order for service	Do.
(c) Vehicle-load manifest	Do.
(d) Descriptive inventory	Do.
2. Records and reports pertaining to operation of marine and floating equipment:	
(a) Ship log	3 years.
(b) Ship articles	Do.
(c) Passenger and room list	Do.
(d) Floatmen's barge, lighter, and escrow captain's reports, demurrage records, towing reports and checks sheets.	2 years.
3. Car distribution and movement-railroads only:	
(a) Records of car allotment and distribution	Do.
(b) Records of cars ordered, furnished and loaded	Do.
(c) Records showing dates and numbers of trains, initials and number of cars, movement of cars, and mileage of cars and trains.	Do.
(d) Report of cars interchanged with connecting lines	Do.
(e) Reports of unfilled car orders	1 year.
(f) Per diem and mileage reports made and received, including reclaims and discrepancy and adjustment reports.	2 years.
(g) Demurrage and storage records	Do.
4. Dispatchers' sheets, registers, and other records pertaining to movement of transportation equipment.	3 years
5. Import and export records including bonded freight and steamship engagements	2 years.
6. Records, reports, orders and tickets pertaining to weighting of freight	3 years.
7. Records of loading and unloading of transportation equipment	2 years.
8. Records pertaining to the diversion or reconsignment of freight, including requests, tracers, and correspondence.	Do.

SCHEDULE OF RECORDS AND PERIODS OF RETENTION—Continued

Item and category of records	Retention period
9. Other: (See Note A)	
K. TARIFFS AND RATES	
1. Official file copies of tariffs, classifications, division sheets, and circulars relative to the transportation of persons or property.	3 years after expiration or cancellation.
2. Authorities and supporting papers for transportation of property or passengers free or at reduced rates.	3 years.
3. Records and documents required by provisions of § 1253.20 to be maintained	2 years.
L. SUPPORTING DATA FOR REPORTS AND STATISTICS	
1. Supporting data for reports filed with the Interstate Commerce Commission and regulatory bodies:	
(a) Supporting data for annual financial, operating and statistical reports	3 years.
(b) Supporting data for periodical reports of operating revenues, expenses, and income	Do.
(c) Supporting data for reports detailing use of proceeds from issuance or sale of company securities.	Do.
(d) Supporting data for valuation inventory reports and records. This includes related notes, maps and sketches, underlying engineering, land, and accounting reports, pricing schedules, summary or collection sheets, yearly reports of changes and other miscellaneous data, all relating to the valuation of the company's property by the Interstate Commerce Commission or other regulatory body.	3 years after disposition of the property.
2. Supporting data for periodical reports of accidents, inspections, tests, hours of service, repairs, freight car locations, etc.	3 years.
3. Supporting data for periodical statistical of operating results or performance by tonnage, mileage, passengers carried, piggyback traffic, commodities, costs, analyses of increases and decreases, or otherwise.	Do.
M. MISCELLANEOUS	
1. Index of records	Until revised as record structure changes.
2. Statement listing records prematurely destroyed or lost	For the remainder of the period as prescribed for records destroyed.

NOTE A: Records referenced to this note shall be maintained as determined by the designated records supervisory official. Companies should be mindful of the record retention requirements of the Internal Revenue Service, Securities and Exchange Commission, state and local jurisdictions and other regulatory agencies. Companies shall exercise reasonable care in choosing retention periods, and the choice of retention periods shall reflect past experiences, company needs, pending litigation, and regulatory requirements.

[50 FR 10775, Mar. 18, 1985, as amended at 51 FR 22083, June 18, 1986]

PARTS 1240–1259—REPORTS

NOTE: The report forms prescribed by parts 1241–1259 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

PART 1241—ANNUAL, SPECIAL, OR PERIODIC REPORTS—CARRIERS SUBJECT TO PART I OF THE INTERSTATE COMMERCE ACT

Sec.

1241.1 Common carriers.

1241.2 Reporting companies defined.

1241.11 Annual reports of class I railroads.

1241.14 Annual survey form for certain switching and terminal companies.

1241.15 Railroad classification survey form.

AUTHORITY: Secs. 12, 20, 24 Stat. 383, 386, sec. 201, 54 Stat. 933, 944; 49 U.S.C. 12, 20, 904, 913.

NOTE: The report forms prescribed by part 1241 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

§ 1241.1 Common carriers.

All common carriers subject to the provisions of Part I of Interstate Commerce Act, as amended, and the owners of all railroads engaged in interstate commerce as therein defined, are hereby required hereafter to file in the office of the Commission on or before the 31st day of March in each year, reports covering the period of 12 months ending with the 31st day of December preceding said date, giving the particulars heretofore called for in the annual reports required by the Commission of said carriers and owners of railroads.

[32 FR 20456, Dec. 20, 1967]

Surface Transportation Board, DOT

§ 1241.15

§ 1241.2 Reporting companies defined.

(a) Every common carrier by rail which is required by the act to regulate commerce to file with the Commission any tariff or schedule of rates, fares, or charges, or any concurrence in such tariff or schedule, shall be required to keep operating accounts and to file an annual operating report unless specifically excused by the Commission.

(b) Every railway corporation owning but not operating a railway used in interstate or foreign commerce shall be required to file with the Commission an annual nonoperating report unless relieved therefrom under the provisions of rule following.

(c) Any actually existing inactive corporation coming within the scope of rule given above may be relieved from the requirements of that rule if it has no outstanding stocks or obligations not held by or for its controlling corporation and the controlling corporation reports for the inactive corporation such facts as the Commission may require to be reported.

(d) Reports of a controlling corporation and its controlled corporations must exclude duplications in respect of investments in railway plant and equipment and in respect of securities outstanding.

[32 FR 20456, Dec. 20, 1967, as amended at 46 FR 9115, Jan. 28, 1981]

§ 1241.11 Annual reports of class I railroads.

(a) Commencing with reports for the year ended December 31, 1973, and thereafter, until further order, all line-haul railroad companies of class I, as defined in § 1240.1 of this chapter, subject to section 20, Part I of the Interstate Commerce Act, are required to file annual reports in accordance with Railroad Annual Report Form R-1. Such annual report shall be filed in duplicate in the office of the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, on or before March 31 of the year following the year which is being reported.

(b) [Reserved]

(49 U.S.C. 220, 313, 412 and 10321; 5 U.S.C. 553)

[38 FR 32920, Nov. 29, 1973, as amended at 41 FR 21354, May 25, 1976; 42 FR 1475, Jan. 7, 1977; 44 FR 65402, Nov. 13, 1979]

§ 1241.14 Annual survey form for certain switching and terminal companies.

Commencing with reports for the year ending December 31, 1982, and thereafter until further order, certain switching and terminal companies shall file the Annual Survey Form for Switching and Terminal Companies. The Commission shall designate particular switching and terminal companies by an appropriate order. Designated companies shall file the Annual Survey Form with the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, on or before March 31 of the year following the end of the period to which it relates.

[47 FR 47395, Oct. 26, 1982]

§ 1241.15 Railroad classification survey form.

Commencing with the year ending December 31, 1982, and thereafter, until further order, all railroad companies not required to file an Annual Report (Form R-1) shall compute their adjusted revenues using the railroad revenue deflator formula. If there is a change in a carrier's classification the survey form shall be filed with the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, on or before March 31.

[48 FR 2544, Jan. 20, 1983]

PART 1242—SEPARATION OF COMMON OPERATING EXPENSES BETWEEN FREIGHT SERVICE AND PASSENGER SERVICE FOR RAILROADS¹

LIST OF INSTRUCTIONS

Sec.

1242.00 Separation of common operating expenses.

GENERAL

1242.01 Expenses solely related to freight service and passenger service.

1242.02 Common expenses.

1242.03 Made by accounting divisions.

1242.04 Special tests.

¹The accounts mentioned in this part refer to and agree with part 1201 of this chapter.

Pt. 1242

1242.05 Operating expense account number notation.

1242.06 Instructions for separation.

OPERATING EXPENSES—WAY AND STRUCTURES

1242.10 Administration—track (account XX-19-02).

1242.11 Administration—bridges and buildings (account XX-19-03).

1242.12 Administration—signals (account XX-19-04).

1242.13 Administration—communications (account XX-19-05).

1242.14 Administration—other (account XX-19-06).

1242.15 Roadway, tunnels and subways, bridges and culverts, ties, rails, other track material, ballast, track laying and surfacing, and road property damaged (accounts XX-17-10 to XX-18-12, inclusive; 21-17-13 to 21-18-16, inclusive, XX-17-17, XX-18-17, XX-17-48, and XX-18-48).

1242.16 Road property damaged—other (account XX-19-48).

1242.17 Signals and interlockers (accounts XX-17-19 and XX-18-19).

1242.18 Communication systems (account XX-19-20).

1242.19 Electric power systems (account XX-19-21).

1242.20 Highway grade crossings (accounts XX-17-22 and XX-18-22).

1242.21 Station and office buildings (account XX-19-23).

1242.22 Shop buildings—locomotives (account XX-19-24).

1242.23 Shop buildings—freight cars (account XX-13-25).

1242.24 Shop buildings—other equipment (account XX-19-26).

1242.25 Locomotive servicing facilities (account XX-19-27).

1242.26 Miscellaneous buildings and structures (account XX-19-28).

1242.27 Coal marine terminals, ore marine terminals, TOFC/COFC terminals, other marine terminals, motor vehicle loading and distribution facilities, and facilities for other specialized service operations (accounts XX-13-29 to XX-13-35, inclusive).

1242.28 Roadway machines, small tools and supplies, and snow removal (accounts XX-19-36 to XX-19-38, inclusive).

1242.29 Fringe benefits (accounts 12-17-00, 12-18-00, 12-19-00).

1242.30 Dismantling retired road property and depreciation (accounts XX-17-39, XX-18-39, XX-19-39, 62-17-00, 62-18-00, and 62-19-00).

1242.31 Lease rentals—debit and credit and other rents—debit and credit (accounts 31-17-00, 31-18-00, 31-19-00, 32-17-00, 32-18-00, 32-19-00, 35-17-00, 35-18-00, 35-19-00, 36-17-00, 36-18-00, and 36-19-00).

49 CFR Ch. X (10-1-96 Edition)

1242.32 Joint facility rents—debit and credit and joint facility—debit and credit (accounts 33-17-00, 33-18-00, 33-19-00, 34-17-00, 34-18-00, 34-19-00, 37-17-00, 37-18-00, 37-19-00, 38-17-00, 38-18-00, and 38-19-00).

1242.33 Other expenses and casualties and insurance (accounts XX-17-99, XX-18-99, XX-19-99, 50-17-00, 50-18-00, and 50-19-00).

OPERATING EXPENSES—EQUIPMENT**LOCOMOTIVES**

1242.34 Administration (account XX-26-01).

1242.35 Repair and maintenance (account XX-26-41).

1242.36 Machinery repair and equipment damaged (accounts XX-26-40 and XX-26-48).

1242.37 Dismantling retired property and depreciation (accounts XX-26-39 and 62-26-00).

1242.38 Fringe benefits (account 12-26-00).

1242.39 Lease rentals—debit and credit, other rents—debit and credit, and repairs billed to others (accounts 31-26-00, 32-26-00, 35-26-00, 36-26-00, and 40-26-98).

1242.40 Joint facility rents—debit and credit, and joint facility—debit and credit (accounts 33-26-00, 34-26-00, 37-26-00, and 38-26-00).

1242.41 Other and casualties and insurance (accounts XX-26-99 and 50-26-00).

FREIGHT CARS

1242.42 Administration, repair and maintenance, machinery repair, equipment damaged, dismantling retired property, fringe benefits, other casualties and insurance, lease rentals, joint facility rents, other rents, depreciation, joint facility, repairs billed to others, and other (accounts XX-22-01, XX-22-42, XX-22-40, XX-22-48, XX-22-39, 12-22-00, 50-22-00, 31-22-00 to 38-22-00 inclusive, 62-22-00, 40-22-98, and XX-22-99).

OTHER EQUIPMENT

1242.43 Administration (account XX-27-01).

1242.44 Trucks, trailers, and containers (revenue service) and floating equipment (revenue service) (accounts XX-23-43 and XX-23-44).

1242.45 Passenger and other revenue equipment (account XX-27-45).

1242.46 Computers and data processing equipment (account XX-27-46).

1242.47 Machinery (account XX-27-40).

1242.48 Work and other non-revenue equipment (account XX-27-47).

1242.49 Equipment damaged (account XX-27-48).

1242.50 Fringe benefits (account 12-27-00).

1242.51 Dismantling retired property and depreciation (accounts XX-27-39 and 62-27-00).

Surface Transportation Board, DOT

§ 1242.00

1242.52 Lease rentals—debit and credit, other rents—debit and credit, repairs billed to others—credit (accounts 31-27-00, 32-27-00, 35-27-00, 36-27-00, and 40-27-98).

1242.53 Joint facility rents—debit and credit and joint facility—debit and credit (accounts 33-27-00, 34-27-00, 37-27-00, and 38-27-00).

1242.54 Other and casualties and insurance (accounts XX-27-99 and 50-27-00).

OPERATING EXPENSES—TRANSPORTATION

TRAIN OPERATIONS

1242.55 Administration (account XX-51-01).

1242.56 Engine crews and train crews (accounts XX-51-56 and XX-51-57).

1242.57 Dispatching trains (account XX-51-58).

1242.58 Operating signals and interlockers, operating drawbridges, highway crossing protection (accounts XX-51-59, XX-51-60, and XX-51-61).

1242.59 Train inspection and lubrication (account XX-51-62).

1242.60 Locomotive fuel, electric power purchased/produced for motive power, and servicing locomotives (accounts XX-51-67, XX-51-68, and XX-51-69).

1242.61 Freight lost or damaged—solely related (to train) (account 51-51-00).

1242.62 Clearing wrecks (account XX-51-63).

1242.63 Fringe benefits (account 12-51-00).

1242.64 Joint facility—debit and credit (accounts 37-51-00 and 38-51-00).

1242.65 Other and casualties and insurance (accounts XX-51-99 and 50-51-00).

YARD OPERATIONS

1242.66 Administration (account XX-52-01).

1242.67 Switch crews; controlling operations; yard and terminal clerical; locomotive fuel; electric power purchased/produced for motive power; operating switches, signals, retarders, and humps; and servicing locomotives (accounts XX-52-64, XX-52-65, XX-52-66, XX-52-59, XX-52-67, XX-52-68, and XX-52-69).

1242.68 Freight lost or damaged—solely related (to yard) (account 51-52-00).

1242.69 Clearing wrecks (account XX-52-63).

1242.70 Fringe benefits (account 12-52-00).

1242.71 Joint facility—debit and credit (accounts 37-52-00 and 38-52-00).

1242.72 Other and casualties and insurance (accounts XX-52-99 and 50-52-00).

TRAIN AND YARD OPERATIONS COMMON

1242.73 Cleaning car interiors and freight lost and damaged—all other (accounts XX-53-70 and 51-53-00).

1242.74 Adjusting and transferring loads, and car loading devices and grain doors (accounts XX-33-71 and XX-33-72).

1242.75 Fringe benefits (account 12-53-00).

SPECIALIZED SERVICE OPERATIONS

1242.76 Administration; pickup and delivery, marine line haul and rail substitute service; loading, unloading and local marine; protective services; freight lost or damaged—solely related; fringe benefits; casualties and insurance; joint facility, and other (accounts XX-34-01, XX-34-73, XX-34-74, XX-34-75, 51-34-00, 12-34-00, 50-34-00, 37-34-00, 38-34-00, and XX-34-99).

ADMINISTRATIVE SUPPORT OPERATIONS

1242.77 Administration (account XX-55-01).

1242.78 Employees performing clerical and accounting functions, and loss and damage claims processing (accounts XX-55-76 and XX-55-78).

1242.79 Communication systems operations (account XX-55-77).

1242.80 Fringe benefits (account 12-55-00).

1242.81 Joint facility—debit and credit (accounts 37-55-00 and 38-55-00).

1242.82 Other and casualties and insurance (accounts XX-55-99 and 50-55-00).

OPERATING EXPENSES

GENERAL AND ADMINISTRATION

1242.83 Officers—general superintendence; accounting, auditing and finance; management services and data processing; personnel and labor relations; legal and secretarial; research and development; writedown of uncollectible accounts; property taxes; other taxes except on corporate income or payrolls; and other (accounts XX-63-01, XX-63-86, XX-63-87, XX-63-91, XX-63-92, XX-63-94, 63-63-00, 64-63-00, 65-63-00, and XX-63-99).

1242.84 Marketing, sales, and public relations and advertising (accounts XX-63-88, XX-63-89, and XX-63-93).

1242.85 Fringe benefits (account 12-63-00).

1242.86 Industrial development (account XX-61-90).

1242.87 Joint facility—debit and credit and casualties and insurance (accounts 37-63-00, 38-63-00, and 50-63-00).

AUTHORITY: 49 U.S.C. 12, 20.

SOURCE: 43 FR 7637, Feb. 24, 1978, unless otherwise noted.

NOTE: The report forms prescribed by part 1242 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

LIST OF INSTRUCTIONS

§ 1242.00 Separation of common operating expenses.

(a) Commencing with annual reports for the year 1978 or for any portion thereof until further order, all class I railroad companies including class I

§ 1242.01

switching and terminal companies (§1240.1 of this chapter) subject to section 20 of the Interstate Commerce Act as amended shall separate operating expenses common to both freight service and passenger service in accordance with the regulation in this part.

(b) The carrier shall maintain records supporting its common operating expense apportionments to freight and passenger services. The carrier shall report common expense apportionments to the Commission as required.

GENERAL

§ 1242.01 Expenses solely related to freight service and passenger service.

The Uniform System of Accounts for Railroad Companies (49 CFR part 1201) requires that carriers assign directly to freight service or to passenger service, including allied services, the expenses, taxes, and purchased services incurred solely for the benefit of either freight or passenger service.

§ 1242.02 Common expenses.

The Uniform System of Accounts also requires that carriers assign to common expense accounts the remaining expenses, taxes and purchased services which are not solely related to either freight or passenger service. The following instructions govern the separation of common expense accounts between freight and passenger services.

§ 1242.03 Made by accounting divisions.

The separation shall be made by accounting divisions, where such divisions are maintained, and the aggregate of the accounting divisions reported for the quarter and for the year.

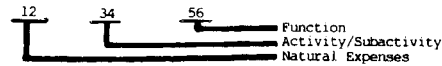
§ 1242.04 Special tests.

When the separation of common expense accounts between freight and passenger services is based upon special tests or service unit factors, such tests shall be made at sufficiently frequent intervals to represent actual operating conditions. The service unit factors used are those of the reporting period.

49 CFR Ch. X (10–1–96 Edition)

§ 1242.05 Operating expense account number notation.

(a) The operating expense account numbers consist of a six-digit coding structure divided into three two-digit groups. The first two-digit group denotes natural expenses; the second group denotes activities/subactivities for freight, passenger or common service; and the third group signifies applicable function assignment.



(b) For reporting purposes, four natural expense categories are utilized. The categories are: salaries and wages (account 11-XX-XX); material, tools, supplies, fuels and lubricants (account 21-XX-XX); purchased services (accounts 31-XX-XX to 41-XX-XX, inclusive); and general (accounts 61-XX-XX to 65-XX-XX, inclusive, 51-XX-XX, 52-XX-XX, 53-XX-XX and 12-XX-XX).

(c) The symbol “XX” in the first two-digit group is used throughout the separation instructions to denote more than one natural expense associated with the same activity/subactivity-function account structure. For reporting purposes, the natural expense account numbers represented by “XX” include:

- 11—Salaries and wages;
- 21—Materials, tools, supplies, fuels, and lubricants;
- 30 or 41—Purchased services:
 - 30—Summation of certain purchased service accounts;
 - 41—Other purchased services;
- 61—General.

(d) The “30” natural expense designation indicates a summation of specific purchased service accounts that are reported in total rather than individually. The specific accounts under the way and structures activity except for administration functions include 39-1X-XX, repairs billed by others, Dr.; 40-1X-XX, repairs billed to others, cr.; and 41-1X-XX, other purchased services. For the equipment activity excluding administration functions, the “30” designation denotes the summation of 39-2X-XX and 41-2X-XX.

(e) The “41” natural expense designation (other purchased services) is the

Surface Transportation Board, DOT

§ 1242.10

purchased service category of the “XX” code for the following:

(1) Way and structures activity administration—function accounts,

(2) Equipment activity administration—function accounts,

(3) Transportation activity expense accounts, and

(4) General and administration activity expense accounts.

(f) The “61” general natural expense designation is applicable to all accounts with the “XX” symbol except transportation, train and yards accounts (XX–(33/43/53)–XX).

(g) The natural expense account number “50” is used throughout the separation instructions to indicate the summation of accounts 52–XX–XX, Other casualties, and 53–XX–XX, Insurance, that are reported as one item, “Casualties and Insurance,” (50–XX–XX).

(h) The number “98” in the function account group (last two digits) is used in the separation rules to designate the summation of a natural expense consisting of more than one functional assignment that is reported as one item. This includes Repairs Billed to Others, Cr.—Equipment (40–2X–XX). For example, the locomotive subactivity contains accounts 40–(21/24/26)–40, 40–(21/24/26)–41, and 40–(21/24/26)–48 which are treated as 40–(21/24/26)–98.

§ 1242.06 Instructions for separation.

(a) Certain instructions for separating common expense accounts (dependent accounts) between freight and passenger services base the allocation on the proportional freight/passenger separation of other common expense accounts (independent accounts). The dependent account is frequently identified by an “XX” symbol in the natural expense position (first two digits) with corresponding independent accounts also identified by the “XX” natural expense symbol. Unless otherwise stated, the applicable natural expense associated with “XX” symbol shall be the same for both the dependent and independent accounts.

(b) To illustrate, § 1242.10 provides instructions for separating common Way and Structures, Administration—Track accounts (dependent accounts) designated by XX–19–02. The separation is

based on certain other common Way and Structures accounts including Roadway—Running, XX–17–10, and Roadway—Switching, XX–18–10.

(c) As § 1242.05 states, the “XX” symbol denotes the following natural expenses for Way and Structures administration functions:

11—Salaries and wages,
21—Materials, tools, supplies, fuels, and lubricants,
41—Other purchased services, and
61—General.

These natural expenses shall be individually applied to the separation rules in § 1242.10. In each case, the independent accounts providing the basis for freight/passenger separation of the dependent account shall have the same natural expense designation. For example, the basis of separating account 11–19–02, Salaries and Wages, Way and Structures, Administration—Track, would be based on certain independent accounts including 11–17/18–10, Salaries and Wages, Way and Structures, Running/Switching, Repair and Maintenance, Roadway.

OPERATING EXPENSES—WAY AND STRUCTURES

§ 1242.10 Administration—track (account XX–19–02).

Separate common administration—track expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

Roadway:
Running (XX–17–10)
Switching (XX–18–10)
Ties:
Running (21–17–13)
Switching (21–18–13)
Rails:
Running (21–17–14)
Switching (21–18–14)
Other Track Materials:
Running (21–17–15)
Switching (21–18–15)
Ballast:
Running (21–17–16)
Switching (21–18–16)
Track Laying and Surfacing:
Running (XX–17–17)
Switching (XX–18–17)
Road Property Damaged:
Running (XX–17–48)
Switching (XX–18–48)

§ 1242.11

Other (XX-19-48)
Dismantling Retired Road Property:
Running (XX-17-39)
Switching (XX-18-39)
Other (XX-19-39)

§ 1242.11 Administration—bridges and buildings (account XX-19-03).

Separate common administration—bridges and buildings expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

Tunnels and Subways:
Running (XX-17-11)
Switching (XX-18-11)
Bridges and Culverts:
Running (XX-17-12)
Switching (XX-18-12)
Electric Power Systems (XX-19-21)
Station and Office Buildings (XX-19-23)
Shop Buildings:
Locomotives (XX-19-24)
Other Equipment (XX-19-26)
Locomotive Servicing Facilities (XX-19-27)
Miscellaneous Buildings and Structures (XX-19-28)

§ 1242.12 Administration—signals (account XX-19-04).

Separate common administration—signals expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

Signals and Interlockers:
Running (XX-17-19)
Switching (XX-18-19)

§ 1242.13 Administration—communications (account XX-19-05).

Separate common administration—communications expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

Communications Systems (XX-19-20)

§ 1242.14 Administration—other (account XX-19-06).

Separate common administration—other expenses between freight and passenger services in the same proportion as the common expenses of the fol-

49 CFR Ch. X (10-1-96 Edition)

lowing accounts are separated between freight and passenger services:

Administration:
Track (XX-19-02)
Bridges and Buildings (XX-19-03)
Signals (XX-19-04)
Communications (XX-19-05)

§ 1242.15 Roadway, tunnels and subways, bridges and culverts, ties, rails, other track material, ballast, track laying and surfacing, and road property damaged (accounts XX-17-10 to XX-18-12 inclusive, 21-17-13 to 21-18-16 inclusive, XX-17-17, XX-18-17, XX-17-48, and XX-18-48).

The expenses for running and switching subactivities shall be separated between freight service and passenger service as follows:

(a) *Switching tracks.* (1) Yard: Expenses for yards used in common by freight and passenger services shall be apportioned on the basis of the respective switching locomotive unit-hours in the common yards.

(2) Way: Where the tracks at any one location are used in common by both freight and passenger services, expenses may be assigned to that service which makes the dominant use of them.

(b) *Running tracks.* The expenses of tracks used in common by both services shall be apportioned on the basis of gross ton-miles (including locomotive ton-miles) handled over these tracks in the respective services.

§ 1242.16 Road property damaged—other (account XX-19-48).

Separate common expenses in proportion to the total common expenses assigned to freight/passenger from the following Way and Structures accounts:

Road Property Damaged—Running (XX-17-48)
Road Property Damaged—Switching (XX-18-48)

§ 1242.17 Signals and interlockers (accounts XX-17-19 and XX-18-19).

Separate common expenses on the basis of the total train-hours in running service, and/or the yard-switching plus train switching hours in the switching service over the tracks on

Surface Transportation Board, DOT

§ 1242.27

which the common signals and interlockers are used.

§ 1242.18 Communication systems (account XX-19-20).

Separate common expenses on the basis of the common expense separation in:

Way and Structures—Administration—Track, Bridges and Culverts, and Signals (accounts XX-19-02 to XX-19-04, inclusive)
Equipment—Administration—Locomotives and Other Equipment (accounts XX-26-01 and XX-27-01)
Transportation—Administration—Train, Yard, and Administrative Support (accounts XX-51-01, XX-52-01, and XX-55-01)
Dispatching Trains (Account XX-51-58)

§ 1242.19 Electric power systems (account XX-19-21).

Separate common expenses on basis of common expenses of electric power purchased or produced for motive power (accounts XX-51-68 and XX-52-68).

§ 1242.20 Highway grade crossings (accounts XX-17-22 and XX-18-22).

Separate running and switching common expenses according to distribution of the running and switching portions only of common expense accounts listed in § 1242.10, Administration—Track (account XX-19-02).

§ 1242.21 Station and office buildings (account XX-19-23).

If the sum of the direct freight and the direct passenger expenses is more than 50 percent of the total charges to this account for an accounting division, separate the common expenses on the basis of the directly assigned expenses in this account for the accounting division involved. If the sum of the direct freight and the direct passenger expenses does not aggregate to more than 50 percent of the total charges for an accounting division, the common expenses should be separated on the basis of special test. Where common expenses exist in an accounting division but the direct expenses are applicable to only one service, i.e., freight or passenger, the common expenses shall be separated on the basis of a special test. If the accounting is performed on a system basis rather than

by accounting divisions, the common expenses shall be separated on the basis of a special study.

§ 1242.22 Shop buildings—locomotives (account XX-19-24).

Separate common expenses according to distribution of common expenses in the following accounts:

Machinery Repair (XX-26-40)
Locomotive—Repair and Maintenance (XX-26-41)

§ 1242.23 Shop buildings—freight cars (account XX-13-25).

These accounts pertain solely to freight service and contain no common expense for separation herein.

§ 1242.24 Shop buildings—other equipment (account XX-19-26).

Assign directly to freight (or as particular facts suggest otherwise).

§ 1242.25 Locomotive servicing facilities (account XX-19-27).

Separate common expenses according to distribution of common expenses in the following accounts:

Locomotive Fuel (XX-51-67 and XX-52-67)
Electric Power Purchased or Produced for Motive Power (XX-51-68 and XX-52-68)
Servicing Locomotives (XX-51-69 and XX-52-69)

§ 1242.26 Miscellaneous building and structures (account XX-19-28).

Separate common expenses as specific facts indicate or according to distribution of common expenses listed in § 1242.10, Administration—Track (account XX-19-02).

§ 1242.27 Coal marine terminals, ore marine terminals, TOFC/COFC terminals, other marine terminals, motor vehicle loading and distribution facilities, and facilities for other specialized service operations (accounts XX-13-29 to XX-13-35, inclusive).

These accounts pertain solely to freight service and contain no common expenses for separation herein.

§ 1242.28

§ 1242.28 Roadway machines, small tools and supplies, and snow removal (accounts XX-19-36 to XX-19-38, inclusive).

Separate common expenses according to distribution of common expenses listed in § 1242.10, Administration—Track (account XX-19-02).

§ 1242.29 Fringe benefits (accounts 12-17-00, 12-18-00, and 12-19-00).

Separate common expenses in the running subactivity in the same proportion as the salaries and wages, way and structures, common expenses in all accounts with a designated running subactivity. Separate common expenses in the switching subactivity in the same proportion as the salaries and wages, way and structure, common expense accounts with a designated switching activity. Separate common expenses in the other subactivity in the same proportion as the salaries and wages, way and structures, common expenses in all accounts with a designated other subactivity.

§ 1242.30 Dismantling retired road property and depreciation (accounts XX-17-39, XX-18-39, XX-19-39, 62-17-00, 62-18-00, and 62-19-00).

Separate common expenses in each account for each subactivity (running, switching and other) in proportion to the separation of common repair and maintenance expenses associated with the particular common properties depreciated and/or dismantled.

§ 1242.31 Lease rentals—debit and credit and other rents—debit and credit (accounts 31-17-00, 31-18-00, 31-19-00, 32-17-00, 32-18-00, 32-19-00, 35-17-00, 35-18-00, 35-19-00, 36-17-00, 36-18-00, and 36-19-00).

(a) Separate common debit expense accounts in each subactivity (running, switching and other) in proportion to the separation of solely related freight or passenger service in each account. If there are no solely related expenses in an account or if the solely related expenses are assignable entirely to freight or to passenger service, separate common debit expense accounts on the basis of the same percentages calculated for the separation of administration—other (account XX-19-06).

49 CFR Ch. X (10-1-96 Edition)

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration—other (account XX-19-06).

§ 1242.32 Joint facility rents—debit and credit and joint facility—debit and credit. (accounts 33-17-00, 33-18-00, 33-19-00, 34-17-00, 34-18-00, 34-19-00, 37-17-00, 37-18-00, 37-19-00, 38-17-00, 38-18-00, and 38-19-00).

(a) Solely related (freight or passenger service) debit expense accounts in each subactivity (running, switching and other) shall be assigned according to the use made of each facility by the reporting carrier, regardless of the use by other carriers. Common debit expenses shall be separated on the basis of the percentage separations of the solely related expenses in each individual account. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or to passenger service, separate common debit expenses on the same percentages calculated for the separation of administrative—other (account XX-19-06).

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration—other (account XX-19-06).

§ 1242.33 Other expenses and casualties and insurance (accounts XX-17-99, XX-18-99, XX-19-99, 50-17-00, 50-18-00, and 50-19-00).

Separate common expenses on the basis of the percentages calculated for the separation of administrative—other (account XX-19-06).

OPERATING EXPENSES—EQUIPMENT

LOCOMOTIVES

§ 1242.34 Administration (account XX-26-01).

Separate common expenses according to distribution of common expenses in the following accounts:

Repair and Maintenance (XX-26-41)

Machinery Repair (XX-26-40)

Equipment Damage (XX-26-48)

Dismantling Retired Property (XX-26-39)

Surface Transportation Board, DOT

§ 1242.40

§ 1242.35 Repair and maintenance (account XX-26-41).

(a) Where the carrier maintains records of the repairs by individual locomotive units or classes of locomotive units:

(1) If individual locomotive units or classes of locomotive units are used exclusively in road-freight, road-passenger, yard-freight, or yard-passenger service, the separation shall be actual.

(2) If individual locomotive units or classes of locomotive units are used interchangeably (common) in road-freight (including train-switching), road passenger (including train switching), yard-freight or yard-passenger service, separate the heavy shop repairs between these services on the basis of run-out unit miles of individual locomotive units or classes of locomotive units since the previous shopping; and separate the cost of running repairs between such services on the basis of the miles run by the individual locomotive unit or class of locomotive unit in each service during the accounting period for which the separation is being made.

(b) Where the carrier maintains records of heavy shop repair costs by individual locomotive units or classes of locomotive units, but does not maintain records of the cost of running repairs by individual locomotive units:

(1) The heavy shop repairs shall be separated as indicated in paragraph (a) of this section.

(2) The common expenses of running repairs shall be separated among road-freight (including train switching), road-passenger (including train switching), yard-freight and yard-passenger services on the basis of locomotive unit miles or locomotive ton-miles for the accounting period for which the separation is being made.

(c) Where the carrier does not maintain records of either heavy shop repairs or running repairs by individual locomotive units or classes of locomotive units: The expenses shall be separated among road-freight service (including train-switching), road-passenger service (including train switching), yard freight, and yard-passenger services, on the basis of locomotive unit-miles or locomotive ton-miles for

the accounting period for which the separation is being made.

§ 1242.36 Machinery repair and equipment damaged (accounts XX-26-40 and XX-26-48).

Separate common expenses according to separation of common expenses in repair and maintenance (account XX-26-41).

§ 1242.37 Dismantling retired property and depreciation (accounts XX-26-39 and 62-26-00).

Separate common expenses in each account in proportion to the separation of common repair and maintenance expenses associated with the particular common properties depreciated and/or dismantled.

§ 1242.38 Fringe benefits (account 12-26-00).

Separate common expenses in proportion to the split of common salaries and wages in administration, locomotive repair and maintenance, machinery repair, equipment damaged, and dismantling retired road property (accounts 11-26-01, 11-26-41, 11-26-40, 11-26-48, and 11-26-39).

§ 1242.39 Lease rentals—debit and credit, other rents—debit and credit, and repairs billed to others (accounts 31-26-00, 32-26-00, 35-26-00, 36-26-00 and 40-26-98).

(a) Separate common debit expense accounts in proportion to the assignment of solely related freight or passenger service in each individual debit account. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or passenger service, separate common debit expense accounts on the same percentage basis calculated for the separation of administration (account XX-26-01).

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration (account XX-26-01).

§ 1242.40 Joint facility rents—debit and credit, and joint facility—debit and credit (accounts 33-26-00, 34-26-00, 37-26-00 and 38-26-00).

(a) Solely related freight and passenger debit expense accounts shall be

§ 1242.41

assigned according to the use made of each facility by the reporting carrier, regardless of the use by other carriers. Common debit expenses shall be separated on the basis of the percentage separation of the solely related expenses; or if the solely related expenses are assigned entirely to freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-26-01).

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration (account XX-26-01).

§ 1242.41 Other and casualties and insurance (accounts XX-26-99 and 50-26-00).

Separate common expenses on the basis of percentages calculated for the separation of administration (account XX-26-01).

FREIGHT CARS

§ 1242.42 Administration, repair and maintenance, machinery repair, equipment damaged, dismantling retired property, fringe benefits, other casualties and insurance, lease rentals, joint facility rents, other rents, depreciation, joint facility, repairs billed to others, and other (accounts XX-22-01, XX-22-42, XX-22-40, XX-22-48, XX-22-39, 12-22-00, 50-22-00, 31-22-00 to 38-22-00 inclusive, 62-22-00, 40-22-98 and XX-22-99).

These accounts pertain solely to freight service and contain no common expenses for separation herein.

OTHER EQUIPMENT

§ 1242.43 Administration (account XX-27-01).

Separate common expenses according to freight/passenger separation of the following accounts:

Passenger and Other Revenue Equipment (XX-27-45)

Work and Other Non-Revenue Equipment (XX-27-47)

49 CFR Ch. X (10-1-96 Edition)

§ 1242.44 Trucks, trailers, and containers (revenue service) and floating equipment (revenue service) (accounts XX-23-43 and XX-23-44).

These accounts pertain solely to freight service and contain no common expenses for separation herein.

§ 1242.45 Passenger and other revenue equipment (account XX-27-45).

Separate as particular facts suggest.

§ 1242.46 Computers and data processing equipment (account XX-27-46).

If the sum of the direct freight and the direct passenger expenses is more than 50 percent of the total charges to this account for an accounting division, separate the common expenses on the basis of the directly assigned expenses in this account for the accounting division involved. If the sum of the direct freight and the direct passenger expenses does not aggregate 50 percent of the total charges for an accounting division, the common expenses shall be separated on the basis of a special test. If common expenses exist in an accounting division but the direct expenses are applicable to only one service, i.e., freight or passenger, the common expenses shall be separated on the basis of a special test. If the accounting is performed on a system basis rather than by accounting divisions, follow the intent of the above instructions.

§ 1242.47 Machinery (account XX-27-40).

Separate common expenses on the basis of the freight/passenger separation of administration (account XX-27-01).

§ 1242.48 Work and other non-revenue equipment (account XX-27-47).

Separate common expenses according to distribution of common expenses in Way and structures—administration—other (account XX-19-06).

§ 1242.49 Equipment damaged (account XX-27-48).

Separate common expenses according to distribution of common expenses in machinery, passenger and other revenue equipment, computer and data processing equipment and work and

Surface Transportation Board, DOT

§ 1242.57

other non-revenue equipment accounts (accounts XX-27-40, XX-27-45, XX-27-46, and XX-27-47).

§ 1242.50 Fringe benefits (account 12-27-00).

Separate common expenses in proportion to the percentage separation of common salaries and wages in administration (account XX-27-01).

§ 1242.51 Dismantling retired property and depreciation (accounts XX-27-39 and 62-27-00).

Separate common expenses in proportion to the separation of common repair and maintenance expenses associated with the particular common property depreciated and/or dismantled.

§ 1242.52 Lease rentals—debit and credit, other rents—debit and credit, repairs billed to others—credit (accounts 31-27-00, 32-27-00, 35-27-00, 36-27-00, and 40-27-98).

(a) Separate common debit expense accounts in proportion to the separation of solely related (freight or passenger service) in each individual account. If there are no solely related expenses or if the solely related expenses are assignable entirely to freight or passenger service, separate common debit expense accounts on the same percentages calculated for the separation of administration (account XX-27-01).

(b) Separate common credit expense accounts on the basis of the same percentages calculated for the separation of administration (account XX-27-01).

§ 1242.53 Joint facility rents—debit and credit and joint facility—debit and credit (accounts 33-27-00, 34-27-00, 37-27-00 and 38-27-00).

(a) Solely related freight and passenger service debit expense accounts shall be assigned according to the use made of each facility by the reporting carrier, regardless of the use made of the facility by other carriers. Common debit expense accounts shall be separated on the basis of the percentage separation of the solely related expenses in each individual account. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or passenger

service, separate common expenses on the same percentages calculated for the separation of administration (account XX-27-01).

(b) Separate all common credit expense accounts on the basis of the same percentages calculated for the separation of administration (account XX-27-01).

§ 1242.54 Other and casualties and insurance (accounts XX-27-99 and 50-27-00).

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-27-01).

OPERATING EXPENSES— TRANSPORTATION

TRAIN OPERATIONS

§ 1242.55 Administration (account XX-51-01).

Separate common expenses according to distribution of common expenses in the following accounts:

Engine Crews (XX-51-56)
Train Crews (XX-51-57)
Dispatching Trains (XX-51-58)
Operating Signals and Interlockers (XX-51-59)
Operating Drawbridges (XX-51-60)
Highway Crossing Protection (XX-51-61)
Train Inspection and Lubrication (XX-51-62)
Locomotive Fuel (XX-51-67)
Electric Power Purchased/Produced for Motive Power (XX-51-68)
Servicing Locomotives (XX-51-69)
Clearing Wrecks (XX-51-63)

§ 1242.56 Engine crews and train crews (accounts XX-51-56 and XX-51-57).

Separate common expenses on the basis of direct assignment or if there are no directly assignable expenses, separate on the basis of train hours, including train switching hours.

§ 1242.57 Dispatching trains (account XX-51-58).

Separate common expenses on the basis of train hours, including train switching hours.

§ 1242.58

§ 1242.58 Operating signals and interlockers, operating drawbridges, highway crossing protection (accounts XX-51-59, XX-51-60 and XX-51-61).

Separate common expenses on the basis of total train hours (including train switching hours) of the particular common operating divisions or track segment on which the common signals, interlockers, drawbridges and highway crossings are located.

§ 1242.59 Train inspection and lubrication (account XX-51-62).

Separate common expenses on basis of directly assigned expenses. If there are no directly assignable expenses, separate on the basis of train miles.

§ 1242.60 Locomotive fuel, electric power purchased/produced for motive power and servicing locomotives (accounts XX-51-67, XX-51-68 and XX-51-69).

Separate common expenses in each account on basis of direct expenses. If there are no direct expenses, separate on the basis of train hours and way-switching service hours.

§ 1242.61 Freight lost or damaged—solely related (to train) (account 51-51-00).

Separate common expenses on the basis of proportion of the solely related expenses assigned to freight and passenger services or on the basis of a special study.

§ 1242.62 Clearing wrecks (account XX-51-63).

Separate common expenses according to specific circumstances.

§ 1242.63 Fringe benefits (account 12-51-00).

Separate common expenses in proportion to the percentage separation calculated for the salaries and wages account—administration (account 11-51-01).

§ 1242.64 Joint facility—debit and credit (accounts 37-51-00 and 38-51-00).

(a) Solely related freight and passenger service debit expense accounts shall be assigned according to the use made of each facility by the reporting

49 CFR Ch. X (10-1-96 Edition)

carrier, regardless of the use made of the facility by other carriers. Common debit expense accounts shall be separated on the basis of the percentage separation of the solely related expenses. If there are no solely related expenses or if the solely related expenses are assigned entirely to either freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-51-01).

(b) Separate common credit expense accounts on the basis of the percentages calculated for the separation of administration (account XX-51-01).

§ 1242.65 Other and casualties and insurance (accounts XX-51-99 and 50-51-00).

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-51-01).

YARD OPERATIONS

§ 1242.66 Administration (account XX-52-01).

Separate common expenses according to distribution of common expenses in the following accounts:

Switch Cews (XX-52-64)
Controlling Operations (XX-52-65)
Yard and Terminal Clerical (XX-52-66)
Operating Switches, Signals, Retarders and Humps (XX-52-59)
Locomotive Fuel (XX-52-67)
Servicing Locomotives (XX-52-69)
Electric Power Purchased/Produced for Motive Power (XX-52-68)
Clearing Wrecks (XX-52-63)

§ 1242.67 Switch crews; controlling operations; yard and terminal clerical; locomotive fuel; electric power purchased/produced for motive power; operating switches signals, retarders, and humps; and servicing locomotives (accounts XX-52-64, XX-52-65, XX-52-66, XX-52-59, XX-52-67, XX-52-68 and XX-52-69).

Separate common expenses on the basis of the distribution of freight and passenger yard-switching hours in those yards common to both freight and passenger services.

Surface Transportation Board, DOT

§ 1242.78

§ 1242.68 Freight lost or damaged—solely related (to yard) (account 51-52-00).

Separate common expenses on the basis of the solely related freight and passenger expenses or on the basis of a special study.

§ 1242.69 Clearing wrecks (account XX-52-63).

Separate common expenses according to specific circumstances.

§ 1242.70 Fringe benefits (account 12-52-00).

Separate common expenses in proportion to the percentage separation calculated for the salaries and wages administration account (account 11-52-01).

§ 1242.71 Joint facility—debit and credit (accounts 37-52-00 and 38-52-00).

(a) Solely related freight and passenger service debit expenses accounts shall be assigned according to the use made of each facility by the reporting carriers, regardless of the use made of the facility by other carriers. Common debit expenses shall be separated on the basis of the percentage separation of the solely related expenses. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-52-01).

(b) Separate common credit expense accounts on the basis of the percentages calculated for the separation of administration (account XX-51-01).

§ 1242.72 Other and casualties and insurance (accounts XX-52-99 and 50-52-00).

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-52-01).

TRAIN AND YARD OPERATIONS COMMON

§ 1242.73 Cleaning car interiors and freight lost and damaged—all other (accounts XX-53-70 and 51-53-00).

Separate common expenses on basis of solely related freight and passenger expenses or special study.

§ 1242.74 Adjusting and transferring loads, and car loading devices and grain doors (accounts XX-33-71 and XX-33-72).

These accounts pertain solely to freight service and contain no common expenses for separation herein.

§ 1242.75 Fringe benefits (account 12-53-00).

Separate common expenses in proportion to the freight/passenger separation calculated for the salaries and wages—cleaning car interiors common account (account 11-53-70).

SPECIALIZED SERVICE OPERATIONS

§ 1242.76 Administration; pickup and delivery, marine line haul, and rail substitute service; loading, unloading and local marine; protective services; freight lost or damaged—solely related; fringe benefits; casualties and insurance; joint facility, and other (accounts XX-34-01, XX-34-73, XX-34-74, XX-34-75, 51-34-00, 12-34-00, 50-34-00, 37-34-00, 38-34-00 and XX-34-99).

These accounts pertain solely to freight service and contain no common expenses for separation herein.

ADMINISTRATIVE SUPPORT OPERATIONS

§ 1242.77 Administration (account XX-55-01).

Separate common expenses in the same proportion as common expenses are separated in employees performing clerical and accounting functions, communication systems operations and loss and damage claims processing (accounts XX-55-76, XX-55-77 and XX-55-78).

§ 1242.78 Employees performing clerical and accounting functions, and loss and damage claims processing (accounts XX-55-76 and XX-55-78).

If the sum of the direct freight and the direct passenger expenses is more

§ 1242.79

than 50 percent of the total charges to this account for an accounting division, separate the common expenses on the basis of the directly assigned expenses in this account for the particular accounting division. If the sum of the direct freight and the direct passenger expenses does not aggregate 50 percent of the total charges for an accounting division, the common expenses shall be separated on the basis of special test. If common expenses exist in an accounting division but the direct expenses are applicable to only one service, i.e., freight or passenger, and even though the direct charges are over 50 percent of the total charges, the common expenses shall be separated on the basis of a special test. If the accounting is performed on a system basis rather than by accounting division, follow the intent of the above instructions.

§ 1242.79 Communication systems operations (account XX-55-77).

Separate common expenses on bases of the percentages calculated for the separation of Communication Systems (account XX-19-20), § 1242.18.

§ 1242.80 Fringe benefits (account 12-55-00).

Separate common expenses in proportion to the percentage separation calculated for the salaries and wages—administration account (account 11-55-01).

§ 1242.81 Joint facility—debit and credit (accounts 37-55-00 and 38-55-00).

Solely related freight and passenger service debit expense accounts shall be assigned according to the use made of each facility by the reporting carriers, regardless of the use made of the facility by other carriers. Common debit expenses shall be separated on the basis of the percentage separation of the solely related expenses. If there are no solely related expenses or if the solely related expenses are assigned entirely to either freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-55-01).

49 CFR Ch. X (10-1-96 Edition)

Separate common credit expenses on the basis of the percentages calculated for the separation of administration (account XX-55-01).

§ 1242.82 Other and casualties and insurance (accounts XX-55-99 and 50-55-00).

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-55-01).

OPERATING EXPENSES

GENERAL AND ADMINISTRATION

§ 1242.83 Officers—general superintendence; accounting, auditing and finance; management services and data processing; personnel and labor relations; legal and secretarial; research and development; writedown of uncollectible accounts; property taxes; other taxes except on corporate income or payrolls; and other (accounts XX-63-01, XX-63-86, XX-63-87, XX-63-91, XX-63-92, XX-63-94, 63-63-00, 64-63-00, 65-63-00 and XX-63-99).

Separate common expenses in proportion to the separation of all other common expenses except General and Administrative Expenses.

§ 1242.84 Marketing, sales, and public relations and advertising (accounts XX-63-88, XX-63-89 and XX-63-93).

Separate each common expense account on the basis of the solely related freight and passenger expense accounts.

§ 1242.85 Fringe benefits (account 12-63-00).

Separate the common expenses in proportion to the total common salaries and wages expense separation (account 11-XX-XX) determined in §§ 1242.83 and 1242.84.

§ 1242.86 Industrial development (account XX-61-90).

These accounts pertain solely to freight service and contain no common expenses for separation herein.

Surface Transportation Board, DOT

§ 1244.1

§ 1242.87 Joint facility—debit and credit and casualties and insurance (accounts 37-63-00, 38-63-00 and 50-63-00).

Separate the common expenses in proportion to the total of all common expense separations determined in §§ 1242.83 and 1242.84 above.

NOTE: If compilation of the data in compliance with any of the above separation rules results in an undue burden in accounting expense, the carrier may request relief from such rules by letter to the Director, Bureau of Accounts. If reliable data can be developed through other methods and procedures, the carrier may request substitution of such methods also by letter to the Director, Bureau of Accounts. In both cases, the carrier shall support the request with full details.

PART 1243—QUARTERLY OPERATING REPORTS—RAILROADS

Sec.

1243.1 Revenues, expenses and income.

1243.2 Condensed balance sheet.

NOTE: The report forms prescribed by part 1243 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

§ 1243.1 Revenues, expenses and income.

Commencing with reports for the 3 months beginning January 1, 1972, and for subsequent quarters thereafter, until further ordered, all class I railroads, except switching and terminal companies, as defined in § 1240.1 of this chapter, subject to the provisions of Part I of the Interstate Commerce Act, be, and they are hereby, required to compile and file quarterly reports of revenues, expenses and income in accordance with quarterly report Form RE&I, and instructions thereon. Such quarterly reports shall be filed, in duplicate, in the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, within 30 days after the end of the quarter to which they relate.

(Secs. 12, 20, 24 Stat. 383, 386; 49 U.S.C. 12, 20) [37 FR 5503, Mar. 16, 1972]

§ 1243.2 Condensed balance sheet.

Commencing with reports for the 3 months beginning January 1, 1972, and for subsequent quarters thereafter,

until further ordered, all class I railroads, except switching and terminal companies, as defined in § 1240.1 of this chapter, subject to the provisions of Part I of the Interstate Commerce Act, be, and they are hereby, required to compile and file quarterly reports of balance sheet items in accordance with quarterly report Form CBS, and instructions thereon. Such quarterly reports shall be filed, in duplicate, in the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, within 30 days after the end of the quarter to which they relate.

(Secs. 12, 20, 24 Stat. 383, 386; 49 U.S.C. 12, 20) [37 FR 5503, Mar. 16, 1972]

PART 1244—WAYBILL ANALYSIS OF TRANSPORTATION OF PROPERTY—RAILROADS

Sec.

1244.1 Definitions.

1244.2 Applicability.

1244.3 Sampling of waybills.

1244.4 Date of filing.

1244.5 Retention of files.

1244.6 Special studies.

1244.7 Analysis of waybill data.

1244.8 Procedures for the release of waybill data.

AUTHORITY: 49 U.S.C. 10303, 10321, 10709, 11144, 11145; 5 U.S.C. 552 and 553.

SOURCE: 46 FR 26784, May 15, 1981, unless otherwise noted.

§ 1244.1 Definitions.

(a) *Railroad*—an individual railroad or terminal company subject to the Interstate Commerce Act and every receiver, trustee, executor, administrator or assignee of any such railroad. If a railroad and its railroad subsidiaries report to the Commission on a consolidated basis, they would collectively be considered as a *railroad*.

(b) A *railroad subsidiary*—a railroad owned or controlled by another railroad.

(c) A *waybill*, which may be referred to by other names such as mine tickets, is the document or instrument prepared from the bill of lading contract or shipper's instructions as to the disposition of the freight, and used by the railroad(s) involved as the authority to move the shipment and as the basis for

§ 1244.2

determining the freight charges and interline settlements.

§ 1244.2 Applicability.

(a) Effective July 1, 1981 and thereafter, unless otherwise ordered, each railroad as defined in § 1244.1 above is required to file waybill sample information for all line-haul revenue waybills terminated on its lines if it terminates at least 4,500 revenue carloads in any of the three preceding years, or if it terminates at least 5% of the revenue carloads terminating in any state in any of the three preceding years. A railroad required to file waybill sample information under this section shall herein be referred to as *subject railroad*.

(b) Waybill terminations shall include all line-haul revenue movements terminating for waybilling purposes on the subject railroad's line whether the lading is destined for the terminating station as denoted on the waybill or the shipment is being rebilled or forwarded to the ultimate destination by another railroad or another mode of transportation (e.g., lake cargo, inbound transit, or other rebilled movements).

(c) Each subject railroad shall also file the required waybill sample information for all of its railroad subsidiaries.

(d) Each subject railroad shall also file the required waybill sample information for any other railroad for which it performs revenue billing and/or interline settlements under special agreement.

(e) The surviving corporate entity of railroads (subject to the Interstate Commerce Act) who have merged or reorganized shall be required to report waybill sample information if its predecessor railroad or any of its predecessor railroads were required to report under this section.

(f) In order to determine the number of carloads terminated in each state, railroads not otherwise submitting waybill information must report annually the number of carloads terminated by state for the last calendar year. These reports shall be submitted by March 1 of the year following the report year.

(g) *Transition.* This final rule will apply to all subject waybills which are

49 CFR Ch. X (10–1–96 Edition)

in the subject railroad's audit month of July 1981 and all audit months thereafter. The former rule will continue to apply to all subject waybills for the prior audit months up to and including June 1981.

§ 1244.3 Sampling of waybills.

(a) Subject railroads shall file waybill sample information in one of the following two ways. (1) Authenticated copies of a sample of audited revenue waybills—the manual system (§ 1244.3(b)). (2) A computer tape containing specified information from a sample of waybills—the computerized system (§ 1244.3(c)).

(b) *The Manual System.* (1) The sample of subject waybills shall be as follows:

(i) All waybills with less than 6 carloads per waybill whose serial numbers are 1 or end in 01,

(ii) All waybills with 6 to 25 carloads per waybill whose serial numbers end in 1; and,

(iii) All waybills with 26 or more carloads per waybill whose serial numbers end in 1 or 7.

(2) The expected sampling rates for the manual system are as follows:

Numbers of carloads on waybill	Expected sample rate
1 to 5	1/100
6 to 25	1/10
26 and over	1/5

(3) Upon giving the subject roads 60 days notice, the Commission may require random serial number endings in lieu of the respective endings shown in § 1244.3(b). These random serial number endings would have the expected sample rates shown in § 1244.3(b)(2).

(4) If the subject waybills have no waybill numbers or serial numbers, or have seriously flawed waybill or serial numbers, then the subject railroad should serialize those documents in blocks of 1,000 or blocks of multiples of 1,000 (e.g., 1, 2, . . . 1,000; 1, 2, . . .) and use these constructed serial numbers for selection purposes.

(c) *The Computerized System.* (1) The tape shall be required to conform to the standards and format specified in

Surface Transportation Board, DOT

§ 1244.6

Statement No. 81-1, *Procedure for Sampling Waybill Records by Computer*, issued by the Interstate Commerce Commission, which may be revised from time to time.

(2) The sampling rates for the computerized system are as follows:

Number of carloads on waybill	Sample rate
1 to 2	1/40
3 to 15	1/12
16 to 60	1/4
61 to 100	1/3
101 and over	1/2

(d) *Controls and Annual Counts.* (1) Each subject railroad shall maintain a control procedure to ensure complete and accurate reporting for the waybill sampling. All pertinent waybill data shall be included on hard copy waybill submissions including inbound references for transit waybills. All such pertinent waybill data shall be legible.

(2) All subject railroads shall maintain a record of the number of line-haul revenue carloads that terminated on their line in a calendar year and shall furnish this number when requested by the Commission.

(3) All subject railroads using the manual system of reporting shall furnish the Commission, in accordance with instructions on the Transmittal Form OPAD-2, the total counts of line-haul revenue waybills terminated in each reporting period for the following three categories:

(i) Waybills, with less than six carloads per waybill,

(ii) Waybills with 6 to 25 carloads per waybill, and

(iii) Waybills with 26 or more carloads per waybill.

(4) All subject railroads on the computerized system of reporting shall furnish the Commission the control counts and tape specification information as required by the Statement No. 81-1.

(5) Certification by a responsible officer of the subject railroad as to the completeness and accuracy of sample shall be made once a year in accordance with the instructions on the Transmittal Forms OPAD-1 or OPAD-2.

[46 FR 26784, May 15, 1981, as amended at 46 FR 45141, Sept. 10, 1981]

§ 1244.4 Date of filing.

(a) The reporting period for which subject railroads submit waybill sample information shall be the audit (accounting) month except as specified below:

(1) Subject railroads using the computerized system may submit waybill sample information quarterly as specified in Statement 81-1.

(2) Subject railroad using the manual system may submit waybill sample information quarterly if it submits fewer than 1,000 waybills per year.

(b) Waybill sample information shall be forwarded no later than 60 days from the end of the reporting period to the Commission.

(c) When the submitted waybill sample information is returned to the submitting railroad for correction, that railroad shall resubmit corrected data to the Commission promptly but no later than 60 days after its receipt.

(d) *Transmittal Forms.* (1) Subject railroads using the manual system of reporting shall complete the Transmittal Form OPAD-2, to accompany each waybill sample submission.

(2) Subject railroads using the computerized system of reporting shall complete the Transmittal Form OPAD-1, to accompany each waybill tape submission.

§ 1244.5 Retention of files.

(a) Subject railroads which submit waybill sample data by the computerized system instead of the manual system shall retain the underlying hard copy waybills or facsimiles capable of producing legible copies, which shall be complete including inbound references for transit waybills, for a minimum period of four years.

(b) This file of retained waybills shall be maintained in such a manner that the railroads on the computerized system may readily retrieve waybill copies using the waybill identifier code as shown on the submitted computerized waybill record.

§ 1244.6 Special studies.

(a) Although routine submission of hard copy waybills is eliminated when a railroad reports under the computerized system, the Commission may

§ 1244.7

49 CFR Ch. X (10–1–96 Edition)

order that railroad to submit hard copies of the underlying waybills for special studies.

(b) The Commission may order the subject railroads to supply additional data for submitted waybill copies or records for special studies.

§ 1244.7 Analysis of waybill data.

Users of the waybill sample when presenting waybill analysis before the Commission shall ensure that the appropriate weighting factors are applied to account for the stratified sampling. See Statement 81–1 for guidelines for weighting waybill data and for computing sampling errors.

§ 1244.8 Procedures for the release of waybill data.

(a) *General.* The procedures for the release of waybill data identify five classes of users of the ICC Waybill Sample, define the waybill information or data that each class of users may obtain, and set forth the applicable requirements for the data's release. They also formalize notice and protest procedures for the possible release of waybill data to other users to protect against the inappropriate release of confidential data. The Director of the Office of Transportation Analysis shall be responsible for releasing waybill data in accordance with these procedures.

(b) *Class of user, available data, and applicable release requirements.* (1) *Railroads.* Each requesting railroad may obtain any waybill record from the ICC Waybill Sample covering traffic that originated, terminated, or was bridged by that railroad. The railroad shall not have access to waybill data pertaining to traffic in which it did not participate. Also, it must meet all ICC and legal requirements concerning release of shipper information in accordance with 49 U.S.C. 11910(a).

(2) *Federal agencies.* Each requesting Federal agency (including quasi-governmental agencies) may obtain any waybill record from the ICC Waybill Sample subject to the following requirements:

(i) The Federal agency shall make the information contained in the ICC Waybill Sample available only to its employees or those contractors work-

ing on the particular project or study requiring the waybill data.

(ii) The Federal agency will ensure that railroads and shippers are afforded the same privilege and protection against disclosure of the waybill data as the Commission provides.

(iii) The Federal agency will not release any data to the public unless the data elements are aggregated to contain at least three shippers and to prevent identification of an individual railroad.

(iv) The Federal agency will refer any requests for waybill data and accompanying documentation to the ICC for processing and will so inform the requesting party of such referral to the Commission.

(v) The Federal agency must sign an agreement annually with the Commission agreeing to these restrictions.

(3) *States.* Each requesting State may obtain any waybill record pertaining to traffic that was originated, terminated, interchanged in, or that passed through its State subject to the same requirements imposed on federal agencies under paragraphs (b)(2)(i) through (v) of this section.

(4) *Transportation practitioners, consulting firms, and law firms—specific proceedings.* Transportation practitioners, consulting firms and law firms may use data from the ICC Waybill Sample in preparing verified statements to be submitted in formal proceedings before the ICC and/or State Commissions (Commission) subject to the following requirements:

(i) The ICC Waybill Sample is the only single source of the data or obtaining the data from other sources is burdensome or costly, and the data is relevant to issues pending before the Commission.

(ii) The requestor submits to the ICC a written waybill request that complies with § 1244.8(e).

(iii) All waybill data must be returned to the ICC, and the firm must not keep any copies.

(iv) A transportation practitioner, consulting firm, or law firm must submit any evidence drawn from the ICC Waybill Sample to the Commission only unless the evidence is aggregated to the level of at least three shippers and will prevent the identification of

Surface Transportation Board, DOT

§ 1244.8

an individual railroad. Nonaggregated evidence submitted to the Commission will be made part of the public record only if the Commission finds that it does not reveal competitively sensitive data. However, evidence found to be sensitive may be provided to counsel or other independent representatives for other parties subject to the usual and customary protective order issued by the Commission or appropriate authorized official.

(v) For each Commission proceeding, a firm must sign a confidentiality agreement with the ICC agreeing to the above restrictions before any data will be released. This agreement will permit use of the released data for a period of one year from the date the agreement is signed by the user. If the data is required for an additional period of time because a proceeding is still pending before the Commission, the firm must sign a new confidentiality agreement covering the data needed for each additional year the proceeding is opened.

(5) *Public use.* Nonconfidential waybill data may be obtained from the "Public Use Waybill File". Reports produced from the Public Use Waybill File may be used, published, or released. The Public Use Waybill File contains the following nonconfidential items:

- (i) Waybill Date (Month, Day, Year).
- (ii) Accounting Period (Month, Year).
- (iii) Number of Carloads.
- (iv) Car Ownership (Rail or Private).
- (v) AAR Car Type.
- (vi) AAR Mechanical Designation.
- (vii) ICC Car Type.
- (viii) TOFC/COFC Plan.
- (ix) Number of TOFC/COFC Units.
- (x) TOFC/COFC Unit Ownership.
- (xi) TOFC/COFC Unit Type (Trailer or Container).
- (xii) Hazardous/Bulk Material in Box Car Flag.
- (xiii) Commodity Code—Excluding STCC 49/50 (All 5 digit STCC Codes, except STCC 19).
- (xiv) Billed Weight in Tons.
- (xv) Actual Weight in Tons.
- (xvi) Linehaul Freight Revenue.
- (xvii) Transit Revenue.
- (xviii) Miscellaneous Revenue.
- (xix) Interstate/Intrastate Code.

(xx) Type of Move (Import/Export/Minibridge).

(xxi) All Rail/Intermodal Code.

(xxii) Type Move Via Water.

(xxiii) Outbound Transit Code.

(xxiv) Substituted Truck for Rail Service.

(xxv) Rebill Code.

(xxvi) Estimate of Miles.

(xxvii) Stratum Identification.

(xxviii) Replicate Number.

(xxix) Population Count/Strata Count (expansion factor).

(xxx) Theoretical Expansion Factor.

(xxxi) Number of Interchanges.

(xxxii) Origin BEA (omitted if STCC and BEA pair reveals competitively sensitive shipper data).

(xxxiii) Origin ICC Rate Territory.

(xxxiv) States of Interchanges (first through ninth).

(xxxv) Termination BEA (omitted if STCC and BEA pair reveals competitively sensitive shipper data).

(xxxvi) Termination ICC Rate Territory.

(xxxvii) Waybill Reporting Period Length.

(xxxviii) AAR Provided UMBLER Data.

(xl) Bad Routing Code.

(xli) Miscellaneous Factored Expanded Data (e.g., carloads).

(c) *Other Users.* (1) Users other than those described in paragraphs (b)(1) through (b)(5) of this section may file written requests in accordance with paragraph (e) of this section for permission to use data from the ICC Waybill Sample.

(2) All written requests filed by such users are subject to the notice and protest procedures described in paragraph (d) of this section.

(d) *Notice and protest procedures for waybill requests by other users.* Railroads and shippers will be notified and afforded the opportunity to protest waybill requests filed by users other than those described in paragraphs (b)(1) through (b)(5) of this section in accordance with the following procedures:

(1) *Notice of request for confidential waybill data.* Affected railroads and shippers will receive notice by FEDERAL REGISTER Publication. If railroad specific or shipper specific data are requested, those parties will be given written notice of the request.

§ 1244.8

49 CFR Ch. X (10–1–96 Edition)

(2) *Form of notice.* The notice shall identify the parties requesting the data; describe the type of waybill data requested; and state the purpose for which the data is requested. The notice shall include a statement that parties seeking information concerning the filing of objections should refer to Ex Parte No. 385 (Sub-No. 2), 49 CFR 1224.8, or contact the Interstate Commerce Commission's Office of Transportation Analysis.

(3) *Objections to release.* (i) Objections to release of the confidential waybill data must be filed by the railroad and/or shipper no later than 14 calendar days from publication of the notice in the FEDERAL REGISTER.

(ii) An original and 3 copies of each objection shall be filed with the Director, Office of Transportation Analysis, Interstate Commerce Commission, Washington, DC 20423.

(iii) The objection shall identify the parties seeking the confidential waybill data, reiterate the purpose for which the data is sought, and state all grounds for objection to full or partial disclosure of the requested data.

(4) *Commission determination.* (i) The Director of the Office of Transportation Analysis will consider all objections in determining whether to release the requested waybill data. Each railroad or shipper who filed objections will be sent written notice of the Director's decision not less than 14 calendar days prior to the disclosure date.

(ii) The Commission reserves the right to deny the release of waybill data although no objections may be filed.

(iii) Appeals must be filed with the Chairman within 10 days of the date of the Director's decision. Responses to appeals must be filed within 10 days thereafter (49 CFR 1011.7(b)(1)). The filing of an appeal will automatically stay the effect of the Director's decision.

(e) *Content of waybill requests.* (1) All requestors under paragraphs (b)(4) and (c) of this section shall include the following information:

(i) A complete and detailed explanation of the purpose for which the requested data are needed.

(ii) A description of the specific waybill data or fields actually required (including pertinent geographic areas).

(iii) A detailed justification as to why the specified waybill data are needed.

(2) An original and 2 copies of the waybill request shall be filed with the Director, Office of Transportation Analysis, Interstate Commerce Commission, Washington, DC 20423.

(f) Aggregation of confidential shipper data.

(1) Any shipper data obtained from the Waybill Sample shall not be publicly released unless the data are aggregated to include at least three shippers.

(2) To aggregate the waybill data to the level of three shippers, the three-FSAC Rule shall be used. Under this rule, there must be at least three different freight stations as identified by the Freight Station Accounting Code (FSAC) on one railroad or there must be at least two more FSAC's than there are railroads present in the waybill data being aggregated.

(3) The three-FSAC Rule shall apply to every number and calculation publicly released.

(4) The Director of OTA will consider requests to apply an alternative aggregation method provided the requestor establishes that a particular project necessitates an alternative approach and that approach effectively protects the identity of individual shippers.

(g) *Complaint procedures.* (1) Complaints for alleged breaches of confidentiality or misuse of confidential waybill data must include the following:

(i) Identification of all known parties involved in the alleged violation.

(ii) The approximate date(s) of the alleged violations.

(iii) A full and detailed description of the alleged violation.

(iv) A description of any resulting harm to the complainant.

(2) Prior to filing a complaint, a complainant, upon written request, may obtain a copy of the incoming waybill request and the applicable confidentiality agreement. This request must identify the party involved, give the

Surface Transportation Board, DOT

§ 1245.3

approximate date the data was released, briefly describe the alleged violation, and substantiate the need for this information for purposes of filing a complaint.

(3) An original and three (3) copies of the complaint shall be filed with the Director, Office of Transportation Analysis, Interstate Commerce Commission, Washington, DC 20423. A copy of the complaint shall also be served on the alleged violator(s).

(4) An answer must be filed within 20 days after service of the complaint.

(5) All parties will be notified in writing of the Director's decision. If the Director determines that a violation has occurred, the offending parties will be denied access to the waybill sample for a period of time commensurate with the nature of the violation.

(6) Appeals to the Director's determination shall be filed in accordance with paragraph (d)(4)(iii) of this section.

(h) *Munitions shipments.* All waybill requests for munition data at the 3-digit Standard Transportation Commodity Code (STCC) level or greater will be forwarded by the ICC to the Department of Defense's Military Traffic Management Command (MTMC). The ICC will not release this type of information without MTMC's consent.

[52 FR 12416, Apr. 16, 1987]

PART 1245—CLASSIFICATION OF RAILROAD EMPLOYEES; REPORTS OF SERVICE AND COMPENSATION

Sec.

1245.1 Rules governing classification of employees, service, and compensation.

1245.2 Reports of railroad employees, service and compensation.

1245.3 Employees; definition, service hours, and compensation.

1245.4 Forms required to be used.

1245.5 Classification of job titles.

1245.6 Cross reference to standard occupational classification manual.

AUTHORITY: Sec. 12, 24 Stat. 383, as amended; 49 U.S.C. 12. Interpret or apply sec. 20, 24 Stat. 386, as amended; 49 U.S.C. 20.

SOURCE: 32 FR 20462, Dec. 20, 1967, unless otherwise noted.

NOTE: The report forms prescribed by part 1245 are available upon request from the Of-

fice of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

§ 1245.1 Rules governing classification of employees, service, and compensation.

The rules governing the classification of railroad employees and reports of their service and compensation outlined in §§ 1245.3 and 1245.4 are required, and all Class I railroads within the scope of Section 11145 of the Interstate Commerce Act shall be governed by such rules in the preparation and submission of their annual and other periodic reports to the Interstate Commerce Commission in accordance with the forms adopted for such returns (§ 1245.2); and also with respect to any other matters covered by these rules.

[47 FR 53867, Nov. 30, 1982]

§ 1245.2 Reports of railroad employees, service and compensation.

Beginning with the reporting period commencing January 1, 1983, and quarterly thereafter until further ordered, each Class I railroad is required to file a Quarterly Report of Railroad Employees, Service, and Compensation, (Form QRSC). In addition, such carriers shall also file an Annual Report of Railroad Employees, Service, and Compensation, (Form ARSC) for each calendar year. Both reports shall be filed with the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423. The quarterly report shall be filed within thirty days after the end of each calendar quarter. The annual report shall be filed within forty five days after the end of the reporting year.

[47 FR 53867, Nov. 30, 1982]

§ 1245.3 Employees; definition, service hours, and compensation.

(a) *Definition of "employees".* The word *employees*, as used in this part, is intended to include every person in the service of the reporting carrier subject to its continuing authority to supervise and direct the manner of rendition of his service. Persons engaged to render only specifically defined service and not subject to the continuing authority of the carrier to supervise and control their acts, such as custom-house brokers, lawyers retained only

§ 1245.4

49 CFR Ch. X (10–1–96 Edition)

for specific cases and not under general or continuing retainer, etc., are not employees in the meaning of the term used in this part.

(b) *Counting employees.* Since the number of employees fluctuates, carriers are required to classify and count all of their employees at twelve different times each year.

(c) *Joint employees.* Each person jointly employed shall, if carried on the payrolls of the several joint employers, be counted by each employer and represented in its return of number of employees by a fraction based on the number of employers reporting him; if a person, for example, is reportable by three employers, each should include him in its number of employees as one-third of an employee. When the entire compensation of a joint employee is shown on the payroll of a single joint employer and is paid to the employee by that employer such employee should, for the purpose of returns, be treated as if employed solely by such employer.

(d) *Service hours.* (1) The number of hours on duty, or held for duty, and the number of hours paid for are to be ascertained and recorded for every class of employee. For enginemen and trainmen, the actual number of miles run and miles paid for but not run are to be recorded, as well as the number of hours on duty and the number of hours paid for. (The service time of all classes of employees shall be recorded in hours instead of days or hours as heretofore.)

(2) Whenever an employee works at more than one occupation, or in more than one class of service, both the number of hours worked and the compensation paid, should be separated and reported under the proper Reporting Divisions.

(3) If an employee is paid a day's wage for a smaller number of hours than constitutes a day's work, the number of hours paid for as well as the actual number of hours the employee is on duty should be ascertained and recorded. Time allowed for meals, part holidays, holidays, absences on leave, vacations, etc., should be excluded from time actually worked, but if such time is paid for it should be appropriately reported as "Time paid for but

not worked" on Form A or as a "constructive allowance" on Form B. These requirements apply to enginemen and trainmen paid on the basis of trips or of miles run, and to employees paid at piece rates, as well as to employees paid on hourly, daily, weekly, monthly, or other time basis. Service hours for officers and employees who do not receive payment for overtime should be reported as the number of hours in each month at 8 hours per day contemplated for the position.

(e) *Compensation.* The compensation of employees as defined in the rules in this part is to be stated in such manner and detail as the forms adopted for periodical returns require.

§ 1245.4 Forms required to be used.

(a) The report of information to the Interstate Commerce Commission on railroad employees, service and compensation includes two forms. Form A relates to employees other than train and engine service employees. Form B relates to train and engine service employees.

(b) With general reference to the statement of the compensation of employees in Forms A and B, it should be understood that the total compensation received by the employees in each Reporting Division, as well as the amount of work they perform, should be shown properly distributed under the prescribed column heads as indicated by the forms. It should be noted that if the work of an employee varies during a report period, his time and compensation should be apportioned accordingly. Amounts reported should be gross compensation paid.

Illustrations. (a) In the course of a month, an employee works as a Machinist, and as such earns \$200 and he works also as a Gang Foreman and earns \$130. The pay received by him in the occupation of Machinist with corresponding time should be included in returns for Division 61, "Machinists", and his other pay and time as indicated should be included in returns for Division 53, "Gang Foremen and Gang Leaders". (b) When an employee works at two or more of the occupations of engineer, fireman, conductor, and brakeman, his time and compensation should be assigned in accordance with the facts. For example, in a certain month an employee earns as a Through Freight Engineer \$110, as a Local or Way Freight Engineer \$140, as a Yard Engineer \$100, and as a Local or Way

Surface Transportation Board, DOT**§ 1245.5**

Freight Fireman \$75. The time and the compensation of this employee should be correspondingly distributed among Reporting Divisions 122, 123, 124, and 127 as they are respectively applicable, without regard to the predominance of the time worked or the amount earned by him in one occupation.

(c) As elsewhere indicated, the statement of the number of employees in the service of a company with respect to Reporting Divisions depends upon the allocation of the individual employees as of the day of count.

(d) The Reporting Divisions shown in Forms A and B following will also be used in connection with the employees' schedule in the annual reports of railroads of classes I and II to the Commission. Railroads of class III and lessor companies shall report only the information required in the annual report forms prescribed for such companies.

[32 FR 20462, Dec. 20, 1967, as amended at 47 FR 53867, Nov. 30, 1982]

§ 1245.5 Classification of job titles.

Number	Classification	Description	Typical titles	Relation to present classification
100	EXECUTIVES, OFFICIALS, AND STAFF ASSISTANTS			
101	Executives and General Officers	Chief executives, corporate department heads and major subdepartment heads.	President, Vice President, Assistant Vice President, Controller, Treasurer, Director (head of subdepartment), General Superintendent (subdepartment head), Chief Engineer, General Manager (department or subdepartment head).	More precisely defined than present No. 1, limited to executive management positions; adds new titles.
102	Corporate Staff Managers	Corporate executives and managers assisting department and subdepartment heads.	Director (other than subdepartment head), Assistant Director, Assistant General Manager (not regional), Manager, Assistant Manager, Assistant Chief Engineer, Purchasing Agent, Superintendent (not division), Assistant to (corporate executive or general officer), Executive Assistant (to corporate executive) Budget Officer.	New classification, providing a specific assignment for staff managers; adds new title.
103	Regional and Division Officers, Assistants and Staff Assistants.	Regional managers and assistants below the executive management level, and chief division officers.	Assistant General Manager, Assistant Regional Manager, General Superintendent, Assistant to General Manager, Division Superintendent, Master Mechanic, Division Sales Manager, District Sales Manager, Assistant Master Mechanic, District Engineer, Assistant Superintendent, Captain of Police, Division Engineer, Manager of Materials, Safety Inspector, Real Estate Agent, Real Estate Supervisor, Tax Agent, Buyer, Assistant Buyer, Sales Agent, Assistant Sales Agent.	Similar to present No. 2 but limited to regional and divisional management; adds new title.
104	Transportation Officers/Managers.	Managers directly supervising train and yard operations.	Train Master, Assistant Train Master, General Yardmaster, General Road Foreman, Road Foreman, Assistant Road Foreman, Chief Power Supervisor (motive).	New classification providing specific assignment for Operations Managers.
200	PROFESSIONAL AND ADMINISTRATIVE			
201	Professionals (other than those reported in 101 and 102).	Technical occupations requiring a high degree of training and/or supervising subprofessionals and technicians.	General Counsel, Assistant General Counsel, General Attorney, Assistant General Attorney, Attorney, Commerce Counsel, Chief Medical Officer, Medical Officer, Surgeon, Company Surgeon, Engineer, Architect, Chief Chemist, Nurse, Tax Accountant, Internal Auditor to General Accountant, Corporate Accountant, Supervisor Programming, Senior Computer System Specialist, Senior System Analyst.	Corresponds to present ICC No. 3, but limited to professionals; adds new titles.
202	Subprofessionals	Technical occupations requiring a high degree of knowledge and/or skill.	Draftsman, Chemist, Assistant Chemist, X-ray Technician, Supervisor Estimating, Junior Engineer, Engineering Trainee, Photographer, Computer Programmer, Computer Analyst, Market Analyst, Pricing Analyst, Employment Supervisor, Research Analyst.	Corresponds to present ICC No. 3 but limited to subprofessionals; adds new titles.
203	Auditors, Traveling Auditors or Accountants.	Title is descriptive	Traveling Auditor, Accounting Specialist Auditors, Operations Traveling Auditors, Station Auditors.	Corresponds to present ICC No. 13.
204	General and Administrative Supervisors.	Supervisors responsible for administrative activity of a department, subdepartment, office or region.	General Supervisor, Supervisor, Chief Clerk, Office Supervisor, Supervisor Administration, Office Manager, Supervising Clerk, Head Clerk, Assistant Chief Clerk, Supervising Cashier, Division Supervisor, Regional Supervisor, Budget Supervisor, Administrative Supervisor, Administrative Assistant.	Consolidation of present ICC Nos. 4 and 5; adds new titles.

Surface Transportation Board, DOT

§ 1245.5

205	Sales and Traffic Representatives and Agents.	Non-supervisory occupations with predominant responsibilities for sales and customer relations.	Freight Traffic Agent, Coal Traffic Agent, Sales Representative, Freight Sales Representative, Freight Traffic Representative, Passenger Sales Representative.	New classification, containing a portion of present ICC No. 19; adds new titles.
206	Freight and Other Claim Agents and Investigators.	Occupations which have predominant duties investigating and handling freight and personal injury claims.	Claim Agent, Claim Investigator, Freight Claim Agent, Freight Claim Investigator.	Consolidates present ICC Nos. 20 and 21; adds new titles.
207	Supervising and Chief Claim Agents.	Title is descriptive	Chief Claim Agent, Chief Freight Claim Agent, Assistant Chief Claim Agent, Chief District Claim Agent, District Freight Claim Agent, Chief Claim Investigator.	Corresponds with present ICC No. 22.
208	Lieutenants and Sergeants of Police.	Title is descriptive	Police Lieutenant, Police Sergeant	Corresponds to present ICC No. 17.
209	Police Officers, Watchmen and Guards (Except Crossing and Bridge).	Title is descriptive	Police Officer, Patrolman, Watchman, Guard	Corresponds with present ICC No. 18.
210	Inspectors (Except Maintenance of Way and Equipment), Other Investigators, Examiners, Inspectors, and Other Agents (Except Station Agents).	Miscellaneous occupations which have predominant duties of investigating, inspecting, reviewing, and instructing and which require a high degree of technical knowledge.	Rules Examiner, Supervisor Rules, Safety Supervisor, Fire Marshal, Fire Chief, Instructor, Supervisor Procedures, Supervisor Yard Procedures.	Classification for a portion of similar occupations included in present ICC No. 19; adds new titles.
212	Clerical Technicians and Clerical Specialists.	Clerical occupations with duties to perform independently responsible work requiring special financial cost, accounting, or other technical knowledge.	Lead Clerk, Staff Assistant (clerical), Statistician, Cashier, Teller, Assistant Statistician, Rate Clerk, Pricing Clerk, Computer Technician.	Corresponds to present ICC No. 6; adds new titles.
213	Office Machine and Data Equipment Operators.	Occupations with predominant duties of operating office machines and computer equipment.	Machine Operator, Clerk, Computer Operator, Key punch Operator Office Machine Technician.	Corresponds to present ICC No. 8; adds new titles.
214	Secretaries, Stenographers, and Typists.	Secretaries, Stenographers, and Typists.	Secretary, Stenographer, Typists, Clerk Typist, Steno-clerk	Consolidates present ICC Nos. 9 and 10.
215	General and Other Clerks (excluding yard clerk and crew dispatcher).	Clerical occupations not otherwise classified.	File Clerk, General Clerk, Bookkeeper, Ticket Clerk, Records Clerk, Trace Clerk, Assignment Clerk, Personnel Clerk, M of W Clerks, M of E Clerks.	Corresponds to present ICC NO. 7; adds new titles.
216	Telephone and Switchboard Operators.	Title is descriptive	Switchboard Operator, Chief Operator	Present ICC No. 14.
217	Building and Office Attendants	Miscellaneous occupations associated with office building functions.	Elevator Operator, Elevator Starter, Janitor, Cleaner, Porter	Consolidates present ICC Nos. 16 and 26.
218	Messengers and Office Persons	Title is descriptive	Messenger, Office Person	Present ICC No. 15.
219	Motor Vehicle Operators	Occupations associated with automobile and truck driving.	Truck Driver, Bus Driver, Driver, Chauffeur	Consolidates present ICC Nos. 24 and 25.
300	MAINTENANCE OF WAY AND STRUCTURES			

Number	Classification	Description	Typical titles	Relation to present classification
301	Supervisors, Maintenance of Way, Structures, Communication and Signals.	Occupations with supervisor responsibility for maintenance of way and structures (other than regional and divisional offices).	Roadmaster, Division Roadmaster, Supervisor Track, Supervisor Bridges and Buildings, Supervisor Communications and Signals, Assistant Supervisor, General Foreman (MW&S), Assistant General Foreman (MW&S), Master Carpenter, Chief Draftsman.	Corresponds with present ICC Nos. 27 and 44.
302	Maintenance of Way, Structures, Communication and Signals, and Scale Inspectors.	Title is descriptive	Chief Bridge and Building Inspector, Chief Scale Inspector, Bridge and Building Inspector, Scale Inspector, Roadway Equipment Inspector, Track and Roadway Inspector, Instrument Man, Rodman, Chainman, Inspector Communications and Signals, Signal Inspector.	Corresponds with present ICC No. 28 plus part of old No. 44.
303	Bridge and Building Gang Foreman.	Title is descriptive	Gang Foreman, Lead Workman	Consolidates present ICC No. 29 with bridge and building portion of present ICC No. 39.
304	Bridge and Building Carpenters	Title is descriptive	Carpenter	Corresponds with present ICC No. 30.
305	Bridge and Building Ironworkers	Title is descriptive	Ironworker	Corresponds with present ICC No. 31.
306	Bridge and Building Painters	Title is descriptive	Painter, Sign Painter	Corresponds with present ICC No. 32.
307	Masons, Bricklayers, Plasterers, and Plumbers.	Title is descriptive	Mason, Bricklayer, Plasterer, Plumber, Operator, Grinder, Welder (M of W).	Corresponds with present ICC Nos. 23 and 33.
308	Bridge and Building Helpers and Apprentices.	Title is descriptive	Carpenter Helper, Ironworker Helper, Mason Helper, Plumber Helper, Painter Helper, Apprentice Carpenter, Apprentice Ironworker, Apprentice Mason, Plumber Apprentice, Apprentice Painter, Welder Helper.	Corresponds with present ICC No. 34; adds new titles.
309	Bridge and Building Gang and Bridge and Building Department Laborers.	Title is descriptive	Bridge and Building Laborer	Corresponds with present ICC No. 43.
310	Track Gang Foremen (Extra Gang work train laborers).	Title is descriptive	Gang Foreman, Assistant Foreman	Corresponds with present ICC No. 38.
311	Gang or Section Foreman	Title is descriptive	Gang Foreman, Assistant Foreman, Section Foreman	Corresponds with present ICC No. 40.
312	Extra Gang Laborers	Title is descriptive	Trackman, Fence Laborer	Corresponds with present ICC No. 41.
313	Section Laborers	Title is descriptive	Trackman, Track and Roadway Section Laborer	Corresponds with present ICC No. 42.
314	Machine Operators	Title is descriptive	Craneman, Portable Equipment Engineer, Portable Equipment Operator, Machine Operator, Helper.	Consolidates present ICC No. 35, 36, and 37.
315	Gang Foremen, Communications and Signals.	Title is descriptive	Gang Foreman, Assistant Gang Foreman, Lead Signal Maintainer	Consolidates present ICC No. 45 with communications and signals occupations included in present ICC No. 39.
316	Signalmen and Signal Maintainers.	Title is descriptive	Signalman, Signal Maintainer	Corresponds with present ICC No. 46.
317	Linemen and Groundmen and Communications Craftsman.	Communications equipment installers, Maintainers, and repairmen.	Electrical Worker (Lineman), Electrical Worker (Groundman) Communications maintainer.	Corresponds with present ICC No. 47.
318	Assistant Signalmen and Assistant Signal Maintainers.	Title is descriptive	Assistant Signalman, Assistant Signal Maintainer	Corresponds with present ICC No. 48.
319	Signal Helpers and Signal Maintainer Helpers.	Title is descriptive	Signalman Helper, Signal Maintainer Helper	Corresponds with present ICC No. 49.
320	Camp Car Cooks	Occupations engage in food service in camp cars.	Camp Car Cook, Camp Car Helper	Corresponds with part of present ICC No. 97.
400	MAINTENANCE OF EQUIPMENT AND STORES			

Surface Transportation Board, DOT

§ 1245.5

401	Supervisors and General Foremen, Maintenance of Equipment.	Occupations with supervisory responsibility for maintenance of equipment (other than regional and division officers).	General Foreman Shop, General Foreman Enginehouse, General Foreman Diesel Terminal, Assistant General Foreman (M of E).	Corresponds with present ICC No. 50; adds new titles.
402	Supervisors and General Foremen, Materials and Stores.	Occupations with supervisory responsibility for stores and materials.	Supervisor Materials, Assistant Supervisor Materials, General Foreman Stores, General Foreman Reclamation Plant, Assistant General Foreman.	Corresponds with present ICC No. 51; adds new titles.
403	Equipment, Shop, Electrical Inspectors.	Title is descriptive	Chief Electrical Inspector, Chief Shop and Equipment Inspector, Electrical Inspector, Equipment Inspector, Inspector Diesel Locomotive, Fuel Inspector.	Corresponds with part of present ICC No. 52.
404	Materials and Supplies Inspectors.	Title is descriptive	Materials and Supplies Inspector, Chief Materials and Supplies Inspector, Timber Inspector, Tie Inspector.	Corresponds with part of present ICC No. 52.
405	Storekeeper	Title is descriptive	Storekeeper, Assistant Storekeeper, Materials Clerk, Store Clerk	Corresponds to materials and stores occupation in present ICC No. 11.
406	Gang Foremen, Maintenance of Equipment.	Title is descriptive	Gang Foreman	Consolidates present ICC Nos. 53 and 68.
407	Blacksmiths	Title is descriptive	Blacksmith	Corresponds with present ICC No. 54.
408	Boilermakers	Title is descriptive	Boilermaker	Corresponds with present ICC No. 55.
409	Car Repairmen (Freight)	Repair and inspect freight cars	Car Repairmen, Car Inspector, Carman, Painter	Corresponds with present ICC No. 57.
410	Carmen (Other)	Title is descriptive	Carmen	Corresponds with present ICC No. 56.
411	Electrical Workers (A)	Electricians	Electrician, Electrical Worker	Corresponds with present ICC No. 58.
412	Electrical Workers (B)	Electrical workers—occupations specialized in operating heavy equipment.	Crane Operator, Load Dispatcher, Power Station Operator, Assistant Power Director.	Corresponds with present ICC No. 59.
413	Electrical Workers (C)	Electrical Workers—occupation specialized in heavy equipment operating at coal, grain, and ore docks.	Coal and Ore Elevator Operator (electrical), Grain Elevator Operator (electrical).	Corresponds with present ICC No. 60.
414	Machinists	Title is descriptive	Machinist	Corresponds with present ICC No. 61.
415	Sheet Metal Workers	Title is descriptive	Sheet Metal Worker	Corresponds with present ICC No. 63.
416	Skilled Trades, Helpers, Maintenance of Equipment and Stores.	Title is descriptive	Helper	Corresponds with present ICC No. 64.
417	Apprentices, Maintenance of Equipment and Stores.	Title is descriptive	Apprentice, Helper Apprentice	Consolidates present ICC Nos. 65 and 66.
418	Coach Cleaners	Title is descriptive	Coach Cleaner	Corresponds with present ICC No. 67.
419	Laborers: Shops, Enginehouses, and Power Plants.	Title is descriptive	Laborer	Consolidates present ICC Nos. 70 and 71.
420	Gang Foremen, Materials and Stores.	Title is descriptive	Gang Foremen	Corresponds with present ICC No. 69.
421	Equipment Operators and General Laborers, Materials and Stores.	Title is descriptive	Laborer, Materials Handler, Equipment Operators, Machine Operators.	Corresponds with present ICC No. 72, plus part of ICC No. 24.
422	Stationary Engineers	Title is descriptive	Chief Engineer (Steam Plant) Engineer, Stationary Engineer	Corresponds with present ICC No. 73.
423	Stationary Firemen	Title is descriptive	Stationary Fireman, Power Equipment Operator Helper, Oiler	Corresponds with present ICC No. 74.
500	TRANSPORTATION, OTHER THAN TRAIN AND ENGINE			
501	Transportation Supervisor and Chief Train Dispatcher.	Occupational directly supervising train operation.	Chief Train Dispatcher, Supervisor Train Operations, Transportation Supervisor, Supervisor Train Operations, Supervisor Locomotive and Car Distribution, Assistant Chief Train Dispatcher.	Corresponds with present ICC No. 75; adds new titles.

Number	Classification	Description	Typical titles	Relation to present classification
502 503	Train Dispatchers Station, Freight and Passenger Agents.	Title is descriptive Occupations with responsibility for station operations.	Train Dispatcher Supervising Station Agent, Assistant Supervising Station Agent, Station Agent, Freight Agent, Passenger Agent, Ticket Agent, Traveling Agent, Agent Operators.	Corresponds with present ICC No. 76. Consolidates present ICC Nos. 12, 78, 79, and 80.
504	Chief Operators and Wire Chiefs	Title is descriptive	Supervising Operator, Chief Operator, Assistant Supervising Operator, Wire Chief.	Corresponds with present ICC No. 81.
505	Clerk Operators, Towerman, Train Directors.	Title is descriptive	Clerk Operator, Block Operator, Operator, Towerman, Train Directors.	Consolidates present ICC Nos. 77, 82 and 83.
506	Station Masters and Assistants, Supervising Baggage Agents, Baggage Agents and Assistants.	Title is descriptive	Stationmaster, Assistant Stationmaster, Supervising Baggage Agent, Baggage Agent, Assistant Baggage Agent, Parcel Room Agent.	Consolidates present ICC Nos. 84, 85, and 86.
507	Baggage, Parcel Room and Station Attendants.	Title is descriptive	Baggage Attendant, Parcel Room Attendant, Station Attendant, Gateman, Announcer, Station Usher, Red Cap, Information Bureau Attendant.	Corresponds with present ICC No. 87.
508	General and Assistant General Foremen, Stations, Warehouses, Grain Elevators, and Docks.	Title is descriptive	General Foreman, Assistant General Foreman	Consolidates present ICC Nos. 88 and 89.
509	Gang Foremen, Stations, Warehouses, Grain Elevators and Docks.	Title is descriptive	Gang Foreman	Corresponds with present ICC No. 90.
510	Grain Elevator, and Dock Laborers.	Title is descriptive	Laborer	Consolidates present ICC Nos. 93 and 94.
511	Station, and Warehouse Laborers.	Title is descriptive	Loader, Sealer	Corresponds with present ICC No. 91.
512	Truckers (Station, Warehouse and Platforms).	Title is descriptive	Trucker	Corresponds with present ICC No. 92.
513	Food and Lodging Manager, Supervisors.	Occupations with responsibility for supervision of food service or lodging.	Manager Lodging House, Restaurant Manager, Dining Car Supervisor, Dining Car Steward.	Corresponds with present ICC No. 95.
514	Transportation and Dining-Service Inspectors.	Title is descriptive	Instructor Chef, Restaurant Inspector, Freight Service Inspector, Baggage Inspector.	Corresponds with present ICC No. 99.
515	Waiters and Kitchen Helpers (Restaurant and Dining Car).	Title is descriptive	Waiter-in-charge, Waiter	Corresponds with present ICC No. 97.
516	Chefs and Cooks (Restaurant and Dining Car).	Title is descriptive	Chef, Cook	Corresponds with present ICC No. 96.
517	Marine Officers and Workers and Shore Workers.	All occupations with predominant duties which are the operation of marine service.	Captain, Engineer, Mate, Deckhand, Oiler, Puser, Boat Master, Fireman, Wharf Master, Able Seaman, Baggageman, Boat Dispatcher.	Corresponds with present ICC No. 98.
518	Train Attendants	Passenger train occupations other than train service and dining car operation.	Porter, Buffet Lounge Attendant, Stewardess	Consolidates present ICC Nos. 100 and 101.
519 520	Bridge Operators and Helpers ... Bridge and Crossing Flagmen	Title is descriptive Title is descriptive	Bridge Operator Bridge Flagman, Crossing Gateman	Corresponds with present ICC No. 102. Corresponds with present ICC No. 103.
521	Yard Clerks	Clerical occupations situated in yards and yard offices.	Yard Clerk, Yard Clerk Caller, Yard Demurrage Clerk, Yard Dispatcher Clerk, Piggyback Clerk.	New classification.

Surface Transportation Board, DOT

§ 1245.5

522	Crew Dispatchers	Title is descriptive	Crew Dispatcher, Crew Caller	New classification.
523	Yardmasters and Assistant Yardmasters	Title is descriptive	Yardmaster, Assistant Yardmaster	Consolidates present ICC No. 105 and 106.
600	TRANSPORTATION, TRAIN AND ENGINE			
601	Switchtenders	Title is descriptive	Switchtender	Corresponds to present ICC No. 107.
602	Car Retarder Operators and Ground Service Employees	Ground occupations not part of yard crew	Car Retarder Operator, Skatesman, Herder, Yard Pilot	New classification—part of present ICC No. 119; adds new titles.
603	Outside Hostlers	Title is descriptive	Outside Hostler	Corresponds to present ICC No. 108.
604	Inside Hostler	Title is descriptive	Inside Hostler	Corresponds to present ICC No. 110.
605	Road Passenger Conductors	Title is descriptive	Passenger Conductor	Corresponds to present ICC No. 109.
606	Assistant Road Passenger Conductors and Ticket Collectors	Title is descriptive	Assistant Passenger Conductor, Ticket Collector	Corresponds to present ICC No. 111.
607	Road Freight Conductors (Through Freight)	Title is descriptive	Freight Conductor, Work Train Conductor, (paid through rate)	Corresponds to present ICC No. 112.
608	Road Freight Conductors (Local and Way Freight)	Title is descriptive	Freight Conductor, Work Train Conductor, (paid local rate)	Corresponds to present ICC No. 113.
609	Road Passenger Baggageperson, Passenger Brakemen and Flagmen	Title is descriptive	Baggageperson	Corresponds to present ICC No. 114.
610	Freight Brakemen and Freightmen (Through Freight)	Title is descriptive	Passenger Brakeman, Passenger Flagman	Corresponds to present ICC No. 115.
611	Freight Brakemen and Freightmen (Local and Way Freight)	Title is descriptive	Freight Brakeman, Freight Flagman, Work Train Brakeman (paid through rate)	Corresponds to present ICC No. 116.
612	Freight Brakemen and Freightmen (Local and Way Freight)	Title is descriptive	Freight Brakeman, Freight Flagman, Work Train Brakeman, (paid local rate)	Corresponds to present ICC No. 117.
613	Yard Conductors and Yard Foremen	Title is descriptive	Yard Conductor, Yard Foreman	Corresponds to present ICC No. 118.
614	Yard Brakemen and Yard Helpers	Title is descriptive	Yard Brakeman, Yard Helper	Corresponds to present ICC No. 119 Less Car Retarder Operator and other ground occupations not part of Yard Crew.
615	Road Passenger Engineers and Motormen	Title is descriptive	Passenger Engineer, Motorman, Operator	Corresponds to present ICC No. 120; adds new titles.
616	Road Freight Engineers (Through Freight)	Title is descriptive	Freight Engineer, Work Train Engineer, (paid through rate)	Corresponds to present ICC No. 121.
617	Road Freight Engineers (Local and Way Freight)	Title is descriptive	Freight Engineer, Work Train Engineer, (paid local rate)	Corresponds to present ICC No. 122.
618	Yard Engineers	Title is descriptive	Yard Engineer	Corresponds to present ICC No. 123.
619	Road Passenger Firemen and Helpers	Title is descriptive	Passenger Fireman	Corresponds to present ICC No. 124.
620	Road Freight Firemen and Helpers (Through Freight)	Title is descriptive	Freight Fireman	Corresponds to present ICC No. 125.
621	Road Freight Firemen and Helpers (Local and Way Freight)	Title is descriptive	Freight Fireman	Corresponds to present ICC No. 126.
622	Yard Firemen and Helpers	Title is descriptive	Yard Fireman	Corresponds to present ICC No. 127.
623				Corresponds to present ICC No. 128.

[47 FR 53868, Nov. 30, 1982, as amended at 50 FR 947, Jan. 8, 1985]

§ 1245.6

49 CFR Ch. X (10–1–96 Edition)

§ 1245.6 Cross reference to standard occupational classification manual.

Job title	SOC
100 Executives, Officials and Staff Assistants	
101 Executive and General Officers:	
President	121.
Vice President	121.
Assist. Vice President	121.
Controller	122.
Treasurer	122.
Director (Head of Sub-Department)	139.
General Superintendent	139.
Subdepartment Head	139.
Chief Engineer	1342 and 1639.
General Manager (Dept. or Sub-department Head)	137.
102 Corporate Staff Managers:	
Director (Other Than Sub-department Head)	139.
Assist. Director	139.
Assist. General Manager (Not Regional)	137.
Manager	137.
Assist. Manager	137.
Assist. Chief Engineer	1639.
Purchasing Agent	1449.
Superintendent (Not Division)	1342.
Assist. to (Corporate Executive or Gen. Officer)	149.
Executive Assist. (To Corporate Executive)	149.
Budget Officer	1419.
103 Regional and Division Officers, Assistants and Staff Assistants:	
Assist. General Manager	137.
Assist. Regional Manager	1342.
General Superintendent	1342.
Assist. to General Manager	137.
Division Superintendent	1342.
Master Mechanic	6117.
Division Sales Manager	125.
District Sales Manager	125.
Assist. Master Mechanic	6117.
District Engineer	1342 and 1639.
Assist. Superintendent	1342.
Captain of Police	5112.
Division Engineer	1638 and 1342.
Manager of Materials	4525.
Safety Inspector	1473.
Real Estate Agent	1353.
Real Estate Supv	1353.
Tax Agent	1412.
Buyer	1449.
Assist. Buyer	1449.
Sales Agent	4235.
Assist. Sales Agent	4235.
104 Transportation Officers/Managers:	
Train Master	1342.
Assist. Train Master	1342.
General Yard Master	8113.
General Road Foreman	1342.
Road Foreman	1342.
Assist. Road Foreman	1342.
Chief, Power Supervisor (Motive) ..	1342.
200 Professional and Administrative	
201 Professionals (Other Than Those Reported in 101 and 102):	
General Counsel	211.
Assist. General Counsel	211.
General Attorney	211.
Assist. General Attorney	211.
Attorney	211.
Commerce Counsel	211.

Job title	SOC
Chief Medical Officer	261.
Medical Officer	261.
Surgeon	261.
Company Surgeon	261.
Engineer	1639.
Architect	161.
Chief Chemist	1845.
Nurse	29 and 366.
Tax Accountant	1412.
Internal Auditor to Gen. Accountant ..	1412.
Corporate Accountant	1412.
Supervisor Programming	137.
Senior Computer System	1712.
Specialist Senior System Analyst ...	1712.
202 Subprofessionals:	
Draftsman	372.
Chemist	1845.
Assist. Chemist	1845.
X-ray Technician	365.
Supv. Estimating	149.
Junior Engineer	1639.
Engineer Trainee	1639.
Photographer	326.
Computer Programmer	397.
Computer Analyst	1712.
Market Analyst	1912.
Pricing Analyst	4716.
Employment Supv.	123.
Research Analyst	1721.
203 Auditors, Traveling Auditors or Accountants:	
Traveling Auditor	1412.
Accounting Specialist Auditor	1412.
Operations Traveling Auditor	1412.
Station Auditors	1412.
204 General and Administrative Supervisors:	
General Supv.	4511 and 137.
Supv.	4511 and 137.
Chief Clerk	4511 and 137.
Office Supv.	4511 and 137.
Supv. Admin.	149.
Office Manager	137.
Supv. Clerk	4511 and 137.
Head Clerk	4511 and 137.
Assist. Chief Clerk	4511 and 137.
Supv. Cashier	4529.
Division Supv.	4511 and 137.
Regional Supv.	4511 and 137.
Budget Supv.	1419.
Admin. Supv.	149.
Admin. Assist.	149.
205 Sales and Traffic Representatives and Agents:	
Freight Traffic Agent	4152.
Coal Traffic Agent	4152.
Sales Representative	4152.
Freight Sales Representative	4152.
Freight Traffic Representative	4152.
Passenger Sales Representative ...	4152.
206 Freight and other Claim Agents and Investigators:	
Claim Agent	4712.
Claim Investigator	4783.
Freight Claim Agent	4712.
Freight Claim Investigator	4783.
207 Supervising and Chief Claim Agents:	
Chief Claim Agent	4529 and 1473.
Chief Freight Claim Agent	4528.
Assist. Chief Claim Agent	4528 and 1473.
Chief District Claim Agent	4528.
District Freight Claim Agent	4528.
Chief Claim Investigator	4783.

Surface Transportation Board, DOT

§ 1245.6

Job title	SOC	Job title	SOC
208 Lieutenants and Sergeants of Police:		Bus Driver 8215.	
Police Lieutenant 5112.		Driver Chauffeur 8216.	
Police Sergeant 5112.		300 Maintenance of Way and Structures	
209 Police Officers, Watchmen and Guards (Except Crossing and Bridge):		301 Supervisors, Maintenance of Way, Structures, Communication and Signals:	
Police Officer 5132.		Roadmaster 1342.	
Patrolman 5144.		Division Roadmaster 1342.	
Watchman 5144.		Supv. Track 812.	
Guard 5144.		Supv. Bridges and Buildings 133.	
210 Inspectors (Except Maintenance of Wage and Equipment) other Investigators, Examiners, Instructors, and other Agents (except Station Agents):		Supv. Communications & Signals ... 1341.	
Rules Examiner 1473.		Assist. Supv 1341.	
Supv. Rules 1473.		General Foreman 1342.	
Safety Supv. 1473.		Assist. General Foreman 1342.	
Fire Marshall 5122.		Master Carpenter 6313.	
Fire Chief 1131 and 5111.		Chief Draftsman 372.	
Instructor 239.		302 Maintenance of Way, Structures, Communication and Signals, and Scale Inspectors:	
Supv. Procedures 4525.		Chief Bridges & Building Inspector 782.	
Supv. Yard Procedure 4525.		Chief Scale Inspector 782.	
212 Clerical Technicians and Clerical Specialists:		Bridge & Building Inspector 1472.	
Lead Clerk 4511 and 463.		Scale Inspector 782.	
Staff Assistant (Clerical) 4511 and 463.		Roadway Equipment Inspector 828.	
Statistician 1733.		Track and Roadway Inspector 828.	
Cashier 4364.		Instrument Man 6881 and 6151.	
Teller 4364.		Roadman 1472 and 8769.	
Assist. Statistician 1733.		Chainman 613.	
Rate Clerk 4716.		Inspector Communications & Signals.	
Pricing Clerk 4716.		Signal Inspector 1341.	
Computer Technician 4612.		303 Bridge and Building Gang Foreman:	
213 Office Machine and Data Equipment Operators:		Gang Foreman 6318.	
Machine Operator 4718.		Lead Foreman 6318.	
Clerk 463.		304 Bridge and Building Carpenter: Carpenter.	
Computer Operator 4612.		305 Bridge and Building Ironworkers: Iron Worker.	
Keypunch Operator 4793.		306 Bridge and Building Painter:	
Office Machine Technician 4718.		Painter 6442.	
214 Secretaries, Stenographers, and Typists:		Sign Painter 6863.	
Secretary 4622.		307 Masons, Bricklayers, Plasterers, and Plumbers:	
Stenographer 4623.		Mason 6413, 6444, 6463, and 6412.	
Typist 4624.		Bricklayer 6412.	
Clerk Typists 4624.		Plasterer 6444.	
Steno. Clerk 4623.		Plumber 645.	
215 General and other Clerks (Excluding Yard Clerk and Crew Dispatcher):		Operator 6467.	
File Clerk 4696.		Grinder 6467.	
General Clerk 463.		Welder 7714.	
Bookkeeper 4712.		308 Bridge and Building Helpers and Apprentices:	
Ticket Clerk 4644.		Bridge and Building Helper Appr ... 6473.	
Records Clerk 4696.		Carpenter Helper 8642.	
Trace Clerk 463.		Iron Worker Helper 6473 and 862.	
Assignment Clerk 4752.		Mason Helper 8641.	
Personnel Clerk 4692.		Plumber Helper 8645.	
M of W Clerks 4699.		Painter Helper 8644.	
M of E Clerks 4699.		Apprentice, Carpenter 6422.	
216 Telephone and Switchboard Operators:		Apprentice, Iron Worker 6473.	
Switchboard Operator 4732.		Apprentice Mason 6412, 6413, 6444, and 6463.	
Chief Operator 4523.		Plumber Apprentice 645.	
217 Building and Office Attendants:		Apprentice Painter 6442 and 8644.	
Elevator Operator 5245.		Welder Helper 862.	
Elevator Starter 5241.		309 Bridge and Building Gang and Bridge and Building Department Laborers: Bridge and Building Labor.	
Janitor 5244.		310 Track Gang Foreman (Extra Gang Work Train Laborers):	
Cleaner 5244.		Gang Foreman (Track) 6318.	
Porter 5244.			
218 Messengers and Office Persons:			
Messenger 4745.			
Office Person 4745.			
219 Motor Vehicle Operators:			
Truck Driver 8213 and 8214.			

§ 1245.6

49 CFR Ch. X (10–1–96 Edition)

Job title	SOC
Assist. Foreman	6318.
311 Gang or Section Foreman:	
Gang Foreman	6318.
Assist. Foreman	6318.
Section Foreman	6318.
312 Extra Gang Laborers:	
Trackman	6467.
Fence Laborer	6479 and 8769.
313 Section Laborers:	
Trackman	8769.
Track & Roadway Section Labor	8769.
314 Machine Operators:	
Craneman	8315.
Portable Equipment Engineer	8312.
Portable Equipment Operator	8319.
Machine Operator	8319.
Helper	8618.
315 Gang Foreman, Communications and Signals:	
Gang foreman	6318.
Assist. Gang Foreman	6318.
Lead Signal Maintainer	6318.
316 Signal and Signal Maintainer:	
Signalman	8233.
Signal Maintainer	6151 and 8233.
317 Linemen and Groundmen and Communications Craftsman:	
Electrical Worker (lineman)	6433.
Electrical Worker (groundsmen)	6432.
Communications Maintainer	6151.
318 Assistant Signalmen and Assistant Signalmen Maintainers:	
Assist. Signalman	8233 and 6151.
Assist. Signal Maintainer	6151 and 8233.
319 Signal Helpers and Signal Maintainer Helpers:	
Signalman Helper	8635.
Signalman Maintainer Helper	8635.
320 Camp Car Cooks:	
Camp Car Cook	5214.
Camp Car Helper	5219.
400 <i>Maintenance of Equipment and Stores</i>	
401 Supervisors and General Foreman, Maintenance of Equipment:	
General Foreman Shop	6318 and 1342.
General Foreman Enginehouse	6318 and 1342.
General Foreman Diesel Terminal	6318 and 1342.
Assist. General Foreman (M&E)	6318 and 1342.
402 Supervisors and General Foreman, Materials and Stores:	
Supv. Materials	4525.
Assist. Supv. Materials	4525.
General Foreman Stores	4524.
General Foreman Reclamations Plant.	6318.
Assist. General Foreman	6318.
403 Equipment, Shop, Electrical Inspectors:	
Chief Electrical Inspector	6314.
Chief Shop & Equipment Inspector	1472.
Electrical Inspector	1472.
Equipment Inspector	6881.
Inspector Diesel locomotive	6881.
Fuel Inspector	6831.
404 Materials and Supplies Inspector:	
Materials and Supplies Inspector	782.
Chief Materials and Supplies	4525.
Inspector	782.
Timber Inspector	782.
Tie Inspector	782.
405 Storekeeper:	
Storekeeper	4754.
Assist. Storekeeper	4754.

Job title	SOC
Materials Clerk	4754.
Store Clerk	4754.
406 Gang Foreman, Maintenance of Equipment: Gang Foreman.	6318.
407 Blacksmith:	
Blacksmiths	6179.
408 Boilermakers:	
Boilermaker	6814.
409 Carmen (Freight):	
Car Repairmen	6117.
Car Inspector	828.
Car Painter	6442.
410 Carmen (other):	
Carman	6117.
411 Electrical Workers (A):	
Electrician	6432.
Electrical Worker	6159.
412 Electrical Workers (B):	
Crane Operator	8315.
Load Dispatcher	4751.
Power Station Operator	6932.
Assist. Power Director	6932.
413 Electrical Workers (C):	
Coal and Ore Elevator Operator (elec).	8319.
Grain Elevator Operator (electrical)	8319.
414 Machinists:	
Machinist	6813.
415 Sheet Metal Workers:	
Sheet Metal Worker	6824.
416 Skilled Trades, Helpers, Maintenance of Equipment and Stores: Helper.	861, 862, 863, and 864.
417 Apprentices, Maintenance of Equipment and Stores:	
Apprentice	863.
Helper Apprentices	863.
418 Coach Cleaners: Coach Cleaner	875.
419 Laborers; Shops, Enginehouses, and Power Plants: Laborer.	8769, 86, and 87.
420 Gang Foreman, Materials and Stores: Gang Foreman.	6318.
421 Equipment Operators and General Laborers, Materials and Stores:	
Laborer	8725, and 8769.
Materials Handler	8726.
Equipment Operator	8239.
Machine Operator	8319.
422 Stationary Engineers:	
Chief Engineer (Steam Plant)	6932.
Engineer	6932.
Stationary Engineer	6931.
423 Stationary Firemen:	
Stationary Fireman	5122 and 8619.
Power Equipment Operator Helper	8319.
Oiler	614.
500 <i>Transportation other Than Train and Engine</i>	
501 Transportation Supervisor and Chief Train Dispatcher:	
Chief Train Dispatcher	8113.
Supv. Train Operator	1342.
Transportation Supv	1342.
Supv. Locomotives and Car Dist	4759 and 8111.
Assist. Chief Train Dispatcher	8113.
502 Train Dispatchers: Train Dispatcher.	8113.
503 Station, Freight and Passenger Agents:	
Supv. Station Agent	4514.
Assist. Supv. Station Agent	4514.
Station Agent	4514.
Freight Agent	4644.
Passenger Agent	4644.

Surface Transportation Board, DOT

§ 1245.6

Job title	SOC	Job title	SOC
Ticket Agent	4644.	Engineer	8244.
Traveling Agent	4644.	Mate	8242.
Agent Operators	4514.	Deckhand	8243.
504 Chief Operators and Wire Chiefs:		Oiler Purser	8244.
Supv. Operator	4523.	Boat Master	8241.
Chief Operator	4523.	Fireman	8243.
Assist. Supv. Operator	4523.	Wharf Master	1342.
Wire Chief	4523 and 60.	Able Seaman	8243.
505 Clerk Operators, Towerman, Train		Baggageman	5262.
Directors:		Boat Dispatcher	1342.
Clerk Operator	4632.	518 Train Attendants:	
Block Operator	4632.	Porter	5262.
Operator	4632.	Buffet Lounge Attendant	4366.
Towerman	8239.	Stewardess	5211.
Train Director	8113.	519 Bridge Operators and Helpers:	8245.
506 Station Masters and Assistants,		Bridge Operator.	
Supervising Baggage Agents, Bag-		520 Bridge and Crossing Flagmen and	
gage Agents and Assistants:		Gatemen:	
Stationmaster	1342.	Bridge Flagman	8769.
Assist. Station Master	1342.	Crossing Gateman	5144.
Supv. Baggage Agent	4525.	521 Yard Clerks:	
Baggage Agent	5262.	Yard Clerk	4754.
Assist. Baggage Agent	5262.	Yard Caller	4745.
Parcel Room Agent	4744.	Yard Dispatcher Clerk	4752.
507 Baggage Parcel Room and Station		Piggyback Clerk	4753.
Attendants:		Yard Demurrage Clerk	4715.
Baggage Attendant	5262.	522 Crew Dispatchers:	
Parcel Room Attendant	4744.	Crew Dispatcher	4751 and 4525.
Station Attendant	4514.	Crew Caller	4745.
Gateman	5144.	523 Yardmasters and Assistant	
Announcer	4649.	Yardmasters:	
Station Usher	5256.	Yardmaster	8113.
Red Cap	5262.	Assist. Yardmaster	8113.
Information Bureau Attendant	4649.	600 <i>Transportation, Train and Engine</i>	
508 General and Assistant General		601 Switchtenders: Switchtender	8233.
Foreman, Stations, Warehouses,		602 Car Retarder Operators and	
Grain Elevators and Docks:		Ground Service Employees:	
General Foreman	6318.	Car Retarder Operator	8239.
Assist. General Foreman	6318.	Skatesman	8769.
509 Gang Foreman, Stations, Ware-		Herder	8769.
houses, Grain Elevators and Docks:		Yard Pilot	8113.
Gang Foreman	6318.	603 Outside Hostlers: Outside Hostler	8232.
510 Grain Elevator and Dock Labor-		604 Outside Hostlers Helpers: Outside	8232.
ers:		Hostler Helper.	
Laborer	8242.	605 Inside Hostlers: Inside Hostler	8232.
511 Station and Warehouse Laborers:		606 Road Passenger Conductors:	8113.
Loader	8726.	Passenger Conductor.	
Sealer	8769 and 8724.	607 Assistant Road Passenger Con-	
512 Trucks (Station, Warehouse and		ductor and Ticket Collectors:	
Platforms):		Assistant Passenger Conductor	8113.
Trucker	8214.	Ticket Collector	5256.
513 Food and Lodging Manager, Su-		608 Road Freight Conductors	
pervisors:		(Through Freight):	
Manager Lodging House	1351.	Freight Conductor	8113.
Restaurant Manager	1351.	Work Train Conductor	8113.
Dining Car Supv.	5211, and 1473.	609 Road Freight Conductors (Local	
Dinning car Steward	5211.	and Way Freight):	
514 Transportation and Dining Service		Freight Conductor	8113.
Inspectors:		Work Train Conductor	8113.
Instructor Chef	5214.	610 Road Passenger	5262.
Restaurant Inspector	828.	Baggagepersons: Baggageperson.	
Freight Service Inspector	828.	611 Road Passenger Brakeman and	
Baggage Inspector	828.	Flagman:	
515 Waiters and Kitchen Helpers		Passenger Brakeman	8233.
(Restaurant and Dining):		Passenger Flagman	5142.
Waiter-in-Charge	5211.	612 Road Freight Brakemen and	
Waiter	5211.	Flagmen (Through Freight):	
516 Chefs and Cooks (Restaurant and		Freight Brakeman	8233.
Dining Car):		Freight Flagman	5142.
Chef	5211.	Work Train Brakeman	8233.
Cook	5211 and 5214.	613 Road Freight Brakemen and	
517 Marine Officers and Workers and		Flagmen (Local and Way Freight):	
Shore Workers:		Freight Brakeman	8233.
Captain	8242.	Freight Flagman	5142.

§ 1246.1

Job title	SOC
Work Train Brakeman	8233.
614 Yard Conductors and Yard Foremen:	
Yard Conductor	8113.
Yard Foreman	8113.
615 Yard Brakemen and Yard Helpers:	
Yard Brakeman	8233.
Yard Helper	8769.
616 Road Passengers Engineers and Motormen:	
Passenger Engineer	8232.
Motorman Operator	8232.
617 Road Freight Engineers (Through Freight):	
Freight Engineer	8232.
Work Train Engineer	8232.
618 Road Freight Engineers (Local and Way Freight):	
Freight Engineer	8232.
Work Train Engineer	8232.
619 Yard Engineers: Yard Engineer	8232.
620 Road Passenger Firemen and Helpers: Passenger Fireman.	8232.
621 Road Freight Firemen and Helpers (Through Freight): Freight Fireman.	8232.
622 Road Freight Firemen and Helpers (Local and Way Freight): Freight Fireman.	8232.
623 Yard Firemen and Helpers: Yard Fireman.	8232.

[47 FR 53871, Nov. 30, 1982, as amended at 50 FR 947, Jan. 8, 1985]

PART 1246—NUMBER OF RAILROAD EMPLOYEES

AUTHORITY: 5 U.S.C. 553; 49 U.S.C. 10321.

§ 1246.1 Monthly report of number of railroad employees.

Each class I railroad shall file a Monthly Report of Number of Railroad Employees (Form MRRE) each month. The report should be mailed to Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, by the end of the month to which it applies.

[47 FR 53868, Nov. 30, 1982]

NOTE: The report forms prescribed by parts 1245 and 1246 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

PART 1248—FREIGHT COMMODITY STATISTICS

Subpart A—Railroads

Sec.

1248.1 Freight commodity statistics.

1248.2 Items to be reported.

49 CFR Ch. X (10–1–96 Edition)

- 1248.3 Carload and L.C.L. traffic defined.
- 1248.4 Originating and connecting line traffic.
- 1248.5 Report forms and date of filing.
- 1248.6 Public inspection—railroad reports.

Subpart B—Commodity Code

- 1248.100 Commodity classification designated.
- 1248.101 Commodity codes required.

NOTE: The report forms prescribed by part 1248 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

Subpart A—Railroads

AUTHORITY: 5 U.S.C. 553; 49 U.S.C. 10321, 11144 and 11145.

§ 1248.1 Freight commodity statistics.

All class I railroads, as described in § 1240.1 of this chapter, subject to Part I of the Interstate Commerce Act, shall compile and report freight commodity statistics on the basis of the commodity codes named in § 1248.101. Carriers shall report quarterly on the basis of the 3, 4 and 5-digit commodity codes named in that section. Such reports shall be made in conformity with the outline of terms set forth in §§ 1248.2 to 1248.5, inclusive, as supplemented by instructions included in the appropriate report form to be supplied to the reporting railroads.

[47 FR 6880, Feb. 17, 1982]

§ 1248.2 Items to be reported.

(a) The following items are to be reported quarterly and annually by class I railroads:

(1) Average number of miles of road operated in freight service.

(2) For each commodity code used in reporting, except that the number of carloads for commodity code 431, "Small packaged freight shipments," shall be omitted, the following items:

Revenue freight originating on respondent's road:

Terminating on line:

Number of carloads.

Number of tons (2,000 pounds).

Delivered to connecting rail carriers.

Number of carloads.

Number of tons (2,000 pounds).

Revenue freight received from connecting rail carriers:

Terminating on line:

Surface Transportation Board, DOT

§ 1248.4

Number of carloads.
Number of tons (2,000 pounds).
Delivered to connecting rail carriers:
Number of carloads.
Number of tons (2,000 pounds).
Total revenue freight carried:
Number of carloads.
Number of tons (2,000 pounds).
Gross freight revenue.
(b) [Reserved]

[32 FR 20466, Dec. 20, 1967, as amended at 47 FR 6880, Feb. 17, 1982]

§ 1248.3 Carload and L.C.L. traffic defined.

(a) Commodity codes 01 through 422 and 44 through 462, named in § 1248.101, shall include only carload traffic. All shipments weighing less than 10,000 pounds shall be included in commodity code 431, "Small packaged freight shipments."

(b) A *carload* for the purpose of this order shall consist of a shipment of not less than 10,000 pounds of one commodity. A mixed carload for the purpose of this order shall be treated as a carload of that commodity which forms the major portion of the shipment in weight. If a single shipment is loaded into more than one car, each car used shall be reported as a carload. If more than one *carload* shipment is loaded into one car, each shipment shall be reported separately as a carload.

[32 FR 20466, Dec. 20, 1967]

§ 1248.4 Originating and connecting line traffic.

(a) Revenue freight reported as *received from connecting rail carriers* shall include all shipments received from connecting rail carriers, either directly or indirectly, so far as apparent from information on the waybills or abstracts.

(b) Revenue freight reported as *originating on respondent's road* shall include shipments originating on line and shipments received from water lines and highway motor truck lines, except when identified as having had previous rail transportation, as provided in paragraph (a) of this section.

(c) Freight which receives its first line-haul on respondent's road, but originates on switching roads connecting directly or indirectly with respondent's line, shall be reported as freight originated by respondent.

(d) Revenue freight reported as *delivered to connecting rail carriers* shall include shipments delivered to connecting rail carriers, either directly or indirectly, as far as apparent from information on waybills or abstracts.

(e) Revenue freight reported as *terminating on respondent's road* shall include shipments terminating on line and shipments delivered to water lines and highway motor truck lines, except when identified as to receive further rail transportation as provided in paragraph (d) of this section.

(f) Freight which receives its last line haul on respondent's line, but is delivered to a switching road connecting directly or indirectly with respondent's line, shall be reported as freight terminated by respondent.

(g) Import and export traffic received from or delivered to water carriers and traffic from and to outlying possessions of the United States received from or delivered to water carriers shall be reported as originating or terminating at the port of entry or exit.

(h) Traffic interchanged with connecting rail lines operating in Canada and Mexico shall be reported as delivered to or received from connecting rail carriers.

(i) Lake cargo coal delivered to lower Lake and St. Lawrence River ports for transshipment by vessel shall be reported as *delivered to connecting rail carrier*. Lake cargo coal received at upper Lake ports shall be reported as *received from connecting rail carriers*.

(j) Iron ore delivered to upper Lake ports for transshipment by vessel shall be reported as *delivered to connecting rail carriers*. Iron ore received at lower Lake and St. Lawrence River ports shall be reported as *received from connecting rail carriers*.

(k) Tidewater coal to Atlantic ports shall be reported as "delivered to connecting rail carriers." Tidewater coal from Atlantic ports shall be reported as "received from connecting rail carriers."

(l) Freight accorded transit privileges shall be reported as "originated on respondent's road" at the transit point, even though the outbound shipment may move under transit balances or proportional rates.

§ 1248.5

(m) “Gross freight revenue” means respondent’s gross revenue from freight without adjustment for absorptions or corrections.

(n) Commodity codes 44 and 441, “Freight forwarder traffic,” as named in §1248.101, include freight traffic in carloads shipped by or consigned to any forwarder holding a certificate under Part IV of the Interstate Commerce Act.

[32 FR 20466, Dec. 20, 1967]

§ 1248.5 Report forms and date of filing.

(a) Reports required from class I carriers by this section shall be filed in duplicate with the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, on forms which will be furnished to the carriers. Data required under §1248.2 shall be filed on Form QCS on or before the 60th day succeeding the close of the period for which they are compiled.

(b) [Reserved]

NOTE: The outline of Report Form QCS follows the tenor of the order.

[32 FR 20466, Dec. 20, 1967, as amended at 47 FR 6881, Feb. 17, 1982]

§ 1248.6 Public inspection—railroad reports.

The individual commodity statistics reports of class I railroads, required to be filed, for the year beginning January 1, 1964, or for quarters thereof, and for the quarters of 1965, as the case might be, under the terms of §123.1, shall not be open to public inspection, and such required commodity statistics reports, to be filed for the years beginning January 1, 1965, and for the quarters of the year beginning January 1, 1966, and later, to the extent that they involve traffic of less than three shippers, reportable in one of the commodity reporting classes, may be excluded from a railroad’s regular freight commodity statistics report and filed in a supplemental report which will not be open for public inspection, except that access to supplemental reports may be given upon approval by the Commission.

[32 FR 20466, Dec. 20, 1967, as amended at 47 FR 6881, Feb. 17, 1982]

49 CFR Ch. X (10–1–96 Edition)

Subpart B—Commodity Code

AUTHORITY: Sec. 12, 24 Stat. 383, as amended, sec. 20, 24 Stat. 386, as amended, sec. 204, 49 Stat. 546, as amended, sec. 304, 54 Stat. 933, sec. 220, 49 Stat. 563, as amended, sec. 313, 54 Stat. 944, as amended; 49 U.S.C. 12, 20, 304, 320, 904, 913; 49 U.S.C. 10321 and 5 U.S.C. 553.

§ 1248.100 Commodity classification designated.

Commencing with reports for the year or quarter beginning January 1, 1964, as the case might be, and thereafter until further order, reports of commodity statistics required to be made to the Commission, shall be based on the commodity codes, up to 5 digits, in groups 01 through 40, in the Commodity Classification for Transportation Statistics, 1963, issued by the Bureau of the Budget, and on additional codes 411 through 462 shown in §1248.101.

[32 FR 20466, Dec. 20, 1967. Redesignated at 46 FR 9116, Jan. 28, 1981, and 46 FR 10745, Feb. 4, 1981]

§ 1248.101 Commodity codes required.

Commodity codes required to be reported, as referred to in this part, are as follows:

Code	Description
01	FARM PRODUCTS.
011	Field Crops.
0112	Cotton, raw.
01121	Cotton in bales.
01131	Barley.
01132	Corn, except popcorn.
01133	Oats.
01134	Rice, rough.
01135	Rye.
01136	Sorghum grains.
01137	Wheat, except buckwheat.
01139	Grain, n.e.c.
0114	Oil seeds, oil nuts, and oil kernels, except edible tree nuts.
01144	Soybeans.
0115	Field seeds, except oil seeds.
0119	Miscellaneous field crops.
01193	Leaf tobacco.
01195	Potatoes, other than sweet.
01197	Sugar beets.
012	Fresh Fruits and Tree Nuts.
0121	Citrus fruits.
0122	Deciduous fruits.
01221	Apples.
01224	Grapes.
01226	Peaches.
0123	Tropical fruits, except citrus.
01232	Bananas.
0129	Miscellaneous fresh fruits and tree nuts.
01295	Coffee, green.
013	Fresh Vegetables.
0131	Bulbs, roots, and tubers, with or without tops except potatoes.

Surface Transportation Board, DOT

§ 1248.101

Code	Description	Code	Description
01318	Onions, dry.	14514	Kaolin and ball clay.
0133	Leafy fresh vegetables.	147	Chemical and Fertilizer Minerals.
01334	Celery.	14711	Barite.
01335	Lettuce.	14713	Potash, soda and borate.
0134	Dry ripe vegetable seeds, etc. (except artificially dried).	14714	Phosphate rock.
		14715	Rock salt.
01341	Beans, dry ripe.	14716	Sulphur.
01342	Peas, dry.	149	Miscellaneous Nonmetallic Minerals. Except Fuels.
0139	Miscellaneous fresh vegetables:		
01392	Watermelons.	14911	Gypsum and anhydrite.
01394	Tomatoes.	14913	Native asphalt and bitumens.
01398	Melons, except watermelons (cantaloupes, muskmelons, etc.).	14914	Pumice and pumicite.
014	Livestock and Livestock Products.	19	ORDINANCE AND ACCESSORIES.
0141	Livestock.	191	Guns, Howitzers, Mortars, and Related Equipment, Over 30 mm.
01411	Cattle.	192	Ammunition, Except for Small Arms (over 30 mm.).
01413	Hogs and pigs.		
01414	Sheep and lambs.	193	Full Tracked Combat Vehicles and Parts.
0142	Dairy farm products, except pasteurized.	194	Sighting and Fire Control Equipment.
0143	Animal fibers.	195	Small Arms, 30 mm. and Under.
01431	Wool.	196	Small Arms Ammunition, 30 mm. and Under.
015	Poultry and Poultry Products.	199	Miscellaneous Ordnance and Accessories.
0151	Live poultry.	20	FOOD AND KINDRED PRODUCTS.
0152	Poultry eggs.	201	Meat (Including Poultry and Small Game): Fresh, Chilled, or Frozen.
019	Miscellaneous Farm Products.		
0191	Horticultural specialties.	2011	Meat, fresh or chilled, except salted.
0192	Animal specialties.	2012	Meat, fresh-frozen.
08	FOREST PRODUCTS	2013	Meat products.
084	Gums and Barks, Crude.	2014	Animal by-products, inedible.
08423	Latex and allied gums (crude natural rubber).	20141	Hides, skins, and pelts, not tanned (cattle, pig, goat, sheep, mule, and horse).
086	Miscellaneous Forest Products.	2015	Dressed poultry, small game, and related products, fresh, chilled or canned.
09	FRESH FISH AND OTHER MARINE PRODUCTS.		
091	Fresh Fish and Other Marine Products.	2016	Dressed poultry, small game and related products, fresh-frozen.
0912	Fresh fish and whale products, including frozen unpackaged fish.	202	Dairy Products.
09131	Shells (oyster, crab, clam, etc.)	2021	Creamery butter.
10	METALLIC ORES.	2023	Condensed, evaporated milk and dry milk.
101	Iron Ores.	2024	Ice cream and related frozen desserts.
10112	Beneficiating-grade ore, crude.	2025	Cheese and other special dairy products.
102	Copper Ores.	2026	Processed whole milk, skim milk, cream and other fluid products.
103	Lead and Zinc Ores.		
1031	Lead ores.	203	Canned and Preserved Fruits, Vegetables and Sea Foods.
1032	Zinc ores.		
104	Gold and Silver Ores.	2031	Canned and cured sea foods.
105	Bauxite and Other Aluminum Ores.	2032	Canned specialties.
106	Manganese Ores.	2033	Canned fruits and vegetables.
107	Tungsten Ores.	2034	Dried and dehydrated fruits and vegetables (except field dried) and soup mix.
108	Chromium Ores.		
109	Miscellaneous Metal Ores.	2035	Pickled fruits and vegetables; sauces and seasoning; salad dressing.
11	COAL.		
111	Anthracite Coal.	2036	Fresh or frozen packaged fish.
11111	Raw anthracite (lump).	2037	Frozen fruits, fruit juices, vegetables and specialties.
11112	Cleaned or prepared anthracite (crushed, screened, or sized).	204	Grain Mill Products.
112	Bituminous Coal and Lignite.	2041	Flour and other grain mill products.
1121	Bituminous coal.	20411	Wheat flour, except blended and prepared.
13	CRUDE PETROLEUM, NATURAL GAS, AND NATURAL GASOLINE.	20421	Prepared feeds for animals and fowls, except canned.
131	Crude Petroleum and Natural Gas.	20423	Canned feed for animals and poultry.
132	Natural Gasoline.	2043	Cereal preparations.
14	NONMETALLIC MINERALS, EXCEPT FUELS.	2044	Milled rice, flour and meal.
141	Dimension Stone, quarry.	2045	Blended and prepared flour.
142	Crushed and Broken Stone, including riprap.	2046	Corn starch, sirup, oil, sugar and by-products (wet process).
14211	Agricultural limestone.		
14219	Crushed and broken stone, including riprap, n.e.c.	20461	Corn sirup.
		20462	Corn starch.
144	Sand and Gravel.	20463	Corn sugar.
14411	Sand (aggregate and ballast).	205	Bakery Products.
14412	Gravel (aggregate and ballast).	206	Sugar (beet and cane).
14413	Industrial sand and gravel.	2061	Sugar mill products and by-products.
145	Clay, Ceramic and Refractory Minerals.	20611	Raw cane and beet sugar.
14511	Bentonite.	20616	Sugar molasses, except blackstrap.
14512	Fire clay.	20617	Blackstrap molasses.

§ 1248.101

49 CFR Ch. X (10–1–96 Edition)

Code	Description	Code	Description
2062	Sugar, refined: Cane and beet.	244	Wooden Containers.
20625	Sugar refining by-products.	249	Miscellaneous Wood Products.
20626	Pulp, molasses, beet.	2491	Creosoted or oil treated wood products.
207	Confectionery and related products.	25	FURNITURE AND FIXTURES
208	Beverages and flavoring extracts.	251	Household and Office Furniture.
20821	Beer, ale, porter, stout: Bottled, barrels, kegs.	253	Public Building and Related Furniture.
20823	Malt extract and brewers's spent grains.	254	Partitions, Shelving, Lockers, Office, and Store Fixtures.
2083	Malt.	259	Miscellaneous Furniture and Fixtures.
2084	Wines, brandy, and brandy spirits.	26	PULP, PAPER AND ALLIED PRODUCTS
20851	Distilled, rectified and blended liquors.	261	Pulp and pulp mill products.
20859	By-products of liquor distilling.	26111	Pulp.
2086	Bottled and canned soft drinks and carbonated and mineral waters.	262	Paper, except building paper.
2087	Miscellaneous flavoring extracts and flavoring sirups and compounds except chocolate syrups.	26211	Newsprint.
209	Miscellaneous Food Preparations and Kindred Products.	26216	Coarse paper, including wrapping paper.
20911	Cottonseed oil, crude or refined.	263	Paperboard, pulpboard and fiberboard, except insulating board.
20914	Cottonseed cake, meal and other by-products.	264	Converted paper and paperboard products, except containers and boxes.
20921	Soybean oil, crude or refined.	2643	Paper bags.
20923	Soybean cake, meal, flour, grits, and other by-products.	265	Containers and boxes, paperboard, fiberboard and pulpboard.
2093	Vegetable and nut oils and by-products, except cottonseed and soybean.	266	Building paper and building board.
2094	Marine fats and oils.	2661	Building paper and building board.
2095	Roasted coffee, including instant coffee.	26613	Wallboard.
2096	Shortening, table oils, margarine and other edible fats and oils, n.e.c.	27	PRINTED MATTER.
2097	Ice, natural or manufactured.	271	Newspapers.
2098	Macaroni, spaghetti, vermicelli, and noodles.	272	Periodicals.
21	TOBACCO PRODUCTS:	273	Books.
211	Cigarettes.	274	Miscellaneous Printed Matter.
212	Cigars.	276	Manifold Business Forms.
213	Chewing and Smoking Tobacco and Snuff.	277	Greeting Cards, Seals, Labels, And Tags.
214	Stemmed and Redried Tobacco.	278	Blankbooks, Looseleaf Binders and Devices.
22	BASIC TEXTILES:	279	Products of Service Industries for the Printing Trades.
221	Cotton Broad Woven Fabrics.	28	CHEMICAL AND ALLIED PRODUCTS
222	Man-made Fiber and Silk Broad Woven Fabrics.	281	Industrial Inorganic and Organic Chemicals.
223	Wool Broad Woven Fabrics.	2812	Sodium, potassium, and other basic inorganic chemical compounds and chlorine.
224	Narrow Fabrics.	2813	Sodium compounds, except sodium alkalis.
225	Knit Fabrics.	2814	Industrial gases (compressed and liquefied).
227	Carpets and Rugs, Textile.	2816	Crude products from coal tar, petroleum and natural gas.
228	Yarn and Thread.	2818	Inorganic pigments.
229	Miscellaneous Basic Textiles.	28184	Miscellaneous industrial organic chemicals.
2296	Tire cord and fabrics.	2819	Alcohols.
2297	Wool and mohair (scoured, combed, carbonized): Tops, noils, nubs, slubs and grease.	28193	Miscellaneous industrial inorganic chemicals.
2298	Cordage and twine.	282	Sulphuric acid.
23	APPAREL AND OTHER FINISHED TEXTILE PRODUCTS INCLUDING KNIT.	28212	Plastics Materials and Synthetic Resins, Synthetic Rubbers and Fibers.
231	Men's, Youths', and Boys' Clothing.	28213	Synthetic rubber.
233	Women's, Misses', Girls', and Infants' Clothing.	283	Synthetic organic fibers.
235	Millinery, Hats and Caps.	284	Drugs (Biological Products, Medicinal Chemicals, Botanical Products and Pharmaceutical Preparations).
237	Fur Goods.	2841	Soap, Detergents, and Cleaning Preparations, Perfumes, Cosmetics and Other Toilet Preparations.
238	Miscellaneous Apparel and Accessories.	2841	Soap and other detergents, except specialty cleansers.
239	Miscellaneous Fabricated Textile Products.	285	Paints, Varnishes, Lacquers, Enamels, and Allied Products.
24	LUMBER AND WOOD PRODUCTS, EXCEPT FURNITURE.	286	Gum and Wood Chemicals.
241	Primary Forest Products (Pulpwood, Piling, Posts, Logs, Bolts, etc.).	287	Agricultural Chemicals.
24114	Pulpwood logs.	2871	Fertilizers.
24115	Pulpwood chips.	289	Miscellaneous Chemical Products.
24116	Woodposts, poles and piling.	2892	Explosives.
242	Lumber and Dimension Stock:	28991	Salt.
2421	Lumber and dimension stock:	29	PETROLEUM AND COAL PRODUCTS.
24212	Sawed ties (railroads, mine, etc.).	291	Products of Petroleum Refining.
2429	Miscellaneous sawmill and planing mill products (shingles, cooperage stock, etc.).	29111	Gasoline, jet fuels and other high volatile petroleum fuels, except natural gasoline.
243	Millwork, Veneer, Plywood, Prefabricated Structural Wood Products.	29112	Kerosene.
2431	Millwood.		
2432	Veneer and plywood.		

Surface Transportation Board, DOT

§ 1248.101

Code	Description	Code	Description
29113	Distillate fuel oil.	3333	Primary zinc and zinc base alloys smelter products.
29114	Lubricating and similar oils and derivatives.	3334	Primary aluminum and aluminum base alloys smelter products.
29115	Lubricating greases.	335	Nonferrous Metal Basic Shapes.
29116	Asphalt, tar and pitches (petroleum, cokeoven, coal tar).	3351	Copper, brass or bronze and other copper base alloy basic shapes.
29117	Residual fuel oil and other low volatile petroleum fuels.	3352	Aluminum and aluminum base alloy basic shapes except aluminum foil.
29119	Products of petroleum refining, n.e.c.	3357	Nonferrous wire, including insulated wire.
2912	Liquefied petroleum gases and coal gases.	336	Nonferrous and Nonferrous Base Alloy Castings.
295	Paving and Roofing Materials.	3361	Aluminum and aluminum base alloy castings.
2951	Paving mixtures and blocks.	2262	Brass, bronze, copper, and copper base alloy castings.
2952	Asphalt felt and coatings.	339	Miscellaneous Primary Metal Products.
299	Miscellaneous Petroleum and Coal Products.	3391	Iron and steel forgings.
29911	Coke and coal briquettes.	3392	Nonferrous forgings.
30	RUBBER AND MISCELLANEOUS PLASTIC PRODUCTS.	34	FABRICATED METAL PRODUCTS, EXCEPT ORDNANCE, MACHINERY, AND TRANSPORTATION EQUIPMENT.
301	Tires and Inner Tubes.	341	Metal Cans.
302	Rubber Footwear.	342	Cutlery, Hand Tools, and General Hardware.
303	Reclaimed Rubber.	343	Plumbing Fixtures and Heating Apparatus, Except Electric.
306	Miscellaneous Fabricated Rubber Products.	3433	Heating equipment, except electric.
307	Miscellaneous Plastics Products.	344	Fabricated structural metal products.
31	LEATHER AND LEATHER PRODUCTS.	3441	Fabricated structural metal products.
311	Leather.	345	Bolts, Nuts, Screws, Rivets, Washers, and Other Industrial Fasteners.
312	Industrial Leather Belting and Packing.	346	Metal Stampings.
313	Boot and Shoe Cut Stock and Findings, All Materials.	348	Miscellaneous Fabricated Wire Products.
314	Footwear, Except Rubber.	349	Miscellaneous Fabricated Metal Products.
315	Leather Gloves and Mittens.	3491	Metal barrels, drums, kegs, and pails.
316	Luggage, Handbags, and Other Personal Leather Goods (all materials).	3494	Valves and pipe fittings (except plumbers' brass goods and fittings), fabricated pipe and fabricated pipe fittings.
319	Miscellaneous Leather Goods.	35	MACHINERY, EXCEPT ELECTRICAL.
32	STONE, CLAY AND GLASS PRODUCTS.	351	Engines and Turbines.
321	Flat Glass.	352	Farm Machinery and Equipment.
322	Glass and Glassware, Pressed and Blown.	353	Construction, Mining and Materials Handling Equipment.
3221	Glass containers.	3531	Construction machinery and equipment.
324	Hydraulic Cement.	3532	Mining machinery and equipment, except oil field machinery and equipment.
32411	Cement, hydraulic; Portland, natural, masonry, puzzolan.	3533	Oil field machinery and equipment.
325	Structural Clay Products.	3537	Industrial trucks, tractors, trailers, and stackers.
3251	Brick and structural clay tile.	354	Metalworking Machinery and Equipment.
32511	Brick, except ceramic glazed and refractory brick.	355	Special Industry Machinery, Except Metalworking Machinery.
3253	Ceramic wall and floor tile.	356	General Industrial Machinery and Equipment.
3255	Refractories, clay and nonclay.	357	Office, Computing, and Accounting Machines.
3259	Miscellaneous structural clay products.	358	Service Industry Machines.
32594	Roofing tile.	359	Miscellaneous Machinery and Parts, Except Electrical.
326	Pottery and Related Products.	36	ELECTRICAL MACHINERY, EQUIPMENT AND SUPPLIES.
327	Concrete, Gypsum, and Plaster Products.	361	Electrical Transmission and Distribution Equipment.
3271	Concrete products.	362	Electrical Industrial Apparatus.
3274	Lime.	363	Household Appliances.
3275	Gypsum products.	3631	Household cooking equipment, all types.
328	Cut Stone and Stone Products.	3632	Household refrigerators and home and farm freezers.
329	Abrasives, Asbestos, and Miscellaneous Non-metallic Mineral Products.	3633	Household laundry equipment.
3291	Abrasive products.	364	Electric Lighting and Wiring Equipment.
33	PRIMARY METAL PRODUCTS.	365	Radio and TV Receiving Sets, Except Communication Types.
331	Steel Works and Rolling Mill Products.	366	Communication Equipment.
33111	Pig iron.	367	Electronic Components and Accessories.
33112	Slag.	369	Miscellaneous Electrical Machinery, Equipment, and Supplies.
33113	Coke, screenings and breeze.	37	TRANSPORTATION EQUIPMENT.
33119	Coke oven and blast furnace products, n.e.c.	371	Motor Vehicles and Motor Vehicle Equipment.
3312	Primary iron and steel products, except coke oven by-products.	3711	Motor vehicles.
33121	Steel ingot and semi-finished shapes.		
3313	Ferro-alloys.		
3315	Steel wire, nails, and spikes.		
332	Iron and Steel Castings.		
33211	Iron and steel cast pipe and fittings.		
333	Nonferrous Metals Primary Smelter Products (Slab, Ingot, Pig, etc., and Residues).		
3331	Primary copper and copper base alloys smelter products.		
3332	Primary lead and lead base alloys smelter products.		

§ 1249.1

Code	Description
37111	Passenger cars, assembled.
37112	Truck tractors, and trucks, assembled.
37113	Motor coaches, assembled (including trolley busses) and fire department vehicles.
3712	Passenger car bodies and body parts.
3713	Truck and bus bodies and body parts.
3714	Motor vehicle parts and accessories.
3715	Truck trailers.
372	Aircraft and Parts.
373	Ships and Boats.
374	Railroad Equipment.
375	Motorcycles, Bicycles, and Parts.
379	Miscellaneous Transportation Equipment.
38	INSTRUMENTS, PHOTOGRAPHIC AND OPTICAL GOODS, WATCHES AND CLOCKS.
381	Engineering, Laboratory, and Scientific Instruments.
382	Measuring, Controlling, and Indicating Instruments.
383	Optical Instruments and Lenses.
384	Surgical, Medical, and Dental Instruments and Supplies.
385	Ophthalmic or Opticians' Goods.
386	Photographic Equipment and Supplies.
387	Watches, Clocks, Clockwork Operated Devices, and Parts.
39	MISCELLANEOUS PRODUCTS OF MANUFACTURING.
391	Jewelry, Silverware, and Plated Ware.
393	Musical Instruments and Parts.
394	Toys, Amusement, Sporting and Athletic Goods.
3949	Sporting and athletic goods.
395	Pens, Pencils, and Other Office and Artists' Materials.
396	Costume Jewelry, Novelties, Buttons, and Notions.
398	Miscellaneous Manufactured Products—A.
399	Miscellaneous Manufactured Products—B.
40	WASTE AND SCRAP MATERIALS.
401	Ashes.
402	Waste and Scrap, Except Ashes.
4021	Metal scrap, waste and tailings.
40211	Iron and steel scrap, wastes and tailings.
4022	Textile waste, scrap and sweepings.
4024	Paper waste and scrap.
4026	Rubber and plastic scrap and waste.
41	MISC. FREIGHT SHIPMENTS.
411	Misc. Freight Shipments.
41111	Outfits or kits.
41114	Articles, used except for repair, reconditioning (41115), returned empty (421), remelting (4021).
41115	Articles, used, returned for repair, incl. for reconditioning.
412	Miscellaneous Commodities Not Taken in Regular Freight Service.
42	CONTAINERS, SHIPPING, RETURNED EMPTY.
421	Containers, Shipping, Returned Empty Inc. Carriers or Devices.
422	Trailers, Semi-Trailers, Returned Empty.
44	FREIGHT FORWARDER TRAFFIC.
441	Freight Forwarder Traffic, Carload or Truckload.
45	SHIPPER ASSOCIATION OR SIMILAR TRAFFIC.
451	Shipper Association or Similar Traffic, Carload or Truckload.
46	MISCELLANEOUS MIXED SHIPMENTS EXC. FORWARDER SEE 44 SHIPPER ASSOCIATION SEE 45.
461	All Freight Rate Shipments, N.E.C., Inc. TOFC.
462	Mixed Shipments on One Factor Rates Cnsg. of Commodities Representing Two or More Major Industry Groups Where it is Impossible to Determine the Predominant Industry.
47	SMALL PACKAGED FREIGHT SHIPMENTS.

49 CFR Ch. X (10–1–96 Edition)

Code	Description
471	Small Packaged Freight Shipments, Including LCL or LTL.

[32 FR 20466, Dec. 20, 1967. Redesignated at 46 FR 9116, Jan. 28, 1981, and 46 FR 10745, Feb. 4, 1981]

PART 1249—REPORTS OF MOTOR CARRIERS

Sec.

1249.1 Annual and quarterly reports of motor carriers of property, motor carriers of household goods, and dual authority carriers.

1249.2 Classification of carriers—motor carriers of property, household goods carriers, and dual property carriers.

1249.3 Classification of carriers—motor carriers of passengers.

1249.4 Annual and quarterly reports of Class I carriers of passengers.

1249.5 Records.

1249.11 Quarterly reports of passenger revenues, expenses, and statistics.

AUTHORITY: 49 U.S.C. 11142 and 11145 and 5 U.S.C. 553.

NOTE: The report forms prescribed by part 1249 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

§ 1249.1 Annual and quarterly reports of motor carriers of property, motor carriers of household goods, and dual authority carriers.

(a) *Annual Report Forms M–1 and M–2.* All class I common and contract carriers of property, including household goods and dual authority motor carriers, shall file Motor Carrier Annual Report Form M–1. All class II common and contract carriers of property, including household goods and dual authority motor carriers, shall file Motor Carrier Annual Report Form M–2. The annual reports shall be filed on or before March 31 of the year following the year to which they relate. Class III motor carriers of property shall be exempt from filing any reports. For classification criteria, See § 1249.2.

(b) *Quarterly Report Form QFR.* All class I common motor carriers of property and class I household goods motor carriers shall complete and file motor carrier Quarterly Report Form QFR (Form QFR). The quarterly accounting periods shall end on March 31, June 30, September 30, and December 31. The

Surface Transportation Board, DOT

§ 1249.2

quarterly reports shall be filed within 30 calendar days after the end of the reporting quarter.

(c) The quarterly and annual reports shall be filed in duplicate with the Office of Economics, Interstate Commerce Commission, Washington, DC 20423. Copies of these forms may be obtained from the Office of Economics.

[59 FR 5110, Feb. 3, 1994]

§ 1249.2 Classification of carriers— motor carriers of property, house- hold goods carriers, and dual prop- erty carriers.

(a) Common and contract motor carriers of property subject to the Interstate Commerce Act are grouped into the following three classes:

Class I. Carriers having annual carrier operating revenues (including interstate and intrastate) of \$10 million or more after applying the revenue deflator formula in Note A.

Class II. Carriers having annual carrier operating revenues (including interstate and intrastate) of at least \$3 million but less than \$10 million after applying the revenue deflator formula in Note A.

Class III. Carriers having annual carrier operating revenues (including interstate and intrastate) of less than \$3 million after applying the revenue deflator formula in Note A.

(b)(1) The class to which any carrier belongs shall be determined by annual carrier operating revenues (excluding revenues from private carriage, compensated intercorporate hauling, and leasing vehicles with drivers to private carriers) after applying the revenue deflator formula in Note A. Upward and downward classification will be effected as of January 1 of the year immediately following the third consecutive year of revenue qualification.

(2) Any carrier which begins new operations by obtaining operating authority not previously held or extends its existing authority by obtaining additional operating rights shall be classified in accordance with a reasonable estimate of its annual carrier operating revenues after applying the revenue deflator formula shown in Note A.

(3) When a business combination occurs such as a merger, reorganization, or consolidation, the surviving carrier shall be reclassified effective as of January 1 of the next calendar year on the basis of the combined revenues for the year when the combination occurred after applying the revenue deflator formula shown in Note A.

(4) Carriers shall notify the Commission of any change in classification and any change in annual operating revenues that causes them to exceed the class I limit by writing to the Office of Economics, Interstate Commerce Commission, Washington, DC 20423. In unusual or extraordinary extenuating circumstances, where the classification process will unduly burden the carrier, such as partial liquidation, or curtailment or elimination of contracted services, the carrier may request from the Commission a waiver or an exception from these regulations. This request shall be in writing, specifying the conditions justifying the waiver or exception. The Commission shall notify the carriers of any change in classification.

(5) Carriers not required to file an Annual Report (Form M-1 or Form M-2) may be required to file the Annual Carrier Classification Survey Form. All carriers will be notified of any classification changes.

(c) For classification purposes, the Commission shall publish in the FEDERAL REGISTER annually an index number which shall be used to adjust gross annual operating revenues. This index number (deflator) shall be based on the Producers Price Index of Finished Goods. Its intended use is to eliminate the effects of inflation from the classification process. See Note A that follows:

NOTE A: Each carrier's operating revenues will be deflated annually using the Producers Price Index (PPI) of Finished Goods before comparing those revenues with the dollar revenue limits prescribed in paragraph (a) of this section. The PPI is published monthly by the Bureau of Labor Statistics. The formula to be applied is as follows:

$$\text{Current year's annual operating revenues} \times \frac{1994 \text{ average PPI}}{\text{Current year's average PPI}} = \text{Adjusted annual operating revenues}$$

[52 FR 10383, Apr. 1, 1987, as amended at 59 FR 5111, Feb. 3, 1994; 59 FR 49848, Sept. 30, 1994]

§ 1249.3 Classification of carriers—motor carriers of passengers.

(a) Common and contract carriers of passengers subject to the Interstate Commerce Act are grouped into the following two classes:

Class I—Carriers having average annual gross transportation operating revenues (including interstate and intrastate) of \$5 million or more from passenger motor carrier operations after applying the revenue deflator formula as shown in the Note.

Class II—Carriers having average annual gross transportation operating revenues (including interstate or intrastate) of less than \$5 million from passenger motor carrier operations after applying the revenue deflator formula as shown in the Note.

(b)(1) The class to which any carrier belongs shall be determined by annual carrier operating revenues after applying the revenue deflator formula as shown in the Note. Upward and downward reclassification will be effected as of January 1 of the year immediately following the third consecutive year of revenue qualification.

(2) Any carrier which begins new operations (obtains operating authority not previously held) or extends its existing authority (obtains additional operating rights) shall be classified in accordance with a reasonable estimate of its annual carrier operating revenues after applying the revenue deflator formula shown in the Note.

(3) When a business combination occurs, such as a merger, reorganization,

or consolidation, the surviving carrier shall be reclassified effective as of January 1 of the next calendar year on the basis of the combined revenues for the year when the combination occurred after applying the revenue deflator formula shown in the Note.

(4) Carriers shall notify the Commission of any change in classification or when their annual operating revenues exceed the Class I limit by writing to the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423. In unusual circumstances where the classification regulations and reporting requirements will unduly burden the carrier, the carrier may request from the Commission a waiver from these regulations. This request shall be in writing specifying the conditions justifying the waiver. The Commission then shall notify carriers of any change in classification or reporting requirements.

(c) For classification purposes, the Commission shall publish in the FEDERAL REGISTER annually an index number which shall be used for adjusting gross annual operating revenues. The index number (deflator) is based on the Producer Price Index of Finished Goods and is used to eliminate the effects of inflation from the classification process.

NOTE: Each carrier's operating revenues will be deflated annually using the Producers Price Index (PPI) of Finished Goods before comparing them with the dollar revenue limits prescribed in paragraph (a) of this section. The PPI is published monthly by the Bureau of Labor Statistics. The formula to be applied is as follows:

$$\text{Current year's annual operating revenues} \times \frac{1986 \text{ average PPI}}{\text{Current year's average PPI}} = \text{Adjusted annual operating revenues}$$

Surface Transportation Board, DOT

§ 1253.20

[53 FR 4029, Feb. 11, 1988]

§ 1249.4 Annual and quarterly reports of Class I carriers of passengers.

(a) All Class I motor carriers of passengers shall complete and file Motor Carrier Quarterly and Annual Report Form MP-1 for Motor Carriers of Passengers (Form MP-1). Other than Class I carriers are not required to file Form MP-1.

(b) Motor Carrier Quarterly and Annual Report Form MP-1 shall be used to file both quarterly and annual selected motor carrier data. The annual accounting period shall be based either (1) on the 31st day of December in each year, or (2) an accounting year of thirteen 4-week periods ending at the close of the last 7 days of each calendar year. A carrier electing to adopt an accounting year of thirteen 4-week periods shall file with the Commission a statement showing the day on which its accounting year will close. A subsequent change in the accounting period may not be made except by authority of the Commission. The quarterly accounting period shall end on March 31, June 30, September 30, and December 31. The quarterly report shall be filed within 30 days after the end of the reporting quarter. The annual report shall be filed on or before March 31 of the year following the year to which it relates.

(c) The quarterly and annual report shall be filed in duplicate to The Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423. Copies of Form MP-1 may be obtained from the Bureau of Accounts.

[52 FR 20400, June 1, 1987]

§ 1249.5 Records.

Books, records and carrier operating documents shall be retained as prescribed in 49 CFR part 1220, Preservation of Records.

[52 FR 10383, Apr. 1, 1987]

§ 1249.11 Quarterly reports of passenger revenues, expenses, and statistics.

Commencing with reports for the quarter ended March 31, 1968, and for subsequent quarters thereafter, until further order, all class I common and contract motor carriers of passengers,

as defined in §1240.4 of this chapter, subject to part II of the Interstate Commerce Act, shall compile and file quarterly reports in accordance with motor carrier Quarterly Report of Revenues, Expenses, and Statistics (class I carriers of passengers), form QPA. Such quarterly reports shall be filed in duplicate in the Office of the Bureau of Accounts, Interstate Commerce Commission, Washington, DC 20423, within 30 days after the close of the period to which it relates.

[43 FR 46975, Oct. 12, 1978]

PARTS 1250-1252—[RESERVED]

PART 1253—RATE-MAKING ORGANIZATION; RECORDS AND REPORTS

Sec.

1253.10 Accounts.

1253.20 Other records.

1253.30 Retention of records.

AUTHORITY: Sec. 5a(3), 62 Stat. 472; 49 U.S.C. 5b; sec. 5b(3), 90 Stat 43; 49 U.S.C. 5c.

NOTE: The report forms prescribed by part 1253 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

§ 1253.10 Accounts.

Accounts shall be kept by each conference, bureau, committee, or other organization subject to sections 5a or 5b to record all receipts and expenditures of moneys. Such accounts shall be kept with sufficient particularity to show the facts pertaining to all transactions reflected in the entries made in the accounts. All receipts shall be supported by records, including records showing the basis for charges to members. All disbursements shall be supported by vouchers, payrolls, canceled checks, and other evidences of expenditures, including the basis for any apportionment of expense items to members.

[32 FR 20474, Dec. 20, 1967]

§ 1253.20 Other records.

Each such organization subject to sections 5a or 5b shall maintain:

(a)(1) A file for each proposal relating to rates, fares, classifications, divisions, allowances, or charges (including

§ 1253.30

charges between carriers and compensation paid or received for the use of facilities and equipment), or rules and regulations pertaining thereto, which shall contain the complete proposal, all procedural documents issued, protests, memoranda, amendments, reports, etc., submitted and any other correspondence respecting the matter proposed. Also reports or minutes of all proceedings at any oral, committee or public hearing held thereon and the determination relating thereto;

(2) a file covering each petition or protest filed by the organization against tariff publications of a member for suspension of rates or other matters published for such member carrier;

(3) a file covering each instruction or request for publication by independent action.

(b) All accounts and other records covered by this part shall be filed in such manner as to be readily accessible for examination by representatives of the Commission.

(c) All rate bureaus are required to (1) advise the Commission of any change in legal address by notifying the Office of the Secretary and (2) submit information to the Commission when requested.

(49 U.S.C. 10706, 11145; 5 U.S.C. 553)

[32 FR 20474, Dec. 20, 1967, as amended at 47 FR 37904, Aug. 27, 1982]

§ 1253.30 Retention of records.

Each organization subject to sections 5a or 5b shall retain records or documents relating to its transactions or activities in accordance with part 1220, Preservation of Records, of this chapter.

[40 FR 50389, Oct. 29, 1975]

PARTS 1260-1269—VALUATION

NOTE: Forms prescribed in parts 1260-1269 are available upon request from the Office of the Secretary, Interstate Commerce Commission, Washington, DC 20423.

49 CFR Ch. X (10-1-96 Edition)

PARTS 1260-1261—[RESERVED]

PARTS 1280-1299—CLASSIFICATION AND DECLASSIFICATION OF NATIONAL SECURITY INFORMATION AND MATERIAL

PART 1280—HANDLING OF NATIONAL SECURITY INFORMATION AND CLASSIFIED MATERIAL

Sec.

1280.1 Purpose.

1280.2 Policy.

1280.3 Authority to classify.

1280.4 Responsibility for handling of classified documents.

1280.5 Safeguarding of classified material.

1280.6 Storage of classified documents.

1280.7 Education of employees.

1280.8 Requests for mandatory review.

AUTHORITY: E.O. 12356.

SOURCE: 49 FR 7832, Mar. 2, 1984, unless otherwise noted.

§ 1280.1 Purpose.

To set forth those provisions of the Interstate Commerce Commission Security Regulations to the extent that they affect the general public.

§ 1280.2 Policy.

It is the policy of the Interstate Commerce Commission to act in accordance with Executive Order 12356, dated April 6, 1982, in matters relating to national security information.

§ 1280.3 Authority to classify.

The Commission does not have authority of its own to classify any of its internally generated documents. The only documents handled by the Commission which are classified as confidential, secret, or top secret are those generated by Executive Branch Agencies with original classification authority.

§ 1280.4 Responsibility for handling of classified documents.

(a) Responsible Official. Primary responsibility for the handling of classified documents shall rest with the Assistant to the Director of the Office of

Surface Transportation Board, DOT

§ 1280.7

Compliance and Consumer Assistance, who is also Emergency Coordinator for the Commission. All documents bearing the terms “Top Secret,” “Secret,” and “Confidential” shall be delivered to the Emergency Coordinator or his/her alternate immediately upon receipt. The alternate is also an Assistant to the Director of the Office of Compliance and Consumer Assistance as set forth in §1280.4(b) of the rules. All potential recipients of such documents shall be advised of the name of the Emergency Coordinator. In the event that the Emergency Coordinator or his/her alternate is not available to receive such documents, they shall be turned over to the Associate Director, Office of Compliance and Consumer Assistance, and secured, unopened, in the combination safe located in Room 5325 of the headquarters building until the Emergency Coordinator or alternate is available. All material not immediately deliverable to either the Emergency Coordinator, alternate, or the Associate Director, Office of Compliance and Consumer Assistance, shall be delivered at the earliest opportunity. Under no circumstances shall classified material that cannot be delivered to the Emergency Coordinator be stored other than in the designated safe in Room 5325 of the ICC headquarters building.

(b) The alternate to the Emergency Coordinator for the receipt and handling of documents mentioned in paragraph (a) of this section, shall be the other Assistant to the Director, Office of Compliance and Consumer Assistance.

(c) Any person whose position requires access to classified information must execute Form SF #189.

(d) Any contracts with media representatives by personnel with access to classified material and involving such material will be cleared through the Emergency Coordinator and more than one person shall be present during any briefing or interview.

§ 1280.5 Safeguarding of classified material.

(a) Reproduction of classified material shall take place only when absolutely necessary, and in accordance with section 2001.46 of the Directive.

Should copies be made, they are subject to the same controls as the original document. Records showing the number and distribution of copies shall be maintained by the Emergency Coordinator and the log stored with the original documents.

(b) Any suspected or actual unauthorized disclosures of classified information shall be reported to the Emergency Coordinator or Alternate. An immediate investigation will be undertaken by the Emergency Coordinator or Alternate to establish all facts surrounding the disclosure. The Emergency Coordinator or Alternate shall ascertain the nature of the information disclosed and the extent to which it has been disseminated and will maintain records of disclosures as evaluated and investigated.

(c) Any suspected or actual unauthorized disclosure of classified information will be reported as soon as possible to the Department of Justice and the Information Security Oversight Office.

(d) Any unauthorized disclosure of classified information or any failure to cooperate with the investigation of unauthorized disclosures by an employee shall be cause for appropriate disciplinary or other remedial action as provided in the Commission's Canons of Conduct, 49 CFR 1000.735–31.

[49 FR 7832, Mar. 2, 1984, as amended at 54 FR 38998, Sept. 22, 1989]

§ 1280.6 Storage of classified documents.

All classified documents shall be stored in the safe located in Room 5325 of the ICC headquarters building. In those instances where the Emergency Coordinator is not available to receive classified documents, they may be stored, unopened, in the safe located in Room 5325.

§ 1280.7 Education of employees.

All employees who have been granted a security clearance and who have occasion to handle classified materials shall be advised of the procedures outlined in 49 CFR part 1280. They shall also be required to review Executive Order 12356 and appropriate directives of the Information Security Oversight Office (ISOO). This shall be achieved by

§ 1280.8

a memorandum to all affected employees at the time these procedures are implemented, and by appropriate instructions to new employees receiving security clearances in the future.

§ 1280.8 Requests for mandatory review.

Because the Commission does not itself generate classified documents, any

49 CFR Ch. X (10–1–96 Edition)

requests made for mandatory review shall be coordinated by the Emergency Coordinator with appropriate officials of the Department or Agency responsible for issuance of the document involved.

PARTS 1281—1299 [RESERVED]

SUBCHAPTER D—CARRIER RATES AND SERVICE TERMS

PART 1300—DISCLOSURE, PUBLICATION, AND NOTICE OF CHANGE OF RATES AND OTHER SERVICE TERMS FOR RAIL COMMON CARRIAGE

Sec.

1300.1 Scope; definitions.

1300.2 Disclosure requirement for existing rates.

1300.3 Response to request for establishment of a new rate.

1300.4 Notice requirement.

1300.5 Additional publication requirement for agricultural products and fertilizer.

AUTHORITY: 49 U.S.C. 721(a) and 11101(f).

SOURCE: 61 FR 35140, July 5, 1996, unless otherwise noted.

§ 1300.1 Scope; definitions.

(a) The provisions of this part address the requirements imposed on rail carriers by 49 U.S.C. 11101(b), 11101(c), 11101(d) and 11101(f).

(b) Except as otherwise provided in this section, the provisions of this part apply to any common carriage transportation or service provided by a rail carrier subject to the jurisdiction of the Surface Transportation Board under 49 U.S.C. 10501.

(c) The provisions of this part do not apply to any transportation or service provided by a rail carrier under a contract authorized under 49 U.S.C. 10709 or former 49 U.S.C. 10713 (repealed effective January 1, 1996).

(d) The provisions of this part do not apply to any transportation or service provided by a rail carrier to the extent that such transportation or service is exempted from rate notice and disclosure requirements pursuant to an exemption issued under 49 U.S.C. 10502 or former 49 U.S.C. 10505 (repealed effective January 1, 1996).

(e) For the purposes of this part, “service terms” means all classifications, rules, and practices that affect the rates, charges, or level of service for rail transportation.

§ 1300.2 Disclosure requirement for existing rates.

(a) A rail carrier must disclose to any person, upon formal request, the specific rate(s) requested (or the basis for calculating the specific rate(s)), as well as all charges and service terms that may be applicable to transportation covered by the rate(s). For purposes of § 1300.4(a)(1) of this part, a formal request under this part is one that clearly notifies the railroad that the requester seeks not only immediate information but also notification of any future increases in the rate(s) involved or changes in pertinent service terms.

(b) The information provided by a rail carrier under this section must be provided immediately. (It is expected that the response will be sent within hours, or at least by the next business day, in most situations.) Such information may be provided either in written or electronic form as agreed to by the parties. If the parties cannot agree, such information is to be provided in electronic (non-passive) form where both parties have the requisite capabilities; otherwise, it is to be provided in writing.

(c) A rail carrier may, at its option, require that all requests submitted under this section be in written or electronic form, although the carrier may permit oral requests.

§ 1300.3 Response to request for establishment of a new rate.

Where a shipper or a prospective shipper or person acting on behalf of a shipper or a prospective shipper requests that the carrier establish a rate in the absence of an existing rate for particular transportation, the carrier must promptly establish and provide to the requester a rate and applicable service terms. The information may be provided either in written or electronic form, as agreed to by the parties. If the parties cannot agree, such information is to be provided in electronic (non-passive) form where both parties have the requisite capabilities; otherwise, it is to be provided in writing. The response

§ 1300.4

should be provided as soon as reasonably possible, but no later than 10 business days from receipt of the request. If a carrier determines that additional information is required from the requester before a rate or term can be established, the carrier must so notify the requester as soon as possible, but no later than 10 business days after receipt of the request. Once the additional information is received, the carrier must set the rate and related service terms, and relay them to the requester, as soon as reasonably possible, but no later than 10 business days from the receipt of the additional information. (However, the parties may agree to a different time period, in which case these time periods would not apply.) A rail carrier may, at its option, require that requests submitted under this section be in written or electronic form, although the carrier may permit oral requests.

§ 1300.4 Notice requirement.

(a) A rail carrier may not increase any rates or charges, or change any service terms (except for changes that are equivalent to rate reductions), unless 20 days have expired after written or electronic notice has been provided to all persons who, within the previous 12 months:

(1) Have formally requested under §§ 1300.2 or 1300.3 of this part the affected rates or service terms; or

(2) Have made arrangements with the carrier for a future shipment that would be subject to the increased rates or changed service terms.

(b) The notice required by this section may be in written or electronic form, as agreed to by the parties. If the parties cannot agree, the information is to be provided in electronic (non-passive) form where both parties have the requisite capabilities; otherwise, it is to be provided in writing.

(c) For purposes of this section, a mailed notice is deemed “provided” on the date such notice is postmarked.

(d) The notice required by this section must clearly identify the increases in rates or charges or the changes in service terms.

49 CFR Ch. X (10–1–96 Edition)

§ 1300.5 Additional publication requirement for agricultural products and fertilizer.

(a) With respect to transportation of agricultural products (including grain, as defined in 7 U.S.C. 75, and all products thereof) and fertilizer, a rail carrier shall publish, make available, and retain for public inspection its currently effective rates, schedules of rates, charges, and other service terms, and any scheduled changes to such rates, charges, and service terms. This requirement is in addition to the requirements imposed by §§ 1300.2, 1300.3, and 1300.4 of this part.

(b) The information published under this section must include an accurate description of the services offered to the public; must provide the specific applicable rates (or the basis for calculating the specific applicable rates), charges, and service terms; and must be arranged in a way that allows for the determination of the exact rate, charges, and service terms applicable to any given shipment (or to any given group of shipments). Increases, reductions and other changes must be symbolized or highlighted in some way to facilitate ready identification of the changes, the nature of those changes and their effective dates.

(c) A rail carrier must make the information available at offices where it normally keeps rate information. Access to the information at such offices must be provided to any person, without charge, during normal business hours.

(d) A rail carrier must also make the required publications available to all persons (hereinafter referred to as subscribers) who have subscribed to a publication service operated either by the rail carrier itself or by an agent acting at the rail carrier’s direction. Such publications may be made available either in printed or in electronic form as agreed to by the parties. Any scheduled changes must be published in a manner that provides timely notice to subscribers. A rail carrier may impose reasonable charges for such publications. Publications may be limited to the specific information requested by the subscriber, and charges for such limited publications should be set accordingly.

Surface Transportation Board, DOT

§ 1305.1

PART 1301 [RESERVED]

**PART 1302—EXPORT AND IMPORT
SHIPMENTS; RAILROADS**

CHARGES FOR RAIL TRANSPORTATION WHEN
WATER TRANSPORTATION PERFORMED IN
VESSELS NOT DOCUMENTED UNDER LAWS OF
THE UNITED STATES

Sec.

1302.41 Suspension of statute.

1302.42 Further suspension of statute.

1302.43 Applicable rates on shipments in
transit when statute becomes effective.

AUTHORITY: Sec. 28, 41 Stat. 999, as amend-
ed; 46 U.S.C. 484.

SOURCE: 32 FR 20541, Dec. 20, 1967, unless
otherwise noted.

CROSS REFERENCES: For United States Cus-
toms Service, Department of the Treasury;
see Customs Duties, 19 CFR Chapter I. For
Foreign-Trade Zones Board; see Commerce,
15 CFR Chapter IV. For regulations of Inter-
national Trade Administration concerning
foreign trade statistics; see Commerce, 15
CFR Chapter III.

CHARGES FOR RAIL TRANSPORTATION
WHEN WATER TRANSPORTATION PER-
FORMED IN VESSELS NOT DOCU-
MENTED UNDER LAWS OF THE UNITED
STATES

§ 1302.41 Suspension of statute.

The provisions of section 28 of the
Merchant Marine Act, 1920, are hereby
further suspended from and including
the first day of January, 1921, until fur-
ther order of this Commission.

**§ 1302.42 Further suspension of stat-
ute.**

(a) Order of March 11, 1924, as modi-
fied, which terminated order of June
14, 1920, as modified, suspending provi-
sions of section 28 of the Merchant Ma-
rine Act, 1920, until further order of the
Commission, is hereby vacated and set
aside.

(b) The provisions of said order of
June 14, 1920, as modified by the sup-
plemental orders of July 27, 1920, De-
cember 11, 1920, and February 7, 1921,
specified in paragraph (a) of this sec-
tion, shall continue in force until fur-
ther order of the Commission.

**§ 1302.43 Applicable rates on ship-
ments in transit when statute be-
comes effective.**

The following conditions are hereby
prescribed as supplemental to the or-
ders aforesaid suspending the provi-
sions of section 28 of the Merchant Ma-
rine Act, that is to say, that notwith-
standing the provisions of the aforesaid
section 28 may become effective during
the time when export or import ship-
ments are in transit to or from the
ports of export or import the following
conditions shall be observed.

(a) With respect to all export ship-
ments delivered to and receipted for by
common carriers subject to the provi-
sions of section 6 of the Interstate
Commerce Act (section 6, 24 Stat. 380,
as amended; 49 U.S.C. 6(13)) the rates to
the ports in force and applicable upon
said shipments via the lines of said car-
riers upon the date of delivery to and
receipt by such carriers shall be ap-
plied to said shipments; and,

(b) With respect to all import ship-
ments delivered to and receipted for by
common carriers subject to the provi-
sions of section 6 of the Interstate
Commerce Act (49 U.S.C. 6 (13)) the
rates from the ports in force and appli-
cable to said shipments over the lines
of said carriers upon the date of deliv-
ery to and receipt by such carriers
shall be applied to said shipments.

**PART 1305—DISCLOSURE AND NO-
TICE OF CHANGE OF RATES AND
OTHER SERVICE TERMS FOR PIPE-
LINE COMMON CARRIAGE**

Sec.

1305.1 Scope; definitions.

1305.2 Disclosure requirement for existing
rates.

1305.3 Response to request for establish-
ment of a new rate.

1305.4 Notice requirement.

AUTHORITY: 49 U.S.C. 721(a) and 15701(e).

SOURCE: 61 FR 35141, July 5, 1996, unless
otherwise noted.

§ 1305.1 Scope; definitions.

(a) The provisions of this part ad-
dress the requirements imposed on
pipeline carriers by 49 U.S.C. 15701(b)
and 15701(c). Such requirements apply
to pipeline carriers only with respect

§ 1305.2

to the transportation of commodities other than water, gas, or oil.

(b) Except as otherwise provided in paragraph (c) of this section, the provisions of this part apply to any transportation or service provided by a pipeline carrier subject to the jurisdiction of the Surface Transportation Board under 49 U.S.C. 15301.

(c) The provisions of this part do not apply to any transportation or service provided by a pipeline carrier to the extent that such transportation or service is exempted from rate notice and disclosure requirements pursuant to 49 U.S.C. 15302.

(d) For the purposes of this part, *service terms* means all classifications, rules, and practices that affect the rates, charges, or level of service for pipeline transportation.

§ 1305.2 Disclosure requirement for existing rates.

(a) A pipeline carrier must disclose to any person, on request, the specific rate(s) requested (or the basis for calculating the specific rate(s)), as well as all charges and service terms that may be applicable to transportation covered by those rate(s).

(b) The information provided by a pipeline carrier under this section must be provided immediately. (It is expected that the response will be sent within hours, or at the latest by the next business day, in most situations.) Such information may be provided either in writing or in electronic form, as agreed to by the parties. If the parties cannot agree, such information is to be provided in electronic form where both parties have the requisite capabilities; otherwise, it is to be provided in writing.

(c) A pipeline carrier may, at its option, require that all requests submitted under this section be in writing or electronic form, or the carrier may permit oral requests.

§ 1305.3 Response to request for establishment of a new rate.

Where a shipper or a prospective shipper, or a person acting on behalf of a shipper or a prospective shipper, requests that the carrier establish a rate in the absence of an existing rate for particular transportation, the carrier

49 CFR Ch. X (10–1–96 Edition)

must promptly establish and provide to the requester a rate and applicable service terms. The information may be provided either in writing or in electronic form, as agreed to by the parties. If the parties cannot agree, such information is to be provided in electronic form where both parties have the requisite capabilities; otherwise, it is to be provided in writing. The response should be provided as soon as reasonably possible, but no later than 10 business days from receipt of the request. If a carrier determines that additional information is required from the requester before a rate or term can be established, the carrier must so notify the requester as soon as possible, but no later than 10 business days after receipt of the request. Once the additional information is received, the carrier must set the rate and related service terms, and relay them to the requester, as soon as possible, but no later than 10 business days. The time period for response set forth in this section will not apply when the parties agree to a different time period. A pipeline carrier may, at its option, require that requests submitted under this section be in writing or electronic form, or the carrier may permit oral requests.

§ 1305.4 Notice requirement.

(a) A pipeline carrier may not increase any rates or charges, or change any service terms (except for changes that are equivalent to rate reductions) unless 20 days have expired after written or electronic notice has been provided to all persons who, within the previous 12 months:

(1) Have requested, under § 1305.2 or § 1305.3, the affected rates or service terms; or

(2) Have made arrangements with the carrier for a shipment that would be subject to the increased rates or changed service terms.

(b) The notice required by this section may be provided either in writing or in electronic form, as agreed to by the parties. If the parties cannot agree, the information is to be provided in electronic form where both parties have the requisite capabilities; otherwise, it is to be provided in writing.

Surface Transportation Board, DOT

§ 1312.1

(c) For purposes of this section, a mailed notice is deemed “provided” on the date such notice is postmarked.

(d) The notice required by this section must clearly identify the increase in rates or charges or the change in service terms.

PART 1312—REGULATIONS FOR THE PUBLICATION, POSTING AND FILING OF TARIFFS, SCHEDULES AND RELATED DOCUMENTS OF MOTOR, PIPELINE AND WATER CARRIERS, AND HOUSEHOLD GOODS FREIGHT FORWARDERS

Sec.

- 1312.1 Introduction and general provisions.
- 1312.2 Applications for special tariff authority.
- 1312.3 Size of paper and where to send tariff publications and other documents.
- 1312.4 Filing tariffs.
- 1312.5 Posting requirements.
- 1312.6 Furnishing copies of tariff publications.
- 1312.7 Form and printing.
- 1312.8 ICC tariff designations.
- 1312.9 Codes for identification of places.
- 1312.10 Powers of attorney, concurrences, transfer of agent. [See also §1312.4(d)]
- 1312.11 Tariffs issued by joint agents not applicable to contract carriers or household goods freight forwarders.
- 1312.12 Title page of original tariffs.
- 1312.13 Contents of tariffs.
- 1312.14 Statement of rates and fares (see also §1312.41).
- 1312.15 Routing not applicable to household goods freight forwarders or contract carriers.
- 1312.16 Sectional tariffs.
- 1312.17 Amendments.
- 1312.18 Supplements.
- 1312.19 Cancellation of tariff and transfer of provisions.
- 1312.20 Transfer of operations—change in name and control.
- 1312.21 Suspended matter.
- 1312.22 Rates or other provisions prescribed by the Commission.
- 1312.23 Expiration dates.
- 1312.24 Tariffs listing carriers’ operating authority applicable to motor carriers of property.
- 1312.25 Participating carrier tariffs.
- 1312.26 Rate basis tariffs.
- 1312.27 Classification, exceptions, rules, dangerous articles and station list tariffs.
- 1312.28 Accessorial, terminal and other services.

1312.29 Rates and liability based on value provisions.

1312.30 Distance rates.

1312.31 Commodity rates determined by the use of rate base numbers.

1312.32 Application of rates from or to intermediate points.

1312.33 Class rates from or to unnamed points applicable only to motor carriers of property.

1312.34 Continuous service rates not applicable to passenger carriers.

1312.35 Time-volume rates not applicable to passenger carriers.

1312.36 Seasonal water rates.

1312.37 Export and import traffic and joint rates with ocean carriers.

1312.38 Substitution of service.

1312.39 Miscellaneous provisions which may be filed on less than statutory notice.

1312.40 Claims rules.

1312.41 Range tariffs.

AUTHORITY: 5 U.S.C. 553; 49 U.S.C. 721, 13701, 13702, and 13521.

SOURCE: 49 FR 38615, Oct. 1, 1984, unless otherwise noted.

§ 1312.1 Introduction and general provisions.

(a) *Purpose.* Tariffs are for the information and the use of the general public. They shall be published in a manner that ensures they are readable and that their terms and conditions are easy to understand and apply. The Commission reserves the right to reject or strike any tariff publication or other document not in compliance with law, or to require that it be modified, corrected or reissued. Rejection or striking of tariffs will be handled consistent with due process of law.

(b) *Definitions.* For the purpose of this part—

(1) *Act* means the Interstate Commerce Act, as amended.

(2) *Agent* means a person, association or corporation authorized to publish and file rates and provisions for a carrier’s account in tariffs published in the agent’s name.

(3) *Agent tariff* means a tariff filed in the name of an agent.

(4) *Basing fare* means a fare used for constructing a through fare for transportation from one point to another over a route for which no through, one-factor fare (other than basing fare) is published.

(5) *Bound tariff* means a tariff consisting of two or more sheets bound at

§ 1312.1

49 CFR Ch. X (10–1–96 Edition)

the left edge in pamphlet or book form or a single-sheet tariff.

(6) *Carrier* means a common carrier, contract carrier or household goods freight forwarder subject to the Act. It also means an ocean carrier participating in joint tariff provisions with carriers subject to the Act.

(7) *Carrier's tariff* means a tariff filed in the name of a carrier.

(8) *Class I*, *Class II*, and *Class III*, carriers are as defined in the Commission's Uniform System of Accounts part 1240 of this title.

(9) *Classification* means a publication containing a list of commodities, the classes to which they are assigned for the purpose of applying class rates, and governing rules and regulations.

(10) *Class rate* means a rate which applies to commodities according to the class assigned in a classification, a tariff of exceptions to a classification, or in a class rate tariff.

(11) *Class tariffs* are those which contain class rates.

(12) *Commission* means the Interstate Commerce Commission.

(13) *Commodity rate* means a rate published to apply to commodities specifically named or described in the tariff in which the rate is published or in a separate commodity list.

(14) *Commodity tariffs* are those which contain commodity rates.

(15) *Common carrier* means all common carriers and household goods freight forwarders subject to the Act.

(16) *Commutation fare* means a charge for a specified number of trips (more than a single round trip) or for an unlimited number of trips within a certain period of time, which, on a per trip basis is less than the normal rate.

(17) *Item* means a tariff provision of any kind bearing an *item number* designation.

(18) *Joint rate* means a rate that applies over the lines or routes of two or more carriers made by an agreement between the carriers, effected by a concurrence or power of attorney.

(19) *Joint tariffs* are those which contain joint rates.

(20) *Local rate* means a rate that applies over the lines or routes of one carrier only.

(21) *Local tariffs* are those which contain local rates.

(22) *Looseleaf page amendment* means a single sheet published as an amendment (not a supplement) to a looseleaf tariff.

(23) *Looseleaf tariff* means a tariff consisting of looseleaf pages.

(24) *Motor common carriers of property* means all motor common carriers of property subject to the Act, except passenger carriers having authority to transport property in the same vehicle with the passengers.

(25) *Ocean carrier* means a vessel-operating common carrier by water regulated by the Federal Maritime Commission, and engaged in foreign commerce as defined in the Shipping Act of 1916.

(26) *Original tariff* means the tariff as originally filed excluding amendments.

(27) *Post* refers to the public availability of filed tariffs.

(28) *Proportional rate* means a rate published to apply only to traffic having a prior movement, a subsequent movement, or both.

(29) *Proportional tariffs* are tariffs containing proportional rates.

(30) *Rate* means a rate, fare or charge.

(31) *Round-trip excursion* means the transportation of passengers by motor vehicle on an excursion between points on the regularly operated route of a common carrier, but does not embrace special or charter operations.

(32) *Segment* means a separate tariff provision of any kind set apart by use of a number or letter designation (other than an item designation), or by employment of line or space separations.

(33) *Suburban service* means the transportation of passengers (over a regular route, in the case of motor common carriers) between places or communities, the limits of which are not more than 75 air miles apart.

(34) *Supplement* means a single sheet, or two or more sheets bound at the left edge in pamphlet or book form, identified as a supplement and published to amend or cancel a tariff.

(35) *Tariff* means a publication containing rates, classification ratings, rules, regulations, or other provisions, as amended, filed in a carrier's or an agent's name. (The term does not include rate tenders or quotations issued

Surface Transportation Board, DOT

§ 1312.2

under section 10721 of the Act (see part 1330 of this title)).

(36) *Tariff publication* means an original tariff, a supplement, or a looseleaf page amendment.

(37) *Through rate* means the total rate from point of origin to destination. It may be a local rate, a joint rate, or a combination of separately established rates.

(c) *Application*. (1) These regulations govern the construction, publication, filing, and posting of —

(i) Any tariff filed under the Act;

(ii) Any tariff which contains a through route and a joint rate, or a provision governing the application of a through route or joint rate, over the lines of a common carrier on the one hand, and a nonvessel or vessel operating ocean carrier, on the other hand, for the transportation of property between any place in the United States and any place in a foreign country.

(2) Some of the regulations in this part do not apply to tariffs of all types of carriers. These regulations state either that they do not apply to tariffs of specific types of carriers or that they apply only to tariffs of specific types of carriers.

(3) These regulations are to be liberally construed. The absence of specific approval of particular practices or provisions does not imply disapproval of them.

(4) Special permission to depart from any of these rules may be requested. See § 1312.2.

(d) *Intrastate provisions*. (1) Tariffs may include provisions having intrastate application if they are distinguished from the interstate provisions. Tariffs may be identified as joint filings with State regulatory bodies.

(2) Rates to be used between points in one State, which are also to be used in making combination through rates for interstate shipments, shall be filed with the Commission and posted for public inspection, and they may be changed only in accordance with the provisions of the Act.

(e) *Information-only provisions*. Provisions for information purposes only may be included in a tariff. They must be clearly marked. Such material may include tariffs covering transportation not subject to economic regulation by

the Commission, and advertising and promotional material.

(f) *Carrier liability*. The tender of a tariff and its receipt by the Commission does not relieve the carriers of liability for violations of the Act, other laws or the Commission's regulations.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 44297, Dec. 9, 1986]

§ 1312.2 Applications for special tariff authority.

(a) *Applications may be filed*. Applications for special tariff authority to depart from the regulations of this part may be filed if in accordance with the provisions of this section.

(b) *Authority will not be issued to modify formal decisions*. Special tariff authority will not be issued to modify a formal decision of the Commission. Any request to modify a formal decision shall be filed in accordance with the Commission's Rules of Practice (Subchapter B of this chapter).

(c) *Who may file*. Applications may only be filed by the carrier(s) or agent(s) who has authority to file the proposed tariff publication for which relief is requested. An agent or carrier may request relief which would have application broader than the carrier's account.

(d) *Payment of fee*. Payment of the fee in the amount and manner required by part 1002 of this chapter shall accompany the application except that carriers or agents using the monthly tariff filing fee payment system may also pay these fees monthly.

(e) *Copies and numbering*. The original and one copy of the application (including amendments and exhibits) shall be filed. Applications shall be consecutively numbered by the applicant.

(f) *Content of application*. (1) All involved tariff publications shall be identified, including supplement and looseleaf page numbers, with specific reference to provisions by item, section, or page numbers.

(2) If the proposal involves the publishing of rates, all points involved shall be sufficiently identified.

(3) If the proposal involves rules, the wording of the rules shall be furnished.

(4) The application shall show how the proposed change is to be published,

§ 1312.3

49 CFR Ch. X (10–1–96 Edition)

i.e., by republication of tariff matter, or by publication of a statement.

(5) The reasons and justification for the proposal shall be stated.

(6) If relief is requested from notice requirements, the reasons why that notice cannot or should not be given shall be stated.

(7) Applications requesting authority to change, cancel or postpone matter which is the subject of a protest or petition for investigation or suspension shall certify that the protestants have been notified by telegram or telephone. The application shall also state whether or not the protestants have registered objections to the proposal. See § 1312.40(e).

(g) *Telegraphic request.* When, because of an emergency, special tariff authority is requested by telegram, the telegram shall state the pertinent facts. The fee, if not paid monthly, shall be sent not later than the next working day.

(h) *Appeals to special tariff authority decisions may be filed.* See 49 CFR 1118.4.

(i) *Authority to reject publication.* The granting and use of special tariff authority does not limit the Commission's jurisdiction over the content of the tariff, or any of the Commission's powers with respect to the tariff.

§ 1312.3 Size of paper and where to send tariff publication and other documents.

Except as authorized in § 1312.30(c) (Distance Guides), tariff publications and other documents shall be prepared on durable paper, measuring not more than 8½ x 11 inches, and shall be sent to:

Interstate Commerce Commission, Bureau of Traffic—Section of Tariffs, Washington, DC 20423.

Packages containing tariff publications shall be prominently marked "Tariffs." Packages containing applications for special tariff authority to depart from these rules shall be prominently marked "Special Tariff Authority Application."

§ 1312.4 Filing tariffs.

(a) *Number of copies and fees for filing.* Carriers and agents shall send 2 copies of each tariff publication for official filing, unless the Commission requests

more. When a tariff publication is published in more than one agent's name, only two copies of the publication are required. An agent's or carrier's tariff publication containing joint rates or provisions constitutes a sufficient filing for each of the participating carriers. It is not required that 2 copies be filed in the name of each agent. Fees shall be paid in accordance with part 1002.

(b) *Letters of transmittal.* (1) A letter of transmittal shall be sent in the same package with the tariff publication(s).

(2)(i) A letter of transmittal shall be signed by the person issuing the tariff or an authorized representative. Authorizations shall not be filed with the Commission unless specifically requested or the existence of such authorization is questioned in a challenge to the tariff. Absent challenge, the Commission will assume agents have the necessary authority from their principals.

(ii) A letter of transmittal shall clearly indicate in the upper left-hand corner thereof:

(A) The assigned alpha code of the carrier or agent issuing the tariff publication(s);

(B) The number of series transmitted;

(C) The filing fee enclosed, the account number to be billed, or the credit card to be charged; and

(D) The tariff transmittal number, if the filer utilizes transmittal numbers.

If the filing fee is charged to a credit card, the information must include the credit card number and expiration date, and an authorized signature.

(3) If one transmittal letter is used to cover more than one package of tariff publications, the letter shall state the number of packages. The original letter shall be sent in one package and a copy of the letter sent with each of the other packages.

(4) If a receipt is desired, mark the letter "Receipt Requested" and send an extra copy of the letter with a postage paid, self-addressed return envelope. Do not enclose loose stamps.

(5) Letters of transmittal must contain the certification required by § 1312.6.

(6) When a tariff publication containing rates on household goods as defined in § 1056.1(b)(1) of this title is published

Surface Transportation Board, DOT**§ 1312.4**

for the account of household goods carriers as defined in §1056.1(b) or for motor carriers of property to effect a general increase or decrease under the Ex Parte No. MC-82 procedures, on not less than 45 days' notice, the letter shall so indicate.

(7)(i) The letter of transmittal accompanying each tariff publication which contains a rate, charge, or provision which the carrier wishes to have filed pursuant to zone of rate freedom provisions of 49 U.S.C. 10708(d)(1) applicable to motor common carriers of property and household goods freight forwarders, shall indicate this by including an appropriate statement.

(ii) If the application of the proposed rate, charge, or provision would result in an increase in charges, the letter must state that the proposed increase in the aggregate is not above the rate in effect 1-year prior to the effective date of the proposed increase by more than the proper percentage in paragraph (b)(7)(vi) of this section.

(iii) If the application of the proposed rate, charge, or provision would result in a reduction in charges, the letter must state that the proposed reduction in the aggregate is not below the lesser of the rate in effect on July 1, 1980 (or the date, if after July 1, 1980, on which a rate, charge, or provision first became effective for a service not provided by the household goods freight forwarder, or the carrier, on July 1, 1980), or the rate in effect 1-year prior to the effective date of the proposed reduction, by more than the proper percentage in paragraph (b)(7)(vi) of this section.

(iv) The carrier or household goods freight forwarder will also be required in the letter to certify that the rates or provisions do not exceed the amount allowed by section 10708(d)(3) (A or B), and the rates or provisions fall within the appropriate zone; also, if the rate is above the rate in effect one year earlier by more than the proper percentage in paragraph (b)(7)(vi) of this section, the carrier or household goods freight forwarder must include in the statement whether the proposed rate has been subject to general rate increases during the previous year, what percent increase was taken, the bu-

reaus which published the increase, and the effective date.

(v) The letter need not identify the number of the item (or page) and tariff in which the rate, charge, or provision may be found that was in effect one year prior to the date of the proposed rate, or on July 1, 1980, or later, as appropriate. However, if the rate is protested, the household goods forwarder or carrier, in its reply to the protest, must make such identification.

(vi) At the end of each one-year period after October 23, 1986, the zone of rate freedom percentage will be automatically increased by 5 percentage points, in the absence of Commission action to the contrary. The following table sets for the effective date of each zone expansion for the 10 years following adoption of these rules.

Date	Percentage
Oct. 23, 1986	20
Oct. 23, 1987	25
Oct. 23, 1988	30
Oct. 23, 1989	35
Oct. 23, 1990	40
Oct. 23, 1991	45
Oct. 23, 1992	50
Oct. 23, 1993	55
Oct. 23, 1994	60
Oct. 23, 1995	65

At all times the zone of rate freedom percentage (relating to the upper limit of the zone) will be increased or decreased, as the case may be, by the percentage change in the Producers Price Index (as published by the Department of Labor) that has occurred during the one-year period prior to the effective date of the proposed rate.

(8) The letter of transmittal accompanying each tariff publication which contains a fare, rate, charge, or provision which the carrier wishes to have considered pursuant to the zone of rate freedom provisions of 49 U.S.C. 10708(d)(4) applicable to motor common carriers of passengers shall indicate this by including an appropriate statement.

(i) If application of the proposed fare, rate, charge, or provision would result in an increase in charges, the letter shall state that the proposed increase in the aggregate is not more than 10 percent above that in effect one year prior to the effective date of the proposed increase. On November 19, 1983,

§ 1312.4

49 CFR Ch. X (10–1–96 Edition)

the figure increased to 15 percent. On November 19, 1984, the figure increased to 20 percent. When only some increases are within the zone, they should be designated individually.

(ii) If the application of the proposed fare, rate, charge, or provision would result in a reduction in charges, the letter shall state that the proposed reduction in the aggregate shall be no more than 20 percent below the lesser of that in effect on November 19, 1982 (or, in the case of any charges which the carrier or carriers first establish after such date for a service not provided by the carrier or carriers on such date, such charge on the date such charge first becomes effective) or the charge in effect one year prior to the effective date. On November 19, 1983, the figure changed to 25 percent; and, on November 19, 1984, the figure changes to 30 percent. When only some decreases are within the zone, they should be designated individually.

(iii) After November 19, 1985, the Commission may not investigate, suspend, revise, or revoke any rate proposed by a motor common carrier of passengers on the grounds that such rate is unreasonable on the basis that it is too high or too low, unless the proposed rate is established collectively in accordance with the procedures of an agreement approved by the Commission under 49 U.S.C. 10706(b). After November 19, 1985, statements required in the immediate preceding two paragraphs above shall no longer be required. In publishing and filing a tariff under 49 U.S.C. 10762, the carrier shall disclose whether such rate is the result of collective ratemaking procedures pursuant to an agreement approved by the Commission under 49 U.S.C. 10706(b).

(iv) If a fare, rate, charge, or provision filed under the zone of rate freedom provisions of 49 U.S.C. 10708(d)(4) is protested, the carrier shall, in its reply to the protest, identify the number of the item (or page) and tariff in which the fare, rate, charge, or provision may be found that was in effect one year prior to the effective date of the proposed rate, or on November 19, 1982, or both, as appropriate.

(c) *Tariff publications not consecutively numbered or lettered.* A tariff publica-

tion submitted for filing, which is not in sequence, shall be accompanied by an explanation.

(d) *Concurrences and powers of attorney.* Concurrences and powers of attorney shall not be filed with the Commission. However, a carrier may not participate in a tariff issued in the name of another carrier or an agent unless a power of attorney or concurrence has been executed. Absent effective concurrences or powers of attorney, tariffs are void as a matter of law. Should a challenge to a tariff be made on this basis, carriers will be required to submit the necessary proof. See also § 1312.10.

(e) *Period of notice required.* (1) As a general rule, tariff publications shall be filed on statutory notice; i.e.:

(i) For railroad tariffs:

(A) 20 days for rates or provisions published in connection with new service or changes resulting in increased rates or decreased value of service;

(B) 10 days for changes resulting in decreased rates or charges or changes resulting in neither increases nor reductions;

(C) For contracts and contract summaries filed pursuant to 49 U.S.C. 10713 see § 1312.41; and,

(D) 45 days for publications naming surcharges or cancelling joint rates under 49 U.S.C. 10705a;

(E) For independently set rates of rail carriers the general rule is 1-day's notice for reductions and new rates. See § 1312.39(h) for details.

(ii) For all other carriers:

(A) 30 days' notice is required.

(B) For independently set rates of motor common carriers and household goods freight forwarders the rule generally is 1 day's notice for reductions and 7 workdays' for increases see § 1312.39(f) for details.

(C) For independently set rates of motor carriers of passengers, including regular route passenger, package express and special and charter operations, the rule generally is 1-day's notice for reductions and increases of passenger rates. See § 1312.39(i) for details. However, numerous exceptions authorizing shorter notice are contained in these rules, and special permission for shorter notice may also be requested.

(2) Notice means the number of days a publication shall be on file with the Commission prior to its effective date. The date the publication is received by the Commission is the 1st day of notice.

(f) *Return of tariffs by the Commission.* The Commission will not return a tariff publication unless it is formally rejected (see paragraph (g) of this section) or under the following circumstances:

(1) The package containing the tariff publication arrives with postage or other delivery charges due; or

(2) The tariff publication which the Commission receives is missing an essential part; or

(3) A carrier or agent requests returns before the effective date and subscribers are promptly notified.

(g) *Rejection of tariff publication.* A tariff publication submitted for filing may be rejected by the Commission if the publication—

(1) Fails to give lawful notice of changes in rates or provisions which it proposes to establish;

(2) Fails to meet the requirements of the regulations in this part; or

(3) Violates any decision or order of the Commission or of a court.

When a tariff publication is rejected, the party who tendered it will be furnished a written explanation of reasons. The rejected tariff publication ordinarily will be returned, but the Commission may retain copies for its own use. Appeals of the rejection may be filed.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 9814, Mar. 21, 1986; 51 FR 33753, Sept. 23, 1986; 51 FR 44297, Dec. 9, 1986; 52 FR 537, Jan. 7, 1987; 58 FR 7756, Feb. 9, 1993; 58 FR 11099, Feb. 23, 1993]

§ 1312.5 Posting requirements.

(a) *General posting requirements.* (1) Each carrier shall maintain, at its principal office, a complete set of its tariffs (proposed and effective) and those to which it is a party.

(2) Each carrier shall also maintain some or all tariffs at other locations, as may be useful. Carriers shall provide information regarding all locations where tariffs may be viewed.

(3) At all points where tariffs are posted, they shall be made available

for inspection by any person during carrier's normal business hours. The tariffs shall be accessible and readable. The carrier shall also post, in a conspicuous place in these locations, a notice, in large print, which contains a statement that the tariffs are available for public inspection.

(4) At all other carrier business offices, the carrier shall display a notice advising the public of the location of the nearest available tariff file. The notice shall be in large print and posted in a conspicuous place. In addition, the carrier shall, upon request, make particular tariffs available at that location as soon as possible but not later than within 20 days, or provide the sought information orally if satisfactory to the requestor.

(5) Any publication referred to in a tariff must be posted with that tariff.

(b) *Exceptions to the posting requirements.* (1) Class III carriers shall maintain at their principal office a complete set of all tariffs filed in their own behalf covering rates, charges and services performed within the limits of their operation. Tariffs in which Class III carriers are listed as participants can be made available at their principal office or in the tariff file of their principal connecting carrier(s).

(2) A motor common carrier of passengers, which participates in an agent's routing tariff, only has to post the title page of the routing tariff, the sections naming joint routes with connecting carriers, and any other rules or provisions necessary for an understanding of that carrier's routing.

(3) Circus or show outfit tariffs (see § 1312.39(e)) need not be posted.

(4) If any tariff maintained pursuant to paragraphs (a) (1) and (2) of this section has not been used for a substantial length of time the posting of that tariff, including its reissues, may be discontinued at that station until such time as a request is made to the carrier's agent to have it reposted. It shall then be reposted within 20 days.

(c) *Notice of proposed increases in passenger fares.* (1) Motor and rail common carriers of passengers proposing to increase commutation or suburban service fares—

§ 1312.5

49 CFR Ch. X (10–1–96 Edition)

(i) By tariff publication, shall comply with the provisions of paragraphs (c) (3), (5), (7), (8), and (9) of this section; or

(ii) By petition to the Commission prior to filing tariff publications, shall comply with the provisions of paragraphs (c) (3), (4), (6), and (8) of this section.

(2) Motor and rail common carriers of passengers proposing to increase regular route service fares other than commutation or suburban service fares—

(i) By tariff publication, shall comply with the provisions of paragraphs (c) (3), (5), and (10) of this section; or

(ii) By petition to the Commission prior to the filing of tariff publications, shall comply with the provisions in paragraphs (c) (3), (4), and (6) of this section.

(3) A notice shall be displayed at a conspicuous place at each station where tariffs containing the fares to be increased are required to be posted and, in 2 conspicuous places, one in the forward and one in the rear section of each vehicle engaged in the service for which the increase is proposed. The notice shall be printed in type sufficiently large to be read under ordinary conditions by passengers seated in the vehicle. Each notice shall be either one sign at least 240 square inches in size or two signs at least 120 square inches in each size.

(4) The notice shall—

(i) Describe briefly the increases proposed, the transportation service for which they are proposed and the points affected;

(ii) State that interested persons may file objections with the Commission; and

(iii) State that information regarding the Commission's rules of practice may be obtained by writing the Secretary of the Commission.

(5) The notice shall be displayed at the same time a tariff publication containing the proposed increased fares is filed with the Commission and shall remain displayed until—

(i) The carrier withdraws its request;

(ii) The Commission suspends the increase; or

(iii) The increase becomes effective.

(6) The notice shall be displayed at the same time a petition is filed with the Commission requesting authority

to increase fares or to file a tariff publication containing proposed increased fares. The notice shall remain displayed until the Commission acts on the petition.

(7) The carrier shall send a copy of the notice by first-class mail to the Governor and any State and County agency responsible for passenger service in all affected states and counties.

(8) As to each municipality affected by the proposal which has a population of 25,000 or more, the carrier shall send a copy of the notice—

(i) To all daily newspapers published in the municipality having a circulation of 25,000 or more; or if none,

(ii) To the daily newspaper having the largest circulation; or, if there is no daily newspaper,

(iii) To the weekly newspaper having the largest circulation.

(9) The notice shall read substantially as follows:

NOTICE OF INCREASED FARES FOR COMMUTER
OR SUBURBAN SERVICE

(Name of carrier)

This carrier has filed tariffs with the Interstate Commerce Commission proposing increases in fares effective (Date) _____ for (Here, describe briefly the kind of transportation, points or localities affected, and the increase proposed.)

Anyone may file a complaint challenging the increase by writing to the Interstate Commerce Commission, Washington, DC 20423.

The complaint should include the reasons you object to the increase and should be mailed (Here, show "in time to reach the Commission 12 days before the effective date shown above", unless the increase has been filed on less than 30 days' notice by a motor carrier or 20 days' notice by a railroad. If the latter, show "as soon as possible.")

At the same time the complaint is sent to the Commission a copy must also be sent to this carrier's general office. (Here, show the street address, city, state, zip code and telephone number of the carrier's general office.)

Surface Transportation Board, DOT

§ 1312.7

Further information is on file at the regional and district offices of the Commission; at our stations, agencies, or offices where tickets are sold and tariffs containing the proposed increases are required to be posted; and at our general office. A copy of this proposal and statement of justification has been mailed to the Governor and to the appropriate State and County agencies in all states and counties affected by the proposal.

(10) The notice shall read substantially as follows:

NOTICE OF INCREASED FARES FOR REGULAR
ROUTE SERVICE

(Name of carrier)

This carrier has filed tariffs with the Interstate Commerce Commission proposing increases in fares effective (Date) _____ for (Here, describe briefly the kind of transportation, the points or localities affected, and the increase proposed.)

Anyone may protest the increase by writing to the Interstate Commerce Commission, Washington, DC 20423. The protest should include the reasons you object to the increase and should be mailed (Here, show "in time to reach the Commission 12 days before the effective date shown above", unless the increase has been filed on less than 30 days' notice by a motor carrier or 20 days' notice by a railroad. If the latter, show "as soon as possible."

At the same time the protest is sent to the Commission a copy must also be sent to this carrier's general office. (Here, show the street address, city, state, zip code and telephone number of the carrier's general office.)

§ 1312.6 Furnishing copies of tariff publications.

(a) *Definitions.* *Subscriber*, as used in this section means any party other than carrier participants in the tariff that is voluntarily furnished, or any party that requests that it be furnished, one or more copies of a particular tariff with or without subsequent amendments or reissues of that tariff. *Short-notice publication*, as used in this section means a tariff publication authorized to be filed without notice or on notice of less than 10 days.

(b) *Sending new publications to subscribers.* (1) The publishing carrier or agent shall send each newly-issued tariff, supplement, or loose-leaf page as requested to each subscriber by first class mail, or other means requested in writing by the subscriber.

(2) Newly-issued tariffs, supplements, or loose-leaf pages, including short-notice publications, shall be sent to each subscriber not later than the time the copies for official filing are sent to the Board, except that with the advance, written permission of the subscriber, any publication may be sent not later than 5 working days after the time the copies are sent to the Board.

(3) Carriers or agents may, if acceptable to a subscriber, furnish only specific portions of original tariffs and amendments affecting those portions.

(c) *Certification.* The letter of transmittal accompanying the copies to the Commission shall contain the following certification:

I certify that compliance with 49 CFR 1312.6 has been [in the case of advance agreements by the subscriber to delayed transmission or in the case of short-notice publications will be"] made.

(d) *Charges.* (1) The charge for copies of tariff publications sent to subscribers shall be reasonable and identical.

(2) No charge may be made (not even for the cost of sending the publication) for any publication that is rejected by the Commission.

(e) *Notice of rejection.* If a publication is rejected, the subscribers shall be notified.

[49 FR 38615, Oct. 1, 1984, as amended at 50 FR 4864, Feb. 4, 1985; 61 FR 30182, June 14, 1996]

§ 1312.7 Form and printing.

(a) *Form, durability and method of printing.* Tariff publications shall be in the English language, and shall be legible and durable for the life of the tariff.

(b) *General rules.* (1) Except for the title page, and except as otherwise authorized, all pages shall be consecutively numbered using Arabic numerals.

(2) Pages intentionally left blank shall so state.

(3) Reasonable margins shall be provided at a bound edge.

§ 1312.8

49 CFR Ch. X (10–1–96 Edition)

(c) *Bound tariffs.* Bound tariff publications of two or more sheets shall be permanently bound. Stapling is acceptable.

(d) *Looseleaf tariffs.* (1) Original and revised pages shall be so designated. Numbering in sectional tariffs may use letter or number prefixes and suffixes after “original” or “revised”, provided the system is explained. See § 1312.17 for rules governing identification of amendments.

(2) Each page shall show the name of the issuing carrier or agent and the complete mailing address. Ocean carriers filing tariffs jointly with this Commission and the Federal Maritime Commission shall show the name officially recognized by that agency.

(3) Each page shall show the issued date and the general effective date. With the original issue of the looseleaf tariff, issued and effective dates need be shown only on the original title page, not on each original page. The name of the month shall be spelled out, followed by the day and year by number. If the page contains matter (including reissued matter) effective upon a date other than the general effective date, the notation “(Except as otherwise provided)” shall be shown directly with the general effective date.

(e) *Items and numbering systems.* (1) Numbering systems shall be understandable and not duplicative.

(2) Original tariffs shall allow sufficient unused item numbers to allow for expansion.

(3) If two or more items contain related subject matter, or one or more items are subordinate to another, compound numbers (an original number followed by a hyphen or decimal, then a new series of numbers, i.e., Item 400, Item 400–1, Item 400–2 or Item 400, Item 400.1, Item 400.2) are permitted. Compound numbers may be used in amendments if new matter has to be added, provided the initial number (item 400 in the example) has not already been used in a compound number series.

(4) Sections of a tariff or notes outside or inside of items shall be numerically or alphabetically designated. Item numbers for class rate tables, if assigned, shall be in numerical sequence.

§ 1312.8 ICC tariff designations.

(a) *ICC designation.* The ICC designation is—

(1) The characters “ICC”; followed by

(2) The tariff, carrier or agent code; followed by

(3) The tariff number.

(b) *ICC designations to be shown on tariff publications.* (1) The ICC designation shall be shown on the title page of all new or reissued tariff publications.

(2) Tariffs published to apply on emergency movements authorized under section 10928 of the Act may be filed without the carrier code if the carrier has not been issued a code. For example, a motor carrier’s tariff may show a designation “ICC 900” if no code has been assigned and the number “900” has not been previously used. The tariffs shall, however, fully comply with all other requirements of this section.

(c) *Assignment of tariff, carrier and agent codes.* (1) Tariff, carrier and agent codes shall consist of a minimum of two and a maximum of four alphabetical characters.

(2) The codes shall be assigned by the transportation industry as follows:

Railroads: Executive Committee, Western Railroad Association, Suite 1200, 222 Riverside Plaza, Chicago, IL 60606

Water Carriers: Waterways Freight Bureau, Suite 402, 1334 G St., NW., Washington, DC 20005

All Other Modes: (Passenger and Property), National Motor Freight Traffic Association, Inc., 1616 P St., NW., Washington, DC 20036

The fee assessed, if any, may be no more than the processing cost.

(3) Only one code shall be assigned to each carrier or agent, except as authorized in paragraphs (c)(5) and (6) of this section.

(4) A court appointed receiver, trustee, executor, administrator, assignee, etc., who assumes possession and operating control of a carrier’s lines, in whole or in part, shall use the old carrier’s code. In all other cases where the regulations in this part require the filing of an adoption notice, the code of the new carrier shall be used on the adoption notice and on all original tariffs filed thereafter in the new carrier’s name. If a carrier’s or agent’s name is changed without a change in ownership

Surface Transportation Board, DOT

§ 1312.8

of the carrier or identity of the agent, a new code shall be assigned, unless the Commission authorizes the use of the same code. (Exception: A code assigned for use on a specific tariff of an agent shall continue to be used on that tariff.)

(5) Consideration shall be given to requests for the assignment of specific codes for classifications and other governing tariffs, issued by agents, which have a substantial nationwide application for a substantial number of participating carriers. Whenever possible, the assigned code shall coincide with the first letter of the primary words in the title of the tariff. Only one code shall be assigned to a tariff.

(6) Consideration shall be given to requests for assignment of an extra code(s) to a carrier. The additional code(s) shall be constructed by the use of the base code assigned to the carrier, together with an appropriate letter suffix. In no case shall the code exceed four characters. If the base code consists of four characters, the letter suffix shall be added to the first three characters of the base code.

(7) The industry shall file with the Commission in tariff form a list of the assigned alphabetical codes and the names of the carriers and agents to which they are assigned. The tariff shall be amended every 3 months if the list has changed during that period. The amendments shall show the changes, additions and cancellations made during that period. The tariff shall comply with the amendment limitations provided in §1312.17 of this part. Partial amendments to the list may be shown in each supplement, and more than one partial amendment may be in effect at the same time.

(d) *Tariff numbers.* (1) A tariff number assigned to a tariff shall consist of not more than four numerals. For rail general increase master tariffs, the number may be the letter "X" followed by the docket number of the ex parte proceeding.

(2) For property tariffs of rail carriers, the first digit or letter shall conform to the following grouping:

First digit or letter of tariff Nos.	Types of tariffs
1	Class rate tariffs.

First digit or letter of tariff Nos.	Types of tariffs
2	Class exceptions tariffs.
3	General commodity rate tariffs (i.e., numerous unrelated commodities).
4	Specific commodity rate tariffs (e.g., iron or steel articles).
5	Routing guide tariffs.
6	Governing tariffs (all kinds).
7	Reserved.
8 or 9	Miscellaneous tariffs (e.g., switching, special service, terminal service).
X	May be used for master tariff of general increases.

(3) For tariffs of motor common carriers of property other than household goods carriers the first digit shall conform to the following grouping:

First digit of tariff Nos.	Types of tariffs
1	Governing publications of all kinds; adoption notices.
2	Commodity rate tariffs.
3	Combined class and commodity rate tariffs.
4	Commodity column or distance rate tariffs.
5	Class rate tariffs.
6	Miscellaneous tariffs (those not included in any other category).
7	Import and export tariffs (tariffs assigned this digit shall contain only import or export, or both, provisions).
8	Reserved for future assignment.
9	Tariffs containing rates or provisions covering emergency movements authorized by this Commission under section 10928 of the Act.

Any tariff assigned any first digit other than 7 may contain some, but not solely, import or export provisions.

(4) When a tariff could be construed as being of more than one type because of the provisions it contains, the governing factor in assignment of the digit or letter will be the category that represents the principal portion of the contents or which signifies its primary purpose.

(5) The first digit of a tariff number assigned to tariffs of motor carriers of passengers or water carriers of property containing rates or provisions covering emergency movements authorized by the Commission under section 10928 of the Act shall be "9".

(6) For all tariffs not governed by paragraphs (d) (2), (3), (4), or (5) of this section, the carrier or agent shall assign groupings for each of the particular types of tariffs involved, and the number assigned to a tariff shall conform to that grouping.

(7) The assigned number will remain the same from reissue to reissue of the tariff. The first time a tariff is issued, its tariff number shall not have a letter suffix. The first reissue of the tariff shall have the letter suffix A, the next reissue B, and so on through Z, after which the letter suffix A will again be used and the process repeated. A carrier or agent may not use any number on its tariffs that differs in any respect from that used in the ICC designation, and whole numbers (not fractional or decimal) shall be used.

(e) *Use in tariffs.* A tariff which refers to another tariff shall identify the other tariff by its ICC designation and name the issuing carrier or agent.

(f) *ICC designations; rejected tariffs.* When the ICC designation of a rejected tariff does not include a letter suffix, the designation on the tariff issued in its place shall bear the letter suffix A. When the ICC designation of a rejected tariff includes a letter suffix, the designation on the tariff issued in its place shall bear the next consecutive letter suffix. The rejected tariff may not be referred to in any subsequent tariffs as having been amended, canceled, or withdrawn, but the tariff which is published in its place shall bear the following notation:

Issued in place of (here identify the rejected tariff), rejected by the Commission.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 44297, Dec. 9, 1986]

§ 1312.9 Codes for identification of places.

(a) *Definition.* As used in this part, the term *code for identification of places* means any numeric or alphabetic system used to represent, or identify, places, points, facilities, or locations.

(b) *Use.* Codes for identification of places may be used instead of, or in addition to, the naming of places, points, facilities, or locations; provided that an explanation of the code is contained in the same tariff using the code, or in a separate tariff specifically named as a governing publication.

§ 1312.10 Powers of attorney, concurrences, transfer of agent. [See also § 1312.4(d)]

(a) *Powers of attorney.* Powers of attorney may be given by a carrier to a

carrier or an agent for the purpose of publishing and filing tariffs. A power of attorney may be given by Class III rail carriers to larger carriers with which they connect or by rail subsidiaries to parent rail carriers authorizing the larger or parent rail carriers to publish tariffs, to give and receive concurrences, and to give powers of attorney to agents on behalf of the Class III or subsidiary rail carrier. The power may be as broad or limited as expressed in the document, and alternate agents may be named. Powers of attorney shall not be filed at the Commission, but shall be maintained and produced if requested by any person. Revocation or amendment of the power of attorney should be reflected through lawfully published tariff revisions effective concurrently. In the event of failure to so revise the applicable tariff or tariffs, the rates in such tariff or tariffs will remain applicable until lawfully changed. If the scope of a power of attorney is questioned by any person, the document shall be produced.

(b) *Concurrences.* (1) A concurrence is used to show that one carrier has agreed to participate in joint rates or provisions published in a tariff filed by another carrier or agent. A concurrence does not give a carrier authority to publish local rates or provisions for the carrier issuing the concurrence. If two or more carriers execute powers of attorney to the same agent, it is not necessary for those carriers to exchange concurrences.

(2) Concurrences shall not be filed with the Commission, but shall be maintained and produced if requested. Revocation or amendment of the concurrence should be reflected through lawfully published tariff revisions effective concurrently. In the event of failure to do so, the rates in such tariff remain applicable until lawfully changed. If the concurrence is questioned, the document shall be produced by any person.

(c) *Transfer of authority from one agent to another.* When a new agent is to take over all effective tariffs of another agent (including where a name of a corporation is changed), powers of attorney shall be appropriately amended.

(d) *Take-over publications.* (1) When an agent is appointed to take over an

Surface Transportation Board, DOT

§ 1312.11

agency, or when an alternate agent takes over the duties of the principal agent, the new or alternate agent shall immediately issue a supplement to each of the superseded agent's effective tariffs. Instead of showing an effective date on the title page, the following statement or one to similar effect shall be shown:

On and after [date the authority was transferred], this publication is the issue of [new or alternate agent's name].

(2) In the case of a new agent, only the carriers that have issued new powers of attorney may be shown in the take-over publication as participants. All other carriers previously shown as participants shall be shown as canceled, either by listing each and stating its participation is canceled or by showing the following statement or one to similar effect at the beginning of the list:

The following is the list of carriers participating in this tariff as of [take-over date]. All carriers previously shown as participants but not shown are canceled.

(3) A take-over supplement shall remain in effect for the life of the tariff, except the list of participating carriers may be amended.

(4) A take-over supplement is exempt from the provisions of § 1312.18 limiting the number and volume of supplements.

(5) Where joint-agent publications (see § 1312.11) are involved, there are four major situations:

(i) The issuing agent is taken over by an agent not already shown as joining in the publication.

(ii) A joint agent is taken over by an agent other than the issuing agent.

(iii) A joint agent is taken over by the issuing agent; or

(iv) The issuing agent is taken over by a joint agent shown on the publication.

(A) In the case of paragraph (d)(5)(i) of this section, the new agent issues the take-over supplement.

(B) In the case of paragraph (d)(5)(ii) of this section, the issuing agent of the tariff issues the supplement showing the name of the new agent for the one taken over.

(C) In the case of paragraph (d)(5)(iii) of this section, the issuing agent of the

tariff issues the supplement, with the former agent and its ICC designation deleted.

(D) In the case of paragraph (d)(5)(iv) of this section, the new agent becomes the issuing agent, issues the take-over supplement, with the former issuing agent and its ICC designation deleted. In each case, the supplement shall contain only matter necessary to explain the action with the list of participating carriers, if any, appropriately amended.

(6) Amendments (including the take-over supplement) filed by the new agent to tariffs issued by the former agent shall, in connection with the ICC designation, show that they are in the series of the former agent.

(7) New tariffs issued by the new agent shall be in the new agent's own ICC designation series. If a new tariff cancels a tariff taken over by the new agent, the cancellation shall indicate the series of the tariff canceled.

(8) An alternate agent, after take over, shall continue to use the ICC designation series of the former agent, and shall, in connection with the ICC designation, identify it by name of the former agent.

§ 1312.11 Tariffs issued by joint agents not applicable to contract carriers or household goods freight forwarders.

(a) *May be filed.* Two or more agents may issue a tariff(s). Each agent shall act only for carriers who have given it powers of attorney or who have given concurrences to carriers issuing powers of attorney. Each agent need not obtain powers of attorney from all participating carriers. Each carrier shall be shown as participating under authority given to one of the issuing agents.

(b) *Title pages and looseleaf pages.* The title page of each original joint issue tariff and supplement and each joint issue looseleaf page—

(1) May show a separate ICC designation in the series of each agent; and

(2) Shall show at the bottom—

(i) "Issued By" followed by the name, title, and mailing address of the principal agent or issuing party; and

(ii) Below that, "Jointly With" followed by the name, title, and mailing

§ 1312.12

49 CFR Ch. X (10–1–96 Edition)

address of the other agent(s) joining in the issue.

For bound tariffs only, the names, addresses, and ICC designations of agents other than the principal agent may be shown on the reverse side of the title page of the tariff publication instead of on the title page. Except as provided in § 1312.10, an agent may be added or deleted as an issuing party only by re-issue of the tariff. In either case, the former tariff shall be canceled only by supplement.

(c) *List of participating carriers.* Any list of carriers participating in the tariff shall be arranged as provided in § 1312.13 and shall be published in—

(1) The tariff itself;

(2) A separate jointly issued participating carrier tariff; or

(3) Each issuing agent's separate participating carrier tariff.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 44297, Dec. 9, 1986]

§ 1312.12 Title page of original tariffs.

(a) *Title page required.* Original tariffs shall have a title page which contains at a minimum the information required by paragraphs (b) through (k) of this section.

(b) *ICC designation and cancellation notice.* The tariff's ICC designation shall be shown. Immediately under it, the ICC designation of the tariff(s) being canceled, if any. If there are numerous tariffs being canceled, the ICC designations of those tariffs may be shown—

(1) If a bound tariff, on the first page after the title page which contains tariff matter; or

(2) If a looseleaf tariff, on the first page after the “check sheet(s),” or, if the “correction number, checkoff” type of check sheet is also employed, the first page following that. If the cancellations are not shown on the title page, reference to the location of the listing of the canceled tariffs should be shown.

(c) *Looseleaf tariffs.* The title page of an original looseleaf tariff shall be designated as an “Original Title page.”

(d) *Name and certificate number.* The name of the issuing carrier or agent and complete mailing address shall be shown. Ocean carriers filing tariffs jointly with this Commission and the

Federal Maritime Commission shall show the name officially recognized by that agency. The name of the carrier shall be followed by the number of its certificate or permit, if any. Sub numbers of certificates and permits need not be shown. If the agent is a corporation or association, its name shall be shown. If the agent is an individual, the association's name (if any) for whom the agent acts may also be shown.

(e) *Type of rates or fares, modes of transportation and territorial application—rate or fare tariffs.* (1) (This paragraph applies to motor passenger contract carriers.) The title page shall state that the tariff is a “Contract Carrier Schedule of Minimum Rates [or “Fares”] and Charges Applying On”, and show a short, specific description of the commodities, or types of fares, and the territory covered.

(2) (This paragraph applies to common carriers.) A tariff naming rate shall provide the following information:

(i) The type of rates, the modes of transportation, and the territory covered. The terms local, joint, proportional, and distance shall be used to identify the rates.

(ii) Tariffs shall use appropriate terms to identify the rates in the tariff as specifically as possible; for example: export, import, coastwise, intercoastal, assembling, distribution, class, commodity, commodity-column (column-commodity), passenger, commutation, truckload, carload, trainload, less-than-truckload, less-than-carload, or any quantity.

(iii) Each mode of transportation shall be identified, such all-rail, all-motor, motor-water, motor-rail or rail-motor-water routes.

(f) *Governing tariffs.* A classification, a rules tariff or another type of governing tariff shall show a brief description of the tariff and its contents.

(g) *Nomenclature for tariff.* A brief reference (e.g., “Iron and Steel Tariff,” “Charter Coach Tariff”), by which the tariff can be readily identified may be shown.

(h) *Reference to item containing a list of governing tariffs.* A tariff governed by one or more other tariffs shall refer to

Surface Transportation Board, DOT

§ 1312.13

the item containing the list of the governing tariffs, in the following manner:

For governing publications, see Item —.

(i) *Tariffs issued under decision, order or other authority.* A reference to the decision or order by number, or a reference to the regulation by section number, and the number of days' notice (where less than statutory notice is authorized) shall be shown if the entire tariff—

(1) Is issued to comply with a mandatory decision of the Commission or an order of a court requiring a specific action;

(2) Is issued under authority of a permissive decision allowing less than statutory notice or departure from tariff publishing regulations; or

(3) Is published under a regulation of this part permitting less than statutory notice or departure from an outstanding decision, or both.

(j) *Issue and effective dates.* The issue date and the general effective date shall be shown. If a tariff contains matter (including reissued matter) effective upon a date other than the general effective date, show the following directly with the general effective date: “(except as otherwise provided).”

(k) *Expiration dates.* A tariff that is to expire with a given date shall show the following or similar notation: “This tariff, as amended, expires with [here show date of expiration], unless sooner canceled, changed, or extended.”

[49 FR 38615, Oct. 1, 1984, as amended at 52 FR 4627, Feb. 13, 1987]

§ 1312.13 Contents of tariffs.

(a) *General requirements.* No provision may be published in tariff publications which exceeds the carrier's operating authority. An original tariff shall contain the provisions required by paragraphs (b) through (l) of this section. Any matter not specifically prohibited may be included.

(b) *Checksheets—looseleaf tariffs only.* A checksheet, may be used to list in numerical order the numbers of the original looseleaf pages comprising the tariff. (This page shall always show an updated listing of each page and supplement and shall accompany the pages and supplements being filed.) If the tariff uses the “correction number,

check-off” type of checksheet as looseleaf page amendments are filed, it must be accompanied by in numerical order, a list of correction numbers beginning with No. 1. See § 1312.17 Amendments.

(c) *Participating carriers.* (1) (This paragraph does not apply to carriers' local tariffs.) Unless a separate participating carrier's tariff is filed, a list of the participating carriers shall be provided, showing the names of the carriers; the city and state of the principal office of the carrier; and the lead docket number of each carrier's operating authority, if any.

(2) A carrier may not without authorization file local rates or provisions to apply for another carrier not joint rates or provisions to which it is not a party.

(d) *Statement of operating authority in rate tariffs.* (This paragraph does not apply to railroad, pipeline or passenger carriers.) The operating authority under which rates are published shall be clearly shown in the tariff containing the rates, in a referred to “scope tariff” (see § 1312.24) or in a rules tariff.

(e) *Governing tariffs.* (1) A list of governing tariffs shall be shown, along with the type of tariff, its issuing agent or carrier, and its ICC designation.

(2) Governing publications shall be on file with the Commission except that rules published in the CFR and other publications containing standardized codes or terms that are published by the Federal government and available from the government need not be reproduced, only referenced.

(3) Governing publications shall not result in conflicting rates, charges or provisions.

(f) *Rules and other provisions which govern the tariff.* (1) Rules or provisions stating conditions which in any way affect the rates named in the tariff shall be published either in the rate tariff under the heading “Governing Provisions” or other tariffs. A provision affecting a particular item or rate shall be specifically referred to. Provisions affecting more than one but not all of the rates in the tariff or applying for only some of the participating carriers may be included with explanatory statements.

§ 1312.13

(2)(i) Each rule or regulation shall be given a separate number. Where the following subjects are to be provided for in rail tariffs, the rules covering them shall bear the titles indicated and be assigned the item numbers indicated. If a title includes subjects not treated in the rule, those subjects may be eliminated from the title.

Item and Title

- 5 Description of Governing Classification, Exceptions and Rules Tariffs
- 10 Station List and Conditions
- 15 Explosives, Dangerous Articles
- 20 Reference to Tariffs, Items, Notes, Rules, etc.
- 25 Terminal or Transit Privileges or Services
- 30 Perishable Freight
- 35 Transfer Between Connecting Carriers
- 40 Consecutive Numbers
- 45 Capacities and Dimension of Cars
- 50 Combination Rates
- 55 Substitution of Motor Service for Rail or Water Service
- 60 National Service Order Tariff
- 65 Proportional Rates—application
- 70 Alternation
- 75 Method of Canceling Items
- 80 Intermediate Application—origin
- 85 Intermediate Application—destination
- 100 Method of Denoting Reissued Matter in Supplements
- 105 Straight or Mixed CL Application

For motor tariffs, the list is as follows:

Item and Title

- 100 Governing Publications
- 110 to 119 Definitions
- 150 Application of Tariff
- 160 to 290 Application of Rates
- 299 Absorptions
- 300 Advancing Charges
- 305 Advertising on Carrier Equipment
- 310 Advertising or Premiums
- 315 to 335 Allowances
- 340 Arbitrariness or Differentials
- 345 Arrival Notice and Undelivered Freight
- 350 Assembling or Distributing Freight
- 360 Bills of Lading
- 370 Bulk Freight
- 381 Cancellation of Items
- 382 Cancelling Original and Revised Pages, Except the Title Page
- 390 Capacity Loads
- 405 Carrier Trade Names
- 407 to 419 Claims, Loss and Damage
- 420 Classification of Articles—General
- 421 Classification by Analogy
- 422 Classification of Combined Articles
- 423 Classification of Loose Articles
- 424 Classification of Parts or Pieces of a Complete Article
- 426 Classification of Reconditioning Bags

49 CFR Ch. X (10–1–96 Edition)

- 428 Classification of Various Documents Included with Freight
- 430 COD shipments
- 435 Collection of Charges
- 440 Commercial Zones
- 455 Consecutive Numbers
- 460 Consolidation of Shipments
- 465 Containers
- 470 Control and Exclusive Use of Vehicles
- 480 Customs or In-Bond Freight
- 490 Density
- 500 Detention—Vehicles With Power Units
- 501 Detention—Vehicles Without Power Units
- 502 Detention—LTL or AQ Shipments
- 503 Detention—Prearranged Scheduling
- 510 Distances
- 520 Equipment
- 530 Expedited Service
- 535 Expiration Dates
- 540 Explosives and Other Dangerous Articles
- 550 Export, Import, Coastwise or Intercoastal Freight
- 560 Extra Labor
- 565 Fractions
- 566 Handling Freight Not Adjacent to Vehicle
- 568 Heavy or Bulky Freight
- 570 Impracticable Operations
- 575 Light or Bulky Freight
- 578 Loading by Consignor—Unloading by Consignee
- 580 Marking or Tagging Freight
- 595 Maximum Charge
- 600 Meat Hooks or Racks
- 610 Minimum Charge
- 640 Mixed Shipments—LTL
- 645 Mixed Shipments—TL or Vol.
- 647 Notification Prior to Delivery
- 650 Operating Rights
- 660 Order-Notify Shipments
- 670 Over Dimension Freight
- 675 Over Weight Shipments
- 680 to 689 Packing or Packaging
- 710 Pallets, Platform or Skids
- 720 Payment of Charges
- 730 Peddler Truck Shipments
- 740 Permits, Special
- 750 Pickup or Delivery Service
- 753 Pickup or Delivery Service—Private Residence
- 754 Pickup or Delivery Service—Sundays or Holidays
- 755 Pickup or Delivery Service—Saturdays
- 756 Pickup or Delivery Service—Saturdays, Sundays, or Holidays
- 765 Precedence of Rates
- 766 Precedence of Rules
- 770 Prepayment
- 780 Prohibited or Restricted Articles
- 784 Proof of Delivery
- 800 Proportional Rates
- 810 Protective Service
- 820 Reconsignment or Diversion
- 830 Redelivery
- 845 Reference to Tariffs, Schedules

Surface Transportation Board, DOT

§ 1312.13

846 Reissued Matter, Method of Treating
848 Released Value
850 Reporting Charge
860 Returned, Undelivered Shipments
880 Sealing of Trucks
881 Section 10721 Tenders
883 Shipments Tendered as a Truckload
885 Single Shipment Pickup
887 Sorting or Segregating
890 Special Services
900 Stopoffs
910 Storage
920 Substitution of Service
940 Terminal Areas
950 Terminal Charges at Ports
957 Tolls
959 Transfer of Lading
960 Transfer of Service
970 Transit Privileges or Services
980 Unnamed Points
985 Vehicle Furnished But Not Used
990 Weighing and Weights
992 Weight Verification
995 Weights—Gross Weights and Dunnage
997 Weights—Minimum Weight Factor

(ii) A carrier or agent may assign a title and number of its choosing for matter not listed, provided the title and number chosen do not conflict with those listed.

(iii) If a title does not properly identify a rule's content, qualifying words, phrases or subtitles may be added. When qualifying words or phrases are used, the prescribed title shall be followed by a dash and the added words. Subtitles or references to excepted classification rules shall follow the title.

(iv) When a rule is split into two or more parts, the prescribed item number may be subdivided. The first part of the rule (which shall contain the general rule, if any) must be assigned the prescribed item number without a numerical suffix. Each subdivision shall be assigned a compound number, which shall be constructed by use of the prescribed number followed by a decimal or a hyphen, then a new series of numbers, for example: Item 70.1, or 70-1, in numerical sequence. Each subdivision must show the prescribed title.

(v) Exceptions to a rule may be included in the general rule or arranged in items immediately following the rule to which exception is taken. In the latter case, exception items are to use the standard item number of the general rule followed by a suffix—for example, exceptions to item 85 would use items 85.1, 85.2, etc., or 85-1, 85-2, etc.

(vi) Tariffs subject to the provisions contained in § 1312.37 are not subject to the requirements of this paragraph.

(3) Governing provisions should be given brief, but descriptive, titles.

(4) Tariffs containing rates for the transportation of dangerous articles (hazardous materials) may reproduce the Department of Transportation's regulations governing the acceptance and transportation of those articles refer to a separate tariff which contains the regulations, or refer to the CFR location of the governing rules.

(5) Rules and regulations of passenger carriers concerning their practices, procedures and regulations for the sale, honoring, exchange, validation, refund, and time limits for usage of tickets shall be published in the fare tariffs, or the fare tariff shall refer to a separate tariff containing these provisions.

(g) *Exceptions to class ratings.* (1) The exceptions to class ratings in a classification or exceptions tariff applying only for the rates published in one tariff shall be published in that tariff, be clear, be published in a separate section, be arranged in the same order, describe the commodity in the same words, or as close as possible, used in the classification, and use the generic heading, if any, used in the classification, and indicate the quantity application.

(2) Different class ratings on the same article or commodity based on different minimum quantities may be published if the class ratings are published in one item.

(3) An exception class rating may be published to apply on the movement of a plant to a new location without naming each article to be transported, provided application is clear.

(h) *Exceptions to classification or exceptions tariff rules.* Exceptions to rules in a classification or exceptions tariff applying only for the rates published in one tariff, should be published in that tariff, in the "Governing Provisions" section [but see § 1312.27(b)] and shall—

(1) Be arranged in the same order as they appear in the classification;

(2) Unless the exception is to make the rule (or part of the rule) not applicable, be complete in themselves by republication of the complete rules, section or other identifiable unit affected;

§ 1312.14

(3) Identify the classification rule (and exceptions tariff rule, if any) and the part being changed;

(4) Republish the entire rule if relatively small;

(5) If the exception is to make the rule (or portion of the rule) not applicable, identify the rule or portion affected.

(i) *Application for individual carriers.* Tariffs shall contain statements indicating the proper application of the rates and provisions for particular carriers.

(j) *Statements of rates and fares.* Rate tariffs shall contain a statement of rates applicable for the transportation of the articles on which rates are named. Fare tariffs shall contain a statement of fares applicable for the transportation of passengers which the tariff is intended to cover. Tariffs must be presented in a manner that allows all tariff users to have knowledge of the exact rate of fare applicable to any given shipment.

(k) *Statement of routes.* A clear statement of routes over which the published rates apply shall be shown, prepared in accordance with the provisions of § 1312.15.

(l) *Explanation of reference marks, notes, and abbreviations.* (1) Reference marks, abbreviations and note references used in a tariff shall be explained either in the item to which they apply or in a separate item. Use shall be consistent throughout the tariff unless the deviation is specifically explained. See also §§ 1312.17 and 1312.18.

(2) Standard carrier codes may be included as part of the List of Participating Carriers if one is published within the tariff, provided a statement to that effect is included under the explanation of abbreviations.

(3) In addition to U.S. Postal Service State name abbreviations and acronyms of Federal agencies, the following commonly used abbreviations are acceptable without explanation.

Abbreviation	Explanation
&	and
AFB	Air Force Base
a.m.	ante meridiem
Ave	Avenue
Bld	Boulevard
Bldg	Building
br	branch
Bros	Brothers

49 CFR Ch. X (10–1–96 Edition)

Abbreviation	Explanation
¢	cents
CFR	Code of Federal Regulations
Co	Company
Corp	Corporation
cu	cubic
cwt	100 pounds
Cy	County
d/b/a/	doing business as
\$	dollars
E	East
etc	et cetera
e.g.	for example
Ft	Fort
ft or ’	foot, feet
gal	gallon
i.e.	that is
in or ”	inch, inches
Inc.	Incorporated
Jct	Junction
lb	pound
Ltd	Limited
mfg	manufacturing
Mt	Mount, Mountain
N	North
No.	Number
oz	ounce
%	percent
p.m.	post meridiem
PO	Post Office
Rd	Road
S	South
St	Street
US	United States
wt	weight
W	West

(4) The following reference marks (symbols) are suggested for use.

° or (R) or *R* to denote reductions
 –° or (A) or *A* to denote increases
 – or (C) or *C* to denote changes which result in neither increases nor reductions in charges
 ° or (N) or *N* to denote no change in rate [fare] (see § 1312.17(f)).
 + to denote intrastate application only

[], □, ., or (), to denote re-issued matter (see § 1312.17(g)).

(5) New or added matter (matter that does not actually change the application of published rates) on which the prescribed reference marks in this paragraph would not be appropriate may be indicated as “New,” “Addition,” “Add” or bear a properly explained reference mark of the carrier’s or agent’s choice.

[32 FR 20541, Dec. 20, 1967, as amended at 54 FR 38998, Sept. 22, 1989]

§ 1312.14 Statement of rates and fares (see also § 1312.41).

(a) *Shall be clear and explicit.* (1) Rates, fares, and provisions shall be

clearly stated and arranged in a systematic manner which establishes the rate, charge or attendant provisions for each service offered or performed by the serving carrier. Rates and charges shall be explicitly stated per unit in U.S. dollars or cents. A rate for a given service may be expressed as a definite percentage of another explicitly stated rate in the same or other tariffs. The disposition of fractions and other tariff elements required to determine the applicable rate, charge or provision shall be clearly explained. Tariffs of motor passenger contract carriers shall provide an explicit statement of the minimum rates, fares, or charges actually maintained. Rates may be stated in any measurable unit. Rates may be stated as applying e.g., per car, per vehicle, per mile, per vehicle-mile, per container, per package, per passenger, per unit of time or other variable unit, provided the measure of the service is fixed by defining the unit specifically, or in maximum terms, such as a stated maximum weight of contents permitted per vehicle or container of a certain maximum cubic capacity or measurement, or stated maximum dimensions or weight per individual package. Rates for rail, water, and motor passenger service (including one-way, roundtrip, commutation, etc.) may be stated per passenger or other identifiable unit. Rates based on quantity shall be stated as having any quantity, less-than-truckload, truckload, less-than-carload, carload, trainload, volume or any other clearly defined quantity application.

(2) (This paragraph only applies to transportation of property by railroads.) Rates may be shown as applying from or to "all points" in a State to territory located on the lines of the carrier parties to the tariff, without naming the points in the tariff, provided the tariff is governed by a station list tariff or otherwise adequately describes the territorial scope. Points may be excepted from the application of the rates by listing them. Intermediate point rules (§1312.33) may not be used in connection with origin or destination points provided in accordance with this paragraph, as to do so would be redundant.

(3) Rates may be published to apply from or to a named plant site, construction site, or other site, if its location is identified. Rates may be published for the account of a specifically named shipper or receiver.

(b) *Arbitraries.* A tariff may provide rates from or to designated points by the addition or deduction of arbitraries or differentials to or from rates in the tariff from or to named base points. Provision for this shall be shown either in a separate item in the same tariff, which shall specifically name the base point and clearly and definitely state the manner in which the arbitraries or differentials shall be applied, or in a separate rate basis tariff.

(c) *Class rates.* Class rate tariffs shall provide a rate for class ratings shown in the classification or exceptions tariff except class rates for certain classes may be omitted provided there is a statement that the next lower class or the next higher class (not both) for which rates are published shall be used.

(d) *Alternation and precedence of rates, and maximum charges.* Alternation of rates is permitted. The extent of alternation must be clearly defined by explicitly delineating the levels of rates subject to alternation. For example:

—Rates named in section 2 of this tariff alternate with rates named in sections 3 and 4 of this tariff.

—Rates named in this tariff alternate with rates named in tariff —, issued by —.

—Commodity rates named in Section of — of this tariff alternate with class rates named in tariff —, issued by —; alternation extends to class rates as discounted through use of discount provisions named in tariff —, issued by —.

(e) *Mixed shipments.* If two or more commodities are listed in connection with a rate or rating application, there shall be a clear statement as to whether the rate or rating applies only on straight shipments, on a specific mixture of the articles, or on straight or mixed shipments. If one or more of the commodities are to be subject to a rate or a minimum quantity or both, different from the others, how the minimum charge per mixed shipment is to be determined shall be clearly stated. This is also required if two or more rates or ratings, based on different minimum quantities, are provided for

§ 1312.15

49 CFR Ch. X (10–1–96 Edition)

the same commodity. Where different rates or ratings are so provided, there shall be a statement published explaining how the deficit, if any, in the applicable minimum weight shall be rated.

(f) *Commodity rates.* Except as otherwise provided in paragraphs (g), (h) and (i) of this section, when commodity rates are established, the commodity description shall be specific and the rates may not be applied to analogous articles unless so provided. As far as possible, uniform commodity descriptions should be used in all tariffs.

(g) *Generic terms.* Rates, tariffs, or sections of tariffs may be published to apply commodities without naming the individual articles by publication of an appropriate description.

(h) *Reference to items or lists for commodities or descriptions.* (1) Commodity rate items may contain rates on a number of articles without naming the articles in the item by use of a generic term and reference to an item (not a rate item) in the tariff or in a separate tariff (sufficiently identified on its title page) which contains a complete list of the articles (and minimum weights, if any). The list shall bear a commodity caption (for example “Packinghouse products, namely”), which shall be worded the same as the generic term used in the rate item, and the commodities in each list shall be arranged alphabetically.

(2) The rate item may except certain commodities in the list.

(3) A rate tariff may refer to a classification instead of, or in addition to, a separate list tariff for description of articles on which rates published by reference to generic terms will apply. The reference may be restricted to the descriptions in certain identified items under the generic heading used. A rate item may refer to classification items for a detailed description, and for governing conditions, if the commodity term used in the rate item embraces the commodities in the classification items. The rate tariff shall clearly indicate the application of notes, qualifying conditions and other matter published in connection with the classification items.

(i) *Application of aggregate of intermediate rates and combination rates.* (1) Except where a carrier elects to permit

alternation, when a rate, whether local or joint, from origin to destination has been established via a route as a “one-factor rate,” it becomes the only legal rate for through transportation via that route, whether it is greater or less than the aggregate of intermediate rates, if any.

(2) The lowest combination of rates applicable via the route of movement is the legal rate if no one-factor rate is in effect. The combination shall be treated as a unit from origin to destination.

NOTE: This section does not require equalizing via one route or gateway the combination of rates applicable over another route or via a different gateway.

(j) *Proportional rates.* (This paragraph does not apply to contract carriers or household goods freight forwarders.) Tariffs containing proportional rates shall clearly show their application. If a proportional rate is intended for use on traffic destined to a restricted territory or points, the territory shall be clearly defined.

(k) *Tank-line gauge books and equipment register.* When rates are published with minimum weights dependent upon, for example, the length of the car used, or the marked cubical or gallon capacity of the car used, that measurement or mark becomes an integral part of the rate and carriers shall file tariffs showing the numbers, dimensions, capacities, and ownership of freight cars, and other information required by law to be filed with respect to such cars. The information may be published in separate publications and be filed by duly authorized agents. Successive issues and amendments may be made effective on 1 day’s notice.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 44297, Dec. 9, 1986; 52 FR 4627, Feb. 13, 1987; 59 FR 2304, Jan. 14, 1994; 59 FR 4844, Feb. 2, 1994; 61 FR 19860, May 3, 1996]

§ 1312.15 Routing not applicable to household goods freight forwarders or contract carriers.

(a) *Routing to be specified.* Except as authorized in paragraph (b) of this section, the routing to be used shall be specified in a complete and clear manner, identifying each carrier and the point of interchange in proper order from origin to destination. For motor

Surface Transportation Board, DOT

§ 1312.15

carriers, highway numbers need not be listed.

(b) *Open routing.* (This paragraph applies to tariffs of railroads.) Routing may be provided by publishing a statement substantially as follows in the rate tariff:

The rates in this tariff apply over all routes made by use of the lines of any of the carriers parties to this tariff, except as otherwise specifically provided on pages —, in individual rate items, or in connection with individual rates.

The exceptions may be stated either by showing that the rate applies only via specified routes (affirmative routing), or by showing that the rate does not apply via specified routes (negative routing). Affirmative routing may be shown in a routing guide, but negative routing may not.

(c) *Where to publish routes.* The routes shall be published in the rate tariff, in a separate routing tariff or tariffs (a “routing guide”), or in a separate routing tariff or tariffs which are governed by an explanation of routes tariff or tariffs. Routes may be published in both rate tariffs and routing tariffs.

(d) *Notations in tariff publications.* (1) A routing guide shall contain the following or similar statement on its title page:

The routes in this tariff may be used only when rate tariffs provide for their application.

(2) If all of the routes are provided in the rate tariff, the following or similar notation shall be shown in the rate tariff under the heading “Routing Instructions”:

The rates in this tariff apply only via the routes specified on pages [or “in items”].

(3) If all of the routes are provided in the routing guide, the following or similar notation (with appropriate tariff reference) shall be shown in the rate tariff under the heading “Routing Instructions”:

The rates in this tariff apply only via the routes specified in [here show ICC designation] for carrier parties to this tariff.

(4) If the rate tariff contains routing and also refers to a routing guide, an appropriate notation shall be published in the rate tariff under the heading “Routing Instructions.” The notation

shall clearly state the circumstances when the routing in the rate tariff applies and when the routing in the routing guide applies.

(e) *Number of routing guides.* A rate may not be subject to more than one routing guide except—

(1) Joint rates of a rail subsidiary or a Class III rail carrier with two or more connecting or parent rail carriers may refer to the routing guides of each of the connecting or parent carriers;

(2) If territorial routing guides are published, an interterritorial rate may refer to one guide for each of the separate territories involved; and

(3) Reference may be made to separate routing guides of any of the participating carriers for internal routing over each of the carrier’s lines.

(f) *Combined routing guide/participating carrier tariff.* A routing guide may be combined with a participating carrier tariff, or a combined participating carrier and points of service tariff, provided the routing provisions are separate and the requirements of this section are otherwise complied with.

(g) *Emergency routing clause.* The following provision or one of similar effect may be published under the heading “Routing Instructions” in connection with joint rates on property:

EMERGENCY ROUTING

The joint rates in this tariff apply via the routes and through the transfer points authorized in this tariff, except:

When, because of pronounced traffic congestion (not an embargo), detours or other similar emergencies, or through carriers’ error, carriers forward shipments by other transfer points of the same carriers or over the lines of other carriers parties to this tariff, the rate specified in this tariff will apply if it results in lower charges than the otherwise applicable rate over the actual route of movement.

(h) *Cancellation of or surcharges to joint routes or rates.* (This paragraph applies only to rail carriers.) Cancellations of joint rates or routes or surcharges to them under the authority of 49 U.S.C. 10705a shall have a clear statement to that effect in the tariff publication.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 44297, Dec. 9, 1986]

§ 1312.16 Sectional tariffs.

Tariffs may be arranged in “sections” to separate different kinds of rates or provisions, provided the sections are consecutively numbered or lettered and differentiation among sections is clear.

§ 1312.17 Amendments.

(a) *How made.* An amendment is a change in, addition to, or cancellation from a tariff. Supplements are tariff publications to be used to amend bound tariffs (see § 1312.18) and new or revised pages are tariff publications to be used to amend looseleaf tariffs (see paragraph (d) of this section). Supplements may also be used to amend looseleaf tariffs as provided in paragraph (d)(16) of this section.

(b) *Lists of participating carriers.* (This paragraph does not apply to participating carrier tariffs.)

(1) In bound tariffs, the list shall be amended by—

(i) Publishing a complete new list containing all changes and canceling the prior list; or

(ii) Publishing a cumulative list of all changes, alphabetically arranged either by code or carrier name, and the statement: “The list of participating carriers is as shown in the tariff except for the following changes.” Only one cumulative list may be in effect at one time. A carrier’s participation shall be canceled by showing the carrier’s complete name, together with the word “Cancel” or other suitable provision. Changes shall be carried forward in subsequent amendments to the list as reissued matter.

(2) In a looseleaf tariff, the list shall be amended either by (i) republication of the page(s) on which the list appears, indicating the cancellations, additions and changes. The canceled carriers’ names shall be republished on a separate page(s) at the end of the list, indicating when the cancellation was first effective, until all provisions in the tariff referring specifically to the carrier(s) have been removed from the effective pages. The pages containing the list shall refer to the page(s) containing the list of canceled carriers; or (ii) reissuing the affected page(s) with an appropriate symbol to show elimination of a carrier.

(3) Concurrent with the cancellation of a carrier from the participating carrier list, all provisions specifically referring to that carrier shall be appropriately amended unless—

(i) The cancellation is in connection with the publication of a complete adoption of the rates of that carrier by another (see § 1312.20); or

(ii) The method permitted in paragraph (b)(4) of this section is used.

(4) A carrier’s participation may be canceled by publishing a blanket cancellation notice directly with the list of participating carriers, and referring to the notice when canceling the carrier’s name from the list. If this method is used, all provisions specifically referring to that carrier shall be amended as soon as possible. During the interim, an item or provision which specifically refers to that carrier may not be republished unless the reference is concurrently removed.

(c) *Amendments to bound tariffs.* (1) Provisions shall be amended by publication of the entire item or segment in a supplement, except as otherwise authorized.

(2) When an item is to be amended, the new item shall be given the same number with a letter suffix, starting with the letter A, continuing through Z, then starting with AA, BB, and so on. Except as provided in paragraph (c)(3) of this section, the new item shall specifically cancel all uncanceled items in the same series. For example: “Item 40–A cancels Item 40”; “Item 40–C cancels Item 40–B and Item 40–A” (if Item 40–A had not been canceled previously).

(3) Items need not specifically cancel the previous items in the same series if the tariff contains a rule explaining the process in which items are superseded. For example, the rule may provide that the use of the next letter suffix automatically cancels the prior item.

The rule shall be maintained for the life of the tariff. Specific cancellation shall be made of items containing rates or provisions under suspension or held in force by reason of suspension.

(4) When provisions of a numbered segment, other than an item, are to be amended, the new segment shall be given the same number, without a suffix, and specifically cancel all prior

Surface Transportation Board, DOT

§ 1312.17

uncanceled segments bearing the same number. The cancellation shall be made by referring to the segment number and its location, i.e., "Section 3, cancels Section 3 on pages 50-56 of the tariff."

(5) When the provisions of an unnumbered segment are to be amended or canceled, the previous segment shall be canceled by clearly indicating the matter and referring to its location.

(6) Amendment in part without bringing forward the item or segment in its entirety, may be made of items or segments containing only—

Tables of contents;
Lists of—participating carriers, commodities, or points of service;
Indexes of—commodities, origins, or destinations;
Statements of carriers' operating authorities;
Explanations of—routing, abbreviations, reference marks, or notes;
Package descriptions; or
Tables of—rates, rate base numbers, or other figures comprising more than two pages.

(7) If a reference mark in a rate table is amended, the rates need not be republished provided the changed reference is explained in the explanation of reference marks and a list of items that use the mark is included.

(8) When amending a figure at the intersection of a headline and sideline point of tables of rates, rate base numbers or other figures, either the entire vertical column or entire horizontal column of figures in which the change appears shall be reproduced. In no case, however, shall the format of the tables be changed during the life of the tariff.

(9) Partial amendments shall be published so that it is clear what matter is being added, changed or canceled.

(10) The following notation or one to similar effect shall be shown with a partial amendment of an item or segment containing station index numbers:

The index numbers of stations in this supplement correspond with the index numbers of the same stations shown on pages — to —, inclusive, of the tariff, with the following additions and deletions.

(11) Additions to an item may be published without bringing forward the entire item by stating, e.g., "Refer to item 100 and add"

(12) Canceled matter may not be reproduced in an item or segment effecting a cancellation except to the extent necessary to identify the subject matter.

(13) An expiration or cancellation statement of an entire item or segment shall be treated the same as any other reissued matter in subsequent supplements.

(14) If part or all of the matter in an item or segment is transferred to another tariff or to a different location in the same tariff, that item or segment shall—

(i) Be revised in the regular manner; and

(ii) Show where the transferred matter will thereafter be found.

(d) *Amendments to looseleaf tariffs.* (1) New pages added at the end of the tariff shall be designated as "Original" and consecutively numbered beginning with the number following the number of the last page of the original tariff.

(2) Other new pages shall be designated as "Original" and given the same number as an existing page (if the tariff contains pages printed on both sides of the sheet, use the higher number) followed by a single suffix letter, in alphabetical sequence starting with "A". No other system or variation may be used.

(3) Both sides of a sheet shall be given page numbers when adding new pages to a tariff containing pages printed on both sides of the sheets. If one side is intentionally left blank, the page shall contain a statement to that effect.

(4) Amendment of a title page shall be made by reprinting it and giving it a revision number. The first amendment shall be designated as "1st Revised Title Page", and so on in consecutive numerical order. Revised title pages shall show the following under their effective dates: "Original Tariff effective (here show the effective date of the original tariff)." The revised page shall specifically cancel all the uncanceled title pages to the same tariff. The cancellation shall be shown with the new designation, for example, "1st Revised Title Page cancels Original Title Page."

(5) (This paragraph does not apply to title pages.)

§ 1312.17

49 CFR Ch. X (10–1–96 Edition)

(i) Amendment of a page shall be made by reprinting it and giving it a revision number. The first amendment shall be designated as “1st Revised Page —,” and so on in consecutive numerical order. Suffixes or prefixes may be used. See § 1312.7(b). The revised page designations shall be shown in the same corner as original page designations are shown.

(ii) If the pages being amended are to a tariff which contains pages printed on both sides of the sheets, both sides of the sheets shall be reprinted. If changes are not being made in the tariff matter on one side of the sheet, the following notation shall be shown with the new revision number: “Change in revision number — only.”

(iii) Except as provided in paragraph (d)(7) of this section, revised pages shall cancel all uncanceled pages in the same series. The cancellation shall be shown with the new designation, for example, “2nd Revised Page 10 cancels 1st Revised Page 10.”

(6) If a page is rejected, its designation (i.e., “original”, “1st Revised”, etc.) may not be used again in that page series. The rejected page may not be referred to on a subsequent page as having been canceled, amended or withdrawn. The page issued in its place shall use the next revision number and bear the following:

Issued in place of (here identify the rejected page), rejected by the Commission.

(7) Pages, other than title pages, need not specifically cancel previous pages in the same series if the tariff contains the following statement or one to similar effect:

Unless otherwise provided, amendment of a page will be made by reprinting the page and showing a revision number. The revision numbers will be used in consecutive numerical order beginning with “1st Revised Page”. A revised page cancels any uncanceled revised or original pages which bear the same page number.

The statement shall be maintained for the life of the tariff. Specific cancellation shall be made of pages containing rates or provisions under suspension or held in force by reason of suspension.

(8) Except as otherwise authorized, looseleaf tariffs may not be further amended when the number of sheets

(including check sheets) containing canceled pages would exceed six times the number of sheets (including check sheets) containing effective pages. This limitation may be exceeded if necessary to comply initially with a Commission decision or if specifically authorized.

(9) If a revised page omits rates or other provisions which had been shown on the page it cancels, the disposition of the omitted matter shall be indicated. If the matter is transferred to another tariff or to another page in the same tariff, that shall be stated. If transferred to another page, the page to which it is transferred shall contain the following notation directly with the transferred matter—

For [here state whether rates, rules, provisions, etc., as appropriate] previously in effect, see page(s) —.

or an explanation of the transfer in some other manner. If matter is canceled or expired and not transferred, the page shall so indicate, identifying the canceled or expired matter only to the extent necessary to show what is affected.

(10)(i) If five or more pages of a tariff are to be reissued at one time with the same effective date to cancel all provisions or to transfer all provisions to other pages, the reissue and the cancellation may be accomplished by a single printing, showing the individual cancellations. (If for a tariff which has pages printed on both sides of the sheets, this method may only be used when both pages of any particular sheet are being canceled or transferred.)

(ii) The reissued matter shall clearly show the designation of the page(s) to which matter is being transferred. See paragraph (d)(9) of this section.

(iii) Where the page designation for that tariff would otherwise appear (i.e., the upper left-hand or upper right-hand corner), the following shall be shown, completed;

Revised Page _____
Cancels Page _____

(iv) The automatic cancellation provisions of paragraph (d)(7) of this section may not be used with this procedure.

Surface Transportation Board, DOT

§ 1312.17

(v) This procedure may not be used when new or other provisions are to be substituted on the pages. However, the pages may be subsequently reissued individually in the regular manner.

(11) The check sheet (see § 1312.13(b)) shall be reissued and filed with the filing of any amendment. The revised check sheet shall—

(i) List all effective pages in numerical sequence;

(ii) Show the latest designation of each page;

(iii) Indicate those pages which have been revised or added since the previous check sheet;

(iv) Indicate those pages or supplements which contain only matter under suspension or held in force by reason of suspension; and

(v) List all effective, or filed and yet to be effective, supplements.

(12) If the “correction number, check off” type of check sheet is used, looseleaf page amendments issued and filed at one time shall show the same correction number. The first filing shall bear correction No. 1, the second correction No. 2, and so on in consecutive order. In lieu of the foregoing, carriers or agents utilizing the “correction, check off” type of check sheet may issue and file looseleaf page amendments with sequentially numbered correction numbers. An explanation of the correction numbering system shall be given.

(13) Supplements (except supplements canceled by other supplements of like or similar character or content) shall be canceled by reissue of the check sheet containing the updated list of pages, adding the words “also cancels Supplement No. —” immediately following the words “cancels — page —”.

(14) Any indexes or tables of contents shall be amended concurrently with changes in the contents of the tariff to show additions, cancellations, and changes as to points and commodities.

(15) Supplements to looseleaf tariffs may be used for the following purposes—

(i) Conversion or percentage supplements to provide general rate changes, see paragraph (j) of this section and § 1312.18(h).

(ii) Transfer or cancellation of provisions, see § 1312.19.

(iii) Suspended matter, see § 1312.21.

(iv) Seasonal rates or fares, see § 1312.36.

(v) Transfer of operations—(change in name and control), see § 1312.20.

(vi) Take-over publications (transfer of agent), see § 1312.10; or

(vii) Postponement of tariffs or tariff matter, see § 1312.39.

(e) *Reinstatement of canceled or expired provisions shall be by republication.* If provisions have been eliminated by cancellation or expiration, they may only be reinstated by republication.

(f) *Changes are to be indicated.* (for suggested reference marks see § 1312.13.)

(1) [Reserved]

(2) When a change of the same character is made in a substantial number of rates a statement may be used in place of symbolizing each of the individual rate changes. The statement shall note the nature of the change. The statement shall be in distinctive type at the top of the title page of the publication or the top of the page(s), containing the rates, with exceptions, if any, so noted. An appropriate reference mark shall be used to indicate any other change not indicated by the general statement on the publication.

(3) When tariff matter subject to a reference mark or the wording required by this paragraph is reissued without change, the reference mark or wording shall be omitted.

(g) *Reissued matter.* (1) Matter brought forward without change from one supplement to another in the same tariff shall be designated as “Reissued” and the supplement number from which it is reissued shown, and the effective date of that supplement. Except as provided in paragraphs (g) (2) and (4) of this section, this shall be accomplished in one of the following ways:

(i) The information shall be published with the reissued matter, for example, “Reissued from Supplement 1, effective June 1, 1990”, or

(ii) With the reissued matter, show in a square or substitute (see § 1312.13) the number of the supplement from which it is reissued; and

(iii) under the explanation of reference marks in the supplement, show the supplement number in the square

§ 1312.17

49 CFR Ch. X (10–1–96 Edition)

or substitute and explain it, for example, “[1] Reissued from Supplement 1, effective June 1, 1990”; or under the explanation of reference marks in the original tariff, show the empty square or substitute, with the following or similar explanation:

Reissued from supplement bearing the number [enclosed within the square]. To determine its original effective date, see that supplement.

(2) If the reissued matter is brought forward from a supplement and its effective date had been changed by another supplement, this information shall be shown in the following manner:

Reissued from Supplement —, effective —, per Supplement —.

This statement shall either be shown directly with the reissued matter, or elsewhere on the same page with the reissued matter referring to it. The number-in-the-square method or substitute may not be used in this instance.

(3) Matter in looseleaf tariffs being brought forward without change from one page to the next revision of that page shall only be referenced when republishing the cancellation of participating carriers as required by paragraph (c)(2) of this section. The reissue of the canceled carriers may be indicated by—

(i) Showing the square reference mark or substitute with the revision number of the page from which the carriers’ names are being reissued; and

(ii) Publishing under the explanation of reference marks in the tariff, the following or similar note:

Reissued without change from the issue of the same page bearing the revision number [enclosed within the square]. To determine the original effective date see that revised page.

(4) If the effective date shown for a provision in the prior supplement or looseleaf page being canceled is a date later than the general effective date of the new supplement or looseleaf page in which the provision is being reissued, the number in a square reference mark or substitute may not be used. The reference to the prior supplement or looseleaf page and the later ef-

fective date shall be stated in full directly with the reissued provision.

(h) *Change in the explanation of reference marks and notes.* (This paragraph does not apply to the explanation of the reference marks used in referring to an item showing expiration dates.)

(1) A change in or cancellation of an explanation of a general reference marks or general note or of an item or other provision the explanation refers to, shall be accompanied by—

(i) The republication of all provisions which refer to the reference mark or note; or

(ii) The publication, directly with the changed or canceled explanation, item or other provision, of a list of each tariff provision which refers to the reference mark or note, identifying the provisions by item or page number, and supplement number, if any; or

(iii) The publication, directly with the changed or canceled explanation, item or other provision, of a statement generally described the effect of the change or cancellation. If this method is used, a notation shall be made at the top of the page(s) containing the change or cancellation that the page(s) contains a changed or canceled reference mark or note, or tariff provision referred to by the mark or note.

(2) If new reference marks are added, they need be explained only in the items where they apply rather than amending the original explanation of reference marks.

(3) Two explanation of reference mark provisions may be in effect where the second is used to change or add references and the first remains unchanged.

(i) *Matter issued under decision or other authority.* Amendments published under authority of a Commission decision requiring specific action or a Commission decision or regulation of this part which permits less than statutory notice or departure from outstanding requirements shall —

(1) Refer to the authority and make clear to what tariff it applies;

(2) State the number of days’ notice authorized (if less than statutory notice); and

(3) Briefly identify the relief authorized.

(j) *Conversion supplements to provide general rate changes.* (This paragraph does not apply to property tariffs of railroads.) Conversion supplements are published to convert a substantial portion of the rates in a tariff, or the rates in a described category (i.e., commuter fares, truckload rates, etc.) to a higher or lower general level, without publishing the items or provisions containing the rates.

(1) The supplement shall show the base rates (i.e., the rates being changed) and the new rate.

(2) The supplement shall contain an application provision reading substantially as follows:

Except as provided in subsequent amendments to this tariff, all rates and charges in this tariff, as amended, or as may subsequently be amended, are, or will on their effective dates be, [specify whether increased or reduced] as follows for the period this supplement is in effect.

If there are exceptions to the application, reference to the location of the exceptions shall be shown. If not all of the rates are being changed, the provisions shall state the exact category of rates being changed, or list the items or sections of the tariff which contain them. Immediately following the statement, a clear and explicit application of each column of changes shall be published.

(3) The supplement shall provide the method of determining the application of the general increase or reduction on combination rates, rates made by use of arbitraries, or other multiple-factor rates.

(4) The supplement shall contain a provision stating the mathematical procedure or formula to be used in arriving at the new rates when the supplement does not include all the tariff rates and charges to be changed. The supplement shall also provide a method of disposing of resulting fractions.

(5) The base rates and new rates shall be stated in the same monetary unit as used in the tariff. If the tariff names rates in more than one monetary unit, a statement of how the change is to be applied to the remainder of the rates shall be published.

(6) The supplement may not provide for the application of one increase or reduction, and then subject the result-

ant rate to another rate increase or reduction.

(7) Only matter concerning the application of the conversion may be published in the supplement.

(8) The title page shall indicate whether changes are increases and/or reductions. The different categories of changes shall be appropriately referenced.

(9) Only one conversion supplement to a tariff may be in effect at one time.

(10) An exception item or note may be republished from the conversion supplement into a regular supplement of a bound tariff in order to add, eliminate or change provisions. If exceptions are published in a conversion supplement to a looseleaf tariff, they may not be amended. The exceptions, however, may be published in the tariff proper (provided the conversion supplement makes proper reference) and then amended in the regular manner.

(11) Amendments containing rates or charges becoming effective during the effectiveness of a conversion supplement shall state whether or not they are subject to the provisions of the conversion supplement or the application item, identifying the supplement or item.

(12) Part of the same general adjustment may be effected by specific publication of the rates in a companion supplement or looseleaf page amendment, provided—

(i) The issue and effective dates are the same as the conversion supplement; and

(ii) They are not made subject to the conversion supplement provisions.

(13) Conversion supplements and companion amendments are exempt from the supplemental volume provisions of § 1312.18.

(14) The provisions of this paragraph do not authorize the publication and filing of master tariffs or connecting link supplements, and conversion supplements may not be filed to tariffs which refer to a master tariff for the application of increases or reductions. Special tariff authority must be obtained for publication of master tariffs or connecting-link supplements.

(k) *Rail cost recovery increases.* (1) Rail carriers or their agents may publish cost recovery tariffs in master tariff

§ 1312.18

49 CFR Ch. X (10–1–96 Edition)

format to provide increases in rail rates and charges as authorized by the Commission under Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures*. The increases may apply to joint rates and single-line traffic to the extent adopted by individual carriers. A connecting-link, blanket, other supplement or general tariff item shall connect the affected tariffs to the master tariffs. Annual, accumulated master tariffs may be published to expire no later than September 30 of the second calendar year following the year in which the tariff became effective, by which date all increases shall be transferred to the base tariffs. Extension of any expiration dates may, however, be requested. The terms of § 1312.18 as to supplemental volume are waived. Blanket supplements shall conform to the terms of § 1312.18(h).

(2) Tariffs containing adjustments under the provisions of this rule may be filed to become effective on not less than ten days' notice when the Rail Cost Adjustment Factor adopted by the Commission does not differ from that proposed by the Association of American Railroads. When the Rail Cost Adjustment Factor adopted by the Commission differs from that proposed by the Association of American Railroads the notice period shall be not less than five days. Reductions to rates published in the initial RCCR tariff may be published on one day's notice during the period between the publication of the tariff and the first day of the calendar quarter for which that tariff applies.

(3) All cost recovery tariffs filed with the Commission shall state that they are being in conformity with the rules in 49 CFR 1135.1 and 1312.17, and shall be amended under the same timetable applicable to cost recovery rate increases, to reflect declines in the cost index. Any declines in the index below the level in effect on December 31, 1985, will be addressed by postponing authorizations for future cost recovery rate increases pursuant to a "banking" procedure described more fully in Ex Parte No. 290 (Sub-no. 2), *Railroad Cost Recovery Procedures*, served October 17, 1986.

(l) *Supplements to transfer rate changes from master tariffs or conversion or per-*

centage supplements into base rates. (1) A supplement (not a conversion supplement) may be filed to a bound tariff for the purpose of incorporating in the base rates all applicable changes effected by the use of a conversion or percentage supplement or a master tariff. The supplement may contain matter from prior supplements provided those supplements are canceled.

(2) The title pages of supplements issued under authority of this paragraph shall bear an explanation note citing this paragraph.

(3) If different increases or reductions apply on related articles shown in an item or descriptive listing of commodities, the rates may be brought forward into the supplement on the basis of the increases or reductions applying to the predominant article in the item or description, provided a statement is included in the supplement that this has been done. The rate changes shall be appropriately referenced except as specified in paragraph (l)(4) of this section for exceptions concerning symbolization.

(4) Symbolization of the increases and reductions resulting from the normal rounding-off of fractions or from the use of predominant article authority may be omitted in the supplement, providing the supplement is filed on not less than 45 days' notice and the title page of the supplement also bears the following or a similar statement:

This supplement contains changed bases of rates, charges and provisions which result in increases and reductions. The supplement also contains variations in wording which result in no change in the rates and charges. These changes are not shown by the use of uniform symbols which have been omitted under authority of 49 CFR 1312.17.

(5) Supplements issued under authority of this paragraph shall be exempt from the provisions of § 1312.18 governing the volume of supplemental matter permissible.

[49 FR 38615, Oct. 1, 1984, as amended at 50 FR 7064, Feb. 20, 1985; 50 FR 43396, Oct. 25, 1985; 51 FR 37035, Oct. 17, 1986; 51 FR 40171, Nov. 5, 1986; 52 FR 15726, Apr. 30, 1987]

§ 1312.18 Supplements.

(a) *Changing provisions of a bound tariff.* A supplement may be used to add, delete or change provisions of a bound

Surface Transportation Board, DOT

§ 1312.18

tariff. General rules, in addition to rules applicable to tariffs as a whole, are provided below. In addition, certain “special supplements” are authorized, viz:

Suspension supplements, § 1312.21.

Postponing supplements, see § 1312.39.

Bridge supplements, see paragraph (f) of this section.

Blanket supplements, see paragraph (g) of this section.

Adoption supplements, see § 1312.20.

General increase or reduction supplements, see § 1312.17 (j) and (k) and paragraph (h) of this section.

Cancellation supplements, see § 1312.19.

(b) *Designation and title page requirements.* (1) Supplements to a tariff shall be consecutively numbered:

(2) If a supplement is rejected, its number may not be used again, and a supplement issued in its place shall bear the following notation with the supplement designation:

Issued in place of Supplement —, rejected by the Commission.

(3) With the supplement identification, the publications the supplement cancels shall be shown, as follows:

Cancels Supplement(s) —.

(4) The title page shall list all prior supplements still in effect on the effective date of the supplement, with any special supplements so indicated.

(5) A supplement may contain matter having different effective dates provided it is clearly explained on the title page.

(c) *Reference marks.* Reference may be made to an item or section in the original tariff containing the explanations. See § 1312.17 governing partial amendment of reference marks.

(d) *Updated list of items and units in effective supplements.* Supplements shall, as necessary, contain cumulative lists of items and numbered segments that have been added, changed or canceled by supplement (including partial amendments or “script-clause” amendments), together with reference to the latest supplement in which each is published.

(e) *Number of supplements, pages permitted and duration of tariffs.* (1) Except as otherwise provided, the total number of pages of effective regular supplements may not exceed 70 percent of the

number of original pages. There is no separate limit on the number of supplements.

(2) The restriction on the number of supplemental pages does not apply to a tariff which is reissued within two years, provided the following notation is shown on the title page of the original tariff:

“A reissue of this tariff will become effective no later than —.”

The date of the next reissue shall be shown, and the notation may not be changed or cancelled.

(3) A supplement may exceed the limitation of paragraph (e)(1) of this section if it is to comply with a Commission order and contains no other matter.

(f) *Bridge supplements.* More than one bridge supplement (a publication amending both a bound tariff and its reissue), may be in effect at one time provided the contents are separated as to each tariff and clearly identified as to the tariff being amended showing the item or other segment of each tariff that is being added, changed or canceled. The limitations of paragraph (e)(1) of this section do not apply.

(g) *Blanket Supplements.* A blanket supplement (a common supplement issued jointly to two or more tariffs of the same carrier or agent) may be filed if, in addition to compliance with other rules—

(1) The number of copies ordinarily required for each tariff supplement is filed; and

(2) The supplement contains, under a heading “List Of Tariffs Supplemented Hereby”, the number of each supplement and ICC designation of each tariff being supplemented. Any additional provisions (such as cancellation notices, items containing matter held in effect, etc.) shall be similarly shown.

(h) *Percentage supplements to provide general rate changes.* (1) A supplement, which expresses the amount of change as a percentage by which the tariff’s rates and charges are to be increased or reduced, may be filed to any tariff to provide a general change in the level of all or substantially all rates and charges, or all or substantially all the rates and charges in a specific category in the tariff.

§ 1312.19

49 CFR Ch. X (10–1–96 Edition)

(2) The supplement shall clearly explain its application and shall state where any exceptions to its application are listed. It shall show how to compute the increased or reduced rates from the percentages shown; how to dispose of fractions; how to compute multiple-factor rates made by the use of arbitraries or other means. Only matter concerning the percentage change may be published in the supplement.

(3) The title page of a percentage supplement shall describe the nature of the changes effected by the supplement. Only one percentage supplement may be in effect at one time and shall be subject to a two-year expiration date which shall be shown on the supplement's title page. Tariff amendments containing rates or charges becoming effective during the effectiveness of a percentage supplement shall state whether they are subject to the provisions of the percentage supplement.

[49 FR 38615, Oct. 1, 1984, as amended at 50 FR 459, Jan. 4, 1985]

§ 1312.19 Cancellation of tariff and transfer of provisions.

(a) *Cancellation of an entire tariff.* (1) Except as provided in paragraph (a)(4) of this section, a tariff shall be canceled by issuing a supplement. The supplement shall—

(i) State on its title page that it cancels the tariff;

(ii) Refer by ICC designation to the tariff(s), if any, which applies in place of the canceled provisions; and

(iii) Identify provisions being transferred (not discontinued) and the tariffs to which they are being transferred.

(2) Tariff publications to which a transfer is made shall so indicate.

(3) If, in connection with transfer of provisions, a carrier is being added as a participant in an agent's tariff, carrier's name and alpha code must be added to the list of participating carriers.

(4) When the provisions of a tariff are to be transferred to a new tariff only, issued by the same carrier or agent(s), the cancellation shall be made by the new tariff by showing on its title page, or within (as provided in § 1312.12(b)),

that it cancels the prior issue. If some of the provisions of the prior issue are being discontinued, the new tariff shall indicate the tariff(s) containing provisions, if any, which will apply in the place of the prior issue.

(b) *Cancellation of part of a tariff.* Cancellation of a part of a tariff shall be made by publishing amendments in the regular manner, or by a statement in a special supplement, if—

(1) The statement identifies the canceled material (by item, section, page, etc.);

(2) Matter being transferred to another tariff(s) is identified and the tariff(s) to which it is transferred is identified;

(3) Reference is made to the tariff(s) (if any) which will apply in place of the discontinued matter;

(4) Tariff publications to which matter is being transferred indicate the tariff which formerly contained the matter; and

(5) The effective date of the canceling supplement and the publication(s) effecting any transfer is the same. The special supplement shall remain in effect for the life of the tariff, or, in the case of looseleaf tariffs, when all the affected pages have been reissued (the reissued pages shall refer to the special supplement for the initial cancellation of the involved provisions). The special supplement to a bound tariff may contain cancellations in the regular manner and is exempt from the supplemental limitations in this part. In a bound tariff, a reissue of an item or segment affected by the statement form of cancellation shall specifically cancel the prior item or segment and make reference to the special supplement for the initial cancellation.

§ 1312.20 Transfer of operations—change in name and control.

(a) *General.* (1) As used in this section—

(i) *Old carrier* refers to the carrier or party whose name is changed or whose operating authority is transferred;

(ii) *New carrier* refers to the new name of the old carrier or to the party to which the operating authority is transferred; and

(iii) *Adoption publications* refers to adoption notices, and combination

adoption notices and adoption supplements.

(2) When a carrier's name is lawfully changed or its operating authority transferred, tariff adjustments must be made. The procedure to be followed depends on the particular circumstances.

(b) *Purpose of adoption notices.* (1) Adoption notices shall be filed to reflect new ownership or control when—

(i) A carrier's name is lawfully changed;

(ii) A carrier's operating authority is transferred, entirely or partially; or

(iii) A fiduciary (receiver, trustee, etc.) assumes possession and control of a carrier's property; and when the carrier wishes (for whatever period) to use the old carrier's tariffs.

(2) In addition to the adoption notice, an adoption supplement shall be filed to reflect the new carrier's adoption of the old carrier's tariff(s).

(c) *When adoption notice only is required.* The new carrier shall file an adoption notice, in its own name and in tariff form, if the old carrier has no effective tariffs of its own (or predecessor's) issue to be adopted, but does have rates or other provisions in an agent's or another carrier's tariff(s) to be adopted.

(d) *Form of adoption notice.* (1) The adoption notice shall be prepared substantially as follows (names and numbers used for illustration only):

ICC JDTI 100

John Doe Transport, Inc., Adoption Notice
[identify what is adopted and from whom]

Issued: [show date prepared]

Effective: [show date]

Issued by [identify publisher and address].

(e) *Combination adoption notice and adoption supplement.* If the old carrier has one or more effective tariffs (not adoption notices) of its own (or predecessor's) issue, the new carrier shall file, in its own name and in tariff form, a combination publication which shall serve as both its adoption notice and adoption supplement (see paragraph (o) of this section when new carrier amends old carrier's tariff in part). The publication shall be prepared as provided in paragraph (f) of this section. Two copies of the publication (serving as an adoption notice tariff) plus two additional copies for each tariff supplemented shall be filed.

(f) *Form of combination adoption notice and adoption supplement.* (1) If filing of a combination adoption notice and adoption supplement is required under paragraph (e) of this section, and the old carrier's authority is adopted entirely, the combination publication shall be prepared as provided in paragraph (d) of this section, except—

(i) The upper right corner shall identify the publication as the new carrier's adoption notice and also as an adoption supplement to each of the old carrier's tariff(s) involved.

[Example:

Adoption Notice Tariff.....ICC JDTI 100
Adoption Supplement 8 to.....ICC ABCD 200*

*Show transferor's name]; and

(ii) The combination publication shall contain a second paragraph prepared substantially as follows:

On the effective date shown below, each tariff supplemented by this publication became the tariff of John Doe Transport, Inc., as stated in its adoption notice shown above.

(2) If filing of a combination adoption notice and adoption supplement is required under paragraph (e) of this section, and the old carrier's authority is adopted partially, the combination publication shall be prepared as shown in paragraph (f)(1) of this section, with the necessary changes to reflect partial adoption.

(3) Adoption supplements shall be assigned the next unused supplement number to the tariff supplemented. If the tariff is adopted partially, the old carrier shall reserve two supplement numbers for each new carrier, to be used for adoption and cancellation supplements (see paragraph (o) of this section for reservation of supplement numbers).

(g) *ICC designation to be used.* The ICC designation assigned to adoption notices shall be in the new carrier's series, except that adoption notices filed by a fiduciary shall be in the old carrier's series and the designation shall be identified by naming the old carrier followed by "series." If no code has been assigned, a "blank code such as "MF-A1000" may be used.

(h) *Effective date of adoption publications.* (1) The effective date of adoption publications is the date of consummation of the transaction for which such

§ 1312.20

49 CFR Ch. X (10–1–96 Edition)

publications are required. Adoption publications shall be filed promptly and, if possible, prior to their effective date, but in no case later than 60 days thereafter.

(2) Each agent or carrier to whom the old carrier issued a concurrence or power of attorney being adopted shall be furnished a copy of the adoption publication.

(3) If the transfer of operating authority to the new carrier requires approval by the Commission, the effective date of the publication may not be prior to the effective date of the approval.

(i) *When name of old carrier need not be shown.* If a carrier re-adopts tariffs of its own issue, which had been adopted by another party, it need not identify those tariffs as being in its own series.

(j) *Temporary control.* (1) If a party's authority to assume operating control of a carrier under section 11349 of the Act is not made permanent, the old carrier shall reassume operating control by filing an adoption notice.

(2) The effective date of the adoption publication is the date the other party's authority to assume operating control of the carrier expires or is vacated.

(k) *Fiduciaries.* (1) When a fiduciary assumes possession or operating control of a carrier, tariff publications and other instruments shall show the name of the carrier, followed by the name and capacity of the fiduciary. (Also see 49 CFR 1181.5—Operations by fiduciaries.)

(2) Upon termination of the fiduciary's possession or control, the party assuming control of the carrier's property shall comply with the regulations in this section.

(l) *Concurrences and powers of attorney.* If the old carrier's operating authority is adopted entirely, its effective concurrences and powers of attorney become those of the new carrier and remain effective until canceled, revoked, or replaced by the new carrier.

(m) *Tariffs issued by other carriers or by agents.* (1) If the old carrier is listed in a participating carrier tariff, the participating carrier tariff shall be amended as provided in § 1312.25.

(2) If tariff provisions contained in a tariff not issued in the old carrier's name need to be adopted, and the tariff contains its own list of participating carriers, the tariff shall be amended on lawful notice to reflect the adoption, in the manner required by paragraphs (m)(3) and (4) of this section.

(3) If adopted entirely, the old carrier's name shall be brought forward and its participation canceled. Directly with the cancellation shall be reference to a statement substantially as follows:

[New carrier's name] by its adoption notice [ICC designation] which became effective on [date], is substituted for [old carrier's name] wherever it appears in this tariff.

(4) If adopted partially, the old carrier's name may be canceled only if there are no provisions remaining in the tariff for its account. If not already shown as a participant, the new carrier shall be added. Directly with the old carrier's name (or cancellation of its participation) shall be reference to a statement substantially as follows:

[New carrier's name] by its adoption notice [ICC designation] which became effective on [date], to the extent that they contain rates or other provisions applying [describe the authority transferred], is substituted for [old carrier's name] wherever it appears in this tariff.

(n) *Cancellation of provisions in partially adopted tariffs.* (1) Rates or other provisions in a tariff in the old carrier's name, which apply locally and are involved in the partial transfer of authority to a new carrier, shall be canceled and published in tariffs of the new carrier's (or its agent's) issue.

(2) Items, units, or looseleaf pages may not be reissued to effect the cancellation. Instead, the cancellation shall be made by a statement substantially as follows:

Provisions formerly shown in [identify provisions by item number, segment, page, section, table, etc.] which were adopted by [new carrier's name] are canceled. Apply provisions in [identify provisions by item number, segment, page, section, table, etc.] of [issuing carrier's or agent's name and ICC designation of tariff].

(3) The cancellation statement shall be published in a special supplement to

Surface Transportation Board, DOT

§ 1312.21

the tariff, whether bound or looseleaf, which—

(i) Shall be filed on lawful notice within 120 days of the adoption publication's effective date;

(ii) Is exempt from limitations on volume of supplemental matter imposed by this part;

(iii) Shall become effective concurrently with the establishment of corresponding provisions for the new carrier's account; and

(iv) Shall remain in effect for the life of the tariff.

(4) Rates and other provisions covering the adopted authority shall be filed on lawful notice in the new tariff(s) to become effective concurrently with the cancellation of the corresponding provisions from the old carrier's tariffs.

(o) *Reservation of supplement numbers for new carrier's use.* Two unused supplement numbers shall be reserved for each new carrier's use. One of the numbers shall be assigned to the adoption publication and the other to the cancellation supplement.

(p) *Subsequent supplements or looseleaf pages.* (1) Subsequent supplements or looseleaf pages to adopted tariffs issued by the old carrier (or its predecessor) shall show the name of the carrier in whose ICC designation series the tariff was issued originally, except when the old carrier re-adopts its own tariff.

(2) Subsequent supplements or pages shall be filed by—

(i) The new carrier if the tariff was adopted entirely; or

(ii) The old carrier if the tariff was adopted partially, except as provided in paragraph (n) of this section.

(q) *Describe former tariff when canceling.* When canceling tariffs issued or adopted by the old carrier, the new carrier shall identify the tariffs in the cancellation notice by—

(1) ICC designation;

(2) Issuing carrier's name; and

(3) Reference to the series in which the tariff was published, if the old carrier published tariffs in more than one series.

(r) *Adoption supplements are noncounting.* Adoption supplements are exempt from the limitations on volume of sup-

plemental matter as contained in § 1312.18.

[49 FR 38615, Oct. 1, 1984, as amended at 59 FR 10305, Mar. 4, 1994]

§ 1312.21 Suspended matter.

(a) *Effect of suspension.* When the Commission suspends one or more rate(s), provision(s) or publication(s), that suspended matter is postponed until the suspension period runs out.

(b) *Supplement required.* (1) A supplement announcing the suspension shall be filed to the involved tariff(s). Two methods of publishing may be used. One is to issue a separate supplement for each suspension proceeding; the other is to issue a consolidated suspension supplement which contains notices of all suspension proceedings involving the tariff. Only one consolidated supplement to a tariff may be in effect at one time. The title page of either type of supplement shall—

(i) Identify the Commission's suspension docket number;

(2) Show an issue date but not an effective date; and

(3) Comply with the requirements governing tariff amendments, except as otherwise provided in this section.

(c) *Content of supplement.* The supplement shall:

(1) Identify the rates, provisions or publications which have been suspended;

(2) State that those rates, provisions or publications are "under suspension and may not be used until [here show either the date to which the matter has been suspended, or a later date, or state "this suspension notice is canceled"]";

(3) Identify the rates, provisions or publications that will apply in place of the suspended matter;

(4) Correct by statement any cancellations which would have the effect of canceling the suspended matter or the matter held in force; and

(5) Correct the listing of effective supplements on previous supplements' title pages.

(d) *Additional requirements for consolidated supplements.* (1) The consolidated supplement shall provide information for each suspension proceeding.

(2) The matter shall be amended and reissued in the regular manner, except as follows:

(i) If it is necessary to issue a publication to reflect changes in a corrected decision of the Commission, the supplement shall be reissued and explained with the appropriate changes made.

(ii) If the suspended matter is made effective, canceled, or reissued the involved matter shall be canceled (in the regular manner) in the same supplement as the change or reissue of the suspended matter.

(iii) If the suspended matter becomes effective because of the expiration of the suspension or postponement period, the explanatory matter shall be canceled (in the regular manner) in the next regular supplement to the tariff.

(e) *Additional requirements for separate suspension supplements.* (1) Separate supplements announcing individual suspensions to a bound tariff shall be canceled by the—

(i) Supplement containing the change or reissue of the suspended matter; or

(ii) By the next regular supplement if the suspended matter becomes effective because of the expiration of the suspension or postponement period.

(2) Separate supplements announcing individual suspensions to a looseleaf tariff shall be canceled by reissuing the check sheet with an effective date concurrent with the change or reissue.

(3) Suspension information may not be canceled in full unless all of the involved matter under suspension is canceled, becomes effective or is reissued.

(f) *Extension of suspension period.* If the Commission extends the suspension period, the suspension notice shall be republished, canceling the first notice, and the statements adapted to the new action taken, with reference to the facts of the first suspension. Subsequent handling of the matter shall proceed as prescribed for suspension matters in this section.

(g) *Suspended matter reissued prior to notice.* If suspended matter has been reissued prior to the filing of the explanatory notice, the notice shall cancel (by statement) the reissued matter. The cancellation statement shall have the same effective date as the reissued matter.

(h) *Changed suspended matter.* If suspended matter has been changed prior to the filing of a suspension notice, the matter shall be republished in the regular manner to remove any violation of the suspension decision, as provided in paragraph (i) of this section. Also see paragraph (k) of this section.

(i) *Reissuing suspended matter after notice.* (1) If a suspension notice has been filed, the matter under suspension and the matter held in force by reason of the suspension may be reissued (without change) in the regular manner provided the explanatory notice is brought forward from the suspension supplement.

(2) If suspended matter or matter held in force is reissued, the publication shall be made in a manner that insures that if the suspension or postponement period ends, the matter held in force is canceled or superseded by the effectiveness of the suspended matter.

(3) Original tariffs or supplements containing reissued suspended matter shall identify the suspended matter.

(j) *Postponement of suspended matter.* (1) A postponement notice may be filed at any time on 1 day's notice during the suspension period, provided—

(i) It becomes effective prior to the end of the suspension period;

(ii) It states that the postponed matter may not be used during the postponement period; and

(iii) The specific date to which the matter is postponed is shown, or the statement "postponed until this notice is canceled", is shown.

(2) Suspended matter postponed to a specific date may be further postponed if done prior to the end of the previous postponement period, and the previous notice is canceled.

(3) The postponement notice may be canceled at any time after the end of the suspension period.

(k) *Changes and cancellation during the suspension period.* Suspended matter or matter held in force may be changed or canceled during the suspension period, as follows:

(1) Suspended matter may be canceled in whole or in part on 1 day's notice if—

(i) The cancellation is to become effective prior to the end of the suspension (or postponement) period, or the effective date of a final decision in the proceeding, whichever is earlier; and

(ii) At the time of filing, all parties of record and the Office of Proceedings, Interstate Commerce Commission, Washington, DC 20423, shall be notified (with reference to the involved docket number) of the tariff publication(s) and its effective date. The notice to the Office of Proceedings shall certify that the parties of record have been notified, and a copy of that notice (if in writing) shall be sent with the tariff publications submitted for official filing.

(2) When suspended matter is canceled, it may not be republished to become effective on less than statutory notice, absent special permission.

(3) The matter held in force shall be republished (without change) in the same publication containing, and concurrently with, the cancellation of the suspended matter if the matter held in force—

(i) Is in the same tariff as the suspended matter and was to be specifically canceled by it; or

(ii) Is in a prior issue of the tariff containing the suspended matter.

(4) Cancellation of suspended matter in a bound tariff shall be made in a supplement. Cancellation of suspended matter in a looseleaf tariff shall be made by looseleaf page amendment, unless the tariff only contains the suspended matter, then cancellation shall be made by supplement. If a tariff contains only the suspended matter (or if the suspended matter is a conversion supplement), the cancellation may be made by publishing a notice of cancellation in the supplement, and either bringing forward the matter held in force, or referring to its location.

(5) Postponement provisions shall be canceled concurrently with, and on the same notice as, the cancellation of the suspended matter. The postponement provisions shall be canceled in the same supplement as the cancellation of the suspended matter, or, if cancellation of the suspended matter is by looseleaf page amendment, by the check sheet.

(1) *Commission vacates suspension or finds suspended matter justified.* (1) If the Commission vacates a suspension or finds the matter justified, the suspended matter may be made effective on 1 day's notice, but not earlier than the effective date of the Commission's decision.

(2) Suspended matter in a bound tariff, or nonreissued suspended matter in a looseleaf tariff, may only be made effective by publishing a notice in a supplement to the tariff. Reissued suspended matter in a looseleaf tariff may only be made effective by publishing a notice on a reissue of the involved page(s). The notice shall identify the suspended matter, state the effective date, and cancel any postponement notice. If the suspended matter was to specifically cancel the matter held in force in the same tariff, or the matter held in force was to have expired, the matter held in force shall be specifically canceled with the same effective date and on the same notice.

(3) If a new tariff had provided for cancellation of another tariff, but that cancellation was nullified because of the suspension, the other tariff shall be canceled by a statement in a supplement to the new tariff. Otherwise, if a tariff contains only matter held in force by the suspension and the matter is required to be canceled, the cancellation of the tariff shall be made by supplement to that tariff.

(4) Changes or additions to a tariff containing matter held in force because of the entire suspension of another tariff may be brought forward without change into the other tariff. The publication shall be by supplement to a bound tariff and by looseleaf page amendment to a looseleaf tariff. If this is done, the tariff containing the matter held in force shall be concurrently canceled by supplement.

(m) *Suspended matter ordered canceled.* If suspended matter is ordered canceled, the cancellation may be made on 1 day's notice, unless otherwise ordered.

(n) Tariff amendments required or permitted to be filed and matter held in force under the authority of this section are, for the life of the tariff, exempt from the provisions of this part pertaining to the volume of effective

§ 1312.22

supplements or looseleaf page amendments.

(o) *Reference to Commission suspension decisions.* Publications issued under authority of this section shall refer to this section and to the investigation and suspension docket number.

(p) *Court orders.* Restraining orders, injunctions, enjoiners, or other court orders having the effect of suspending the operation of tariff provisions shall, to the extent possible, be reflected in tariffs in the same manner as suspension decisions.

§ 1312.22 Rates or other provisions prescribed by the Commission.

If the Commission requires publication of certain rates or provisions, a carrier or agent shall—

(a) Publish the rate or provisions on statutory notice, unless otherwise specifically authorized, with reference in the tariff publication to the decision in the manner required by this part;

(b) Notify the Commission when the decision has been complied with, referring to the docket number of the decision (the volume and page number of any printed Commission reports shall also be shown); and

(c) Identify, in the notice of compliance, the item, page, supplement and tariff where the complying provisions are published.

§ 1312.23 Expiration dates.

(a) *How and where expiration dates are to be shown.* (1) An original tariff or a supplement may be shown to expire by placing the following on the title page: “This tariff [supplement] expires with [here show date] unless sooner canceled, changed, or extended.”

(2) An expiration date of an original tariff or a prior supplement may be added or changed in a supplement by providing an explanatory statement on the title page. If the supplement is reissued, the amended or added expiration date statement shall be reissued in the regular manner.

(3) An item or other part of a tariff may be shown to expire by publishing the following statement within the item: “Expires [here show date].”

(4) Matter may also be shown to expire by referencing it with a reference mark which shall be explained as “Sub-

49 CFR Ch. X (10–1–96 Edition)

ject to the expiration date shown in item [here show expiration date item number].” The expiration date item, reserved for this purpose only, shall identify the matter referred to and show the expiration dates.

(b) *Extension of expiration dates.* An expiration date may be canceled or extended to a later date. However, the extension may not be made effective after the expiration date. Also see § 1312.39.

§ 1312.24 Tariffs listing carriers’ operating authority applicable to motor carriers of property.

(a) A separate tariff containing a description of carriers’ operating authorities (a “scope” tariff) may be filed. A “scope” tariff shall contain a statement explaining that the application of rates and provisions in tariffs governed by it is limited to the extent of the carrier’s operating authority published in the “scope” tariff.

(b) A description of the carrier’s operating authority may not be used as a substitute for describing commodities or territories for rate application.

(c) If rate tariffs are governed by more than one scope tariff, each scope tariff shall be referred to in the rate tariff as a governing publication.

(d) A scope tariff may be combined with a participating carrier tariff, a rate basis tariff, and/or a rules tariff.

§ 1312.25 Participating carrier tariffs.

(a) *Separate tariffs may be filed by agents.* (1) An alphabetical list of carriers participating in agent’s tariffs, along with a description of the underlying tariffs, may be filed in a separate tariff (not a rate tariff). The title page of the participating carrier tariff shall state that it applies only in connection with tariffs referring to it. If the tariff governs tariffs issued jointly by two or more agents, it shall be a joint issue (see § 1312.11).

(2) Except for statements explaining the extent of carriers’ participation in governed tariffs (for example, only for local hauls or only for joint hauls) the tariff may not contain provisions governing rate application.

(b) *List of carriers.* (1) The list of participating carriers shall be constructed in the manner required by this part.

Surface Transportation Board, DOT

§ 1312.26

Carriers' code designations may be shown directly with the carriers' names.

(2) All governed tariffs in which a carrier participates shall be referred to by ICC designation directly with the carrier's name. The participation of all carriers in the participating carrier tariff may be provided by a statement, rather than listing the tariff designation directly with the carriers' name.

(c) *List of tariffs.* An agent's participating carrier tariff shall contain a current and correct list of its tariffs, including those which contain their own list of participating carriers or which are issued jointly with another agent(s). If the participating carrier tariff is a joint issue, only the tariffs of the principal agent need be listed. The tariffs shall be listed in numerical order by ICC designation, with a separate section for each agent if joint issues are involved. Each tariff listed shall be described so that its general application may be determined without examining the tariff itself.

(d) *Cancellation of participating carriers.* (1) Except as provided in paragraph (f) of this section, when a carrier's participation in a participating carrier tariff or governed tariff is canceled, all reference to the carrier in the involved tariff(s) shall be canceled.

(2) The cancellation may be accomplished either by—

(i) Amending all matter to eliminate reference to the carrier; or

(ii) Publishing a blanket cancellation notice.

The blanket cancellation shall be published in the participating carrier tariff and shall be referred to in the cancellation of the carrier's name. A provision referring to the canceled carrier may not be republished without concurrent cancellation of the reference to that carrier and all matter shall be amended as soon as possible.

(3)(i) In a bound tariff the canceled carrier's name (and reference to the blanket cancellation notice, if used) shall be carried forward as reissued matter in the list of participating carriers.

(ii) In a looseleaf tariff, the carrier's name (and reference to the blanket cancellation notice, if used) and the date the cancellation became effective

shall be republished in successive issues of the list of participating carriers until all provisions referring to the carrier are amended.

(e) *Reinstatement of participating carriers.* If a carrier's participation is canceled, and reinstated at a later date, the tariff shall so explain. This explanation shall be referred to directly with the reinstated carrier's name until the participating carrier tariff is reissued.

(f) *Adoptions.* (1) If a carrier adopts another carrier, wholly or partially, the adoption shall be announced and explained in the participating carrier tariff. This announcement shall be continued in the tariff and reissues until a carrier adopted wholly is no longer referred to in any provision of the governed tariffs, and until a carrier adopted partially is no longer referred to in those provisions in the governed tariff affected by the partial adoption.

(2) The name of a wholly adopted carrier shall be canceled from the list of participating carriers. The name of a partially adopted carrier may not be canceled from the list of participating carriers unless its remaining rates and provisions are not published in the agent's tariff(s). Reference to the adoption and the cancellation shall be continued until the participating carrier tariff is reissued.

(g) *Participating carrier tariff may include other provisions.* Provisions authorized to be published in a routing guide, points of service, and/or a "scope" tariff, may be published in a participating carrier tariff provided application of each category is clear.

§ 1312.26 Rate basis tariffs.

(a) *Separate tariffs may be filed.* Rate groups or rate bases for determination of rates between points named in the rate tariff may be filed in a separate tariff. The tariff may contain routing and operating authority provisions, waybilling instructions and divisions. No tariff may be governed by more than two rate group or rate basis tariffs, one for origin points and one for destination points.

(b) *Points and rate group or basis to be listed.* Railroad basing tariffs may list the location of each station or refer by ICC designation to a station list tariff.

§ 1312.27

49 CFR Ch. X (10–1–96 Edition)

Directly with each point listed shall be published either its assigned rate group or reference to an item providing that information. Exceptions to the rate group may be published.

(c) *Arbitraries or differentials.* Amounts to be added to (arbitraries) or subtracted from (differentials) base rates may be published either directly with each point or in an item referred to directly with each point. Provisions governing arbitraries or differentials which differ from those governing the base rates shall be referred to directly with the arbitraries or differentials (see § 1312.14).

§ 1312.27 Classification, exceptions, rules, dangerous articles and station list tariffs.

(a) *Classification.* (1) A classification of commodities may be published as a separate tariff. The classification shall list the various commodities and assigned class of each. Whatever organization is used within the tariff shall be clear.

(2) Rules having general application may be published in a classification. The rules shall precede the itemized list of articles.

(3) The classification shall, if applicable, include a statement that exception exist and take precedence.

(b) *Exceptions tariffs.* (1) Exceptions to the classification provisions may be published in a separate tariff.

(2) Exceptions tariffs shall be published as required by the rules governing tariff content generally. The title page shall contain the following statement:

This tariff applies only in connection with tariffs referring to it by ICC designation.

(c) *Rules tariffs.* Governing provisions may be published in a separate tariff or tariffs provided the application and any exceptions are clearly explained.

(d) *Dangerous articles tariffs.* The Department of Transportation's regulations governing the acceptance and transportation of dangerous articles and hazardous materials may be reproduced and filed in a separate tariff.

(e) *Participation in governing publications.* Carriers participating in tariffs which refer to, and are governed by, separate tariffs (classifications, exceptions, rules etc.), shall also participate

in those governing separate tariffs, unless specifically stated in the governed tariffs that provisions in the separate tariffs will not apply for their account. This does not require participation in local drayage tariffs or in terminal and special services tariffs applicable only for the issuing carrier. Carriers participating in a rate tariff solely to provide substituted service at another carrier's option need not participate in the governing tariffs. See § 1312.38.

(f) *List of stations showing facilities, additions and abandonments.* (1) A tariff publication may be filed containing a list of stations with the railroad location of each, alphabetically and geographically arranged with index numbers, prepay requirements, station facilities, additions of stations, abandonments of stations, changes in names of stations, and restrictions as to acceptance and delivery of freight. No rates or charges and no matter that will in any way increase or decrease the rate or charge in tariffs making reference to this publication may be shown. Changes in the tariff may be made on not less than 1 day's notice, except that announcement of the restrictions as to the acceptance or delivery of freight shall be made effective on not less than statutory notice.

(2) Changes made on less than statutory notice under the authority of this paragraph shall state that they are so made.

(3) Rate tariffs that are to be governed by the separate tariff publication shall so state, and their application clearly explained.

(4) When a station has been abandoned as of a date specified in the tariff authorized by this section, the rates from or to the station are inapplicable and shall be eliminated in the next amendment of the rate tariffs. When the elimination is made by supplement, the following notation shall be used:

Eliminate ——— station abandoned. For effective date see [the governing tariff issued under this rule].

This notation must be continued in connection with the name of the station as long as the tariff remains effective, and indicated as a reissue from the supplement in which it was first

Surface Transportation Board, DOT

§ 1312.30

published, but without stating the effective date of the supplement.

§ 1312.28 Accessorial, terminal and other services.

(a) *General rules.* Carriers or their agents shall publish and file with the Commission all rules and charges governing accessorial services, terminal services, allowances, absorptions, and other practices or privileges. The rules shall be published in clear terms, and the rate, if any, shall be stated separately. The amount of the charges shall be included or be readily ascertainable if the carrier is acting as collection agent for a third party or is advancing payment, e.g., as for tolls, ferry charges, and special permits.

(b) *Method of publication.* (1) Rules and charges referred to in paragraph (a) of this section may be published either in—

- (i) The line-haul rate tariff;
- (ii) Separate tariffs which are referred to in the rate tariff by specific ICC designation; or
- (iii) Separate tariffs combined with a clause in the rate tariff which identifies the services offered in connection with the rate and indicates that other tariffs of the carrier contain the application charges.

(2) A rate tariff issued in a carrier's name may refer to their agent's terminal services tariffs as well as its own, provided application of the various tariffs is clear.

(c) *Pickup and delivery service.* (1) All carriers of property shall, as appropriate, specify whether rates include pickup and delivery and, if so, the relevant geographic area, and governing conditions.

(2) If pickup and delivery service is performed beyond the limits of the point at which the rate applies, the larger area shall be described in the rate tariff.

(d) *Switching charges.* (This paragraph applies only for railroads.) (1) Carriers performing switching service on interstate shipments shall file a tariff or tariffs containing their charges for that service. The switching tariff shall name the stations, warehouses, teams or industrial tracks, or other points at which shipments will be received or delivered within the switching limits, or

shall otherwise clearly define the switching limits. Charges may be published in more than one tariff, provided application of each is clear. The tariff shall explain the amount to be paid by the shipper and the amount to be absorbed, as applicable.

(2) Absorption provisions shall be published in a rate, switching or absorption tariff of the line haul carrier and all provisions on the same tariff shall be published only in one tariff, except as provided in paragraph (d)(4) of this section.

(3) The carrier whose charges are absorbed and the amount absorbed shall be stated. If charges are partially absorbed, the rate tariff shall state that the unabsorbed charges will be in addition to the line haul charges.

(4) If absorption provisions are published in a switching or absorption tariff, exceptions to those provisions may be published in rate tariff. If published, the exception and the general absorption provision shall each state that the provisions in the rate tariff are exceptions to, and apply in place of the general absorption provisions. The exceptions provisions need not name the carrier whose charges are absorbed.

[49 FR 38615, Oct. 1, 1984, as amended at 50 FR 4863, Feb. 4, 1985; 50 FR 37534, Sept. 16, 1985]

§ 1312.29 Rates and liability based on value provisions.

Released rate provisions established in accordance with 49 U.S.C. 10730 shall be published in the same tariff as the matter they govern. The tariff shall, to the extent required by statute refer specifically to an action of the Commission.

§ 1312.30 Distance rates.

(a) *Distance rates may be filed.* Distance or mileage (hereafter referred to as distance) class or commodity rates may be filed.

(b) *Method of showing distances.* Distance rates may be published to apply per vehicle per mile, or other unit per mile, or by establishing a rate table or segment showing a scale of distances for which charges will be applied. If the latter method is used, a rate shall be provided for each distance. Each State or area covered by the application of the rates shall be listed. The listing

§ 1312.30

may be brief but informative as to the territorial coverage.

(c) *Determination of distances.* (1) A tariff containing distance rates shall contain provisions for the determination of distances by—

(i) Publishing the distances between all locations covered by the distance rates in the tariff;

(ii) Referring to a map(s) attached to the tariff; or

(iii) Referring to a distance guide(s).

(2) If maps are referred to, the rate tariff shall include a rule specifying the manner in which distances are obtained from maps. The rule shall include a definite means for determining distances between all locations within the territorial coverage of the rates, regardless of whether or not all the locations are shown on the map and regardless of whether or not actual distances are shown between all locations.

(3) When a map to a tariff is superseded by another, the new map shall be attached to and made a part of a supplement to a bound tariff, or a looseleaf page to a looseleaf tariff, which shall specifically cancel the old map and give effect to the new.

(4) Except as provided in § 1312.13(e)(2), only distance guides officially on file with the Commission may be referred to. More than one may be referred to provided the rate tariff clearly specifies the circumstances under which each guide will apply. An agent's tariff may refer to another agent's distance guide.

(5) Distance guides shall provide distance tables or combinations of tables and maps. Tables shall provide specific distances between a substantial number of the points and be shown as having precedence over the distances determined by the use of maps. Each guide shall provide rules stating its application. The rules shall include a means for determining distances between all locations with the territorial coverage of the guide, regardless of whether all the locations are shown in the guide or whether distances are shown between all locations. If distances between certain points or areas are to be determined only through a certain gateway or interchange point, those points or areas and the gateway or interchange point shall be identi-

49 CFR Ch. X (10–1–96 Edition)

fied. Distance guides filed in “paper” format may exceed the maximum size limitations imposed by § 1312.3 but may not exceed 14 ½ by 17½ inches in size. Carriers may file automated distance determination systems which are linked by reference in abbreviated distance guides or rate tariffs to computer stored information provided the following conditions are met:

(i) Carriers or their tariff publishing agents shall make arrangements with the Commission for the receipt, storage and use of the systems through existing Commission technology and facilities.

(ii) In the event that a system is not compatible with Commission technology, the necessary implementing equipment and programs shall be placed on file with the Commission for use by Commission personnel and the public at no cost.

(iii) Proposed changes in the systems shall be given notice and reflect the nature of the change, as required by 49 U.S.C. 10762(c)(3) and § 1312.4(e) and § 1312.17(f). However, if an electronic distance determination system is not inherently capable of giving notice and symbolization of changes within the program, then printed tariff amendments to the distance guides or rate tariffs will be required. The amendments shall show the currently effective provisions as well as the proposed changes thereto.

(iv) The distance guides or rate tariffs shall provide all the information necessary to access and utilize the systems.

(6) Railroad distance rate tariffs or distance guides shall also provide:

(i) A list of the points between which the rates apply;

(ii) The shortest distances between those points;

(iii) An indication of which of those points are junction points where traffic may be interchanged without transfer of the lading; and

(iv) The names of the connecting carriers at each of those junctions.

(7) A rail carrier or its agent may file a separate tariff containing the information required by paragraph (c)(6) of this section to govern local rates. The distances shall be shown—

(i) Form each point to each point;

Surface Transportation Board, DOT

§ 1312.34

(ii) Form each point to each junction point; or

(iii) Form each junction point to each other junction point and from each point to the nearest junction point in each direction.

(8) An agent may file a separate tariff to govern joint rail rates. The distances shall be shown from each junction point to each other junction point and from each point to the nearest junction point in each direction. The latter distances need not be shown if the rate tariff refers to local distance tariffs of each carrier which contain the distances.

[49 FR 38615, Oct. 1, 1984, as amended at 53 FR 5983, Feb. 29, 1988]

§ 1312.31 **Commodity rates determined by the use of rate base numbers.**

This rule applies only for common carriers of property. "Column commodity rates" or "commodity rate column" shall be the terms used in captions for, and references to, commodity rates determined by use of rate base numbers or other basing systems. The basing system shall be in the same or other tariffs.

§ 1312.32 **Application of rates from or to intermediate points.**

This section does not apply to household goods freight forwarders, pipelines, contract carriers, or on irregular route motor common carrier authority.

(a) *Intermediate application of rates.* Tariffs may publish appropriate rules to provide for the application of rates from or to points located between origins and destinations from or to which the rates apply.

(b) *Rules must be complete.* The rules must be clear and complete. The rules shall give consideration to situations where branch or diverging routes or points are involved. The rules shall also specifically provide for the application or nonapplication of effective rates specifically applying from or to the intermediate points.

(c) *Intermediate point rules to be published in connection with regular-route authority.* A statement shall be published indicating under what circumstances, if any, the rules will apply for off-route points, and for points located on either side of the highway

which may be served under the implied authority of the carrier's certificate.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 44297, Dec. 9, 1986]

§ 1312.33 **Class rates from or to unnamed points applicable only to motor carriers of property.**

(a) Class tariffs shall provide class rates for all points within the territorial coverage of the tariff which the participating carriers are authorized to serve; and which are shown on official State maps or equivalent commercial maps.

(b) If the class-rate intermediate rule is not used or will not cover all unnamed points a carrier may serve, a rule describing how to compute rates on unnamed points may be published. Application of the various rules, if more than one is used, shall be clear.

§ 1312.34 **Continuous service rates not applicable to passenger carriers.**

(a) Rates may be filed which are published to apply when carrier's equipment is used exclusively by and in the continuous service of a single shipper during a specified period of time. All necessary definitions and conditions shall be provided.

(b) If other than regulated, interstate traffic is used to meet the continuous use requirements, the tariff shall so state and explain all requirements.

(c) Continuous service periods may not begin prior to the effective date of the tariff.

(d) The tariff shall provide for other charges if the continuous service conditions are not met. Provisions may be published for the execution of an indemnity bond to guarantee payment. If charges are required to be collected for a deficit in the minimum charge or for any time during the period the equipment is not used, it shall be clear what rate is to apply on the deficit or nonuse. Consideration shall also be given as to whether the deficit or the nonuse rate will change (e.g., through general increase) during the period.

(e) The tariff shall provide that the carriers will keep complete and accurate records of the movements, that the information in these records will be available to the shipper and where and when it will be available.

§ 1312.35

(f) The tariff shall state whether and how the rates or conditions will be revised and the procedure to use due to disabilities such as strikes, breakdown of equipment, fire, etc., identifying the disabilities and indicating the rate or condition revisions.

(g) Provisions may be published permitting discontinuance during the period for specified reasons. The provisions shall clearly state any penalty charge and the amount to be assessed for the discontinuance privilege.

(h) Retroactive application of tariff amendments is not permitted.

[49 FR 38615, Oct. 1, 1984; 49 FR 40415, Oct. 16, 1984]

§ 1312.35 Time-volume rates not applicable to passenger carriers.

(a) Rates may be filed which are published to apply only when a specific quantity of freight is shipped by a consignor or received by a consignee during a specified period of time. All necessary definitions and conditions shall be provided.

(b) If other than regulated interstate traffic is used to meet the time-volume service requirements, the tariff shall so state and explain all requirements.

(c) Time/volume periods may not begin prior to the effective date of the tariff.

(d) The tariff shall provide for other charges if the time/volume conditions are not met. Provisions may be published for the execution of an indemnity bond to guarantee payment. If the tariff provides for the collection of charges on a deficit, consideration shall also be given as to whether the deficit rate will change (e.g., through general increase) during the period. If charges are required to be collected for any deficit in weight between the actual weight of a particular shipment and the minimum weight on which charges for that shipment are assessed as the volume shipments move, the tariff shall so provide.

(e) The tariff shall provide that the carrier(s) will keep complete and accurate records of the movements, that the information will be available to the shipper and where and when it will be available.

(f) The tariff shall state whether and how the minimum quantity require-

49 CFR Ch. X (10–1–96 Edition)

ments will be reduced and the procedure to use due to disabilities such as strikes, breakdown of equipment, fire, etc., identifying the disabilities and indicating the rate or condition revisions.

(g) Provision may be published permitting discontinuance for specified reasons. The provisions shall clearly state any penalty charge and the amount to be assessed for the discontinuance privilege.

(h) Retroactive application of tariff amendments is not permitted.

[49 FR 38615, Oct. 1, 1984; 49 FR 40415, Oct. 16, 1984]

§ 1312.36 Seasonal water rates.

(a) *Discontinuance and restoration of service.* If tariffs contain rates applicable to water routes which are seasonally closed to navigation, they shall contain provisions governing the discontinuance and restoration of service.

(b) *Title page notation.* The title page of the tariff shall briefly state the service limitations and refer, if necessary, to specific provisions.

(c) *Supplements announcing discontinuance of service.* Only one supplement announcing discontinuance of transportation service may be effective at one time. The supplement may be filed to a bound or looseleaf tariff without regard to the supplement limits of this part, and may be filed on 1 day's notice.

(d) *Reissues.* If a tariff discontinuing service as of a specific date becomes effective after the actual date service was discontinued, the tariff shall so state, refer to the prior supplement and ICC tariff designation, and state that a further supplement announcing discontinuance of service for that season will not be filed.

§ 1312.37 Export and import traffic and joint rates with ocean carriers.

(a) *Definitions.* The term *domestic carrier* as used in this section means a common carrier by rail, motor, water, or household goods freight forwarder subject to the Act.

(b) *Through routes and joint rates.* A domestic carrier may establish a through route and joint rate with a non-vessel or vessel operating ocean

carrier for the transportation of property between any place in the United States and any place in a foreign country. Tariffs for such service shall be filed with the Commission in either long form or abbreviated form, as follows:

(1) The long-form tariff shall name the through routes and joint rates, and may be filed in the name of the ocean carrier, a conference of ocean carriers, the domestic carrier, or the publishing agent of the carriers.

(2) An abbreviated tariff shall refer to a specific tariff(s) on file with the Federal Maritime Commission (FMC) containing the joint through rates on which the domestic carrier participates, and shall be filed in the name of the domestic carrier or the publishing agent of the domestic carrier.

(c) *Tariff provisions.* (1) Tariffs filed with the Commission under the provisions of paragraph (b) of this section shall comply with all of the other requirements of this part. Rail carriers are exempt from this tariff filing requirement. See 49 CFR 1039.21, International joint through rates. The division or rate to be received by the domestic carrier for its share of the revenue covering a through shipment or aggregate of shipments may, but need not, be shown in the tariff.

(2) Abbreviated tariffs filed under the provisions of paragraph (b)(2) of this section, shall comply with the relevant format requirements, including those pertaining to "participating carrier" publications.

(3) A tariff filed in the name of a conference need not show "Agent" after the name of the conference unless the conference publishes as an agent.

(4) "Cargo, N.O.S." may be used as a commodity description provided the term is clearly defined in the tariff.

(d) *Changes on less than statutory notice.* (1) Abbreviated tariffs, or amendments thereto, filed under the provisions of paragraph (b)(2) of this section, may be filed to become effective on a specified date on not less than one-day's notice.

(2) For tariffs filed under the provisions of paragraph (b)(1) of this section, that include the division or rate accruing to the domestic carrier, the following changes may be published by

amendment to the tariff to become effective on a specified date not prior to the date filed with the Commission:

(i) A change in a published rate or other provision which results in reduction or in no change in charges, provided that there is no change in the separately stated division or rate accruing to the domestic carrier or a provision governing or affecting that division or rate. This includes a change in a rate that results in lessening or canceling a proposed (*i.e.*, published but not yet effective) increase; and

(ii) The establishment of a rate on a specific commodity not previously named in a tariff which results in a reduction or no change in charges.

(3) Changes in charges for terminal services, canal tolls, or other additional charges may be made effective upon a specified date not prior to the date filed with the Commission, provided the charges are not under the control of the carrier or conference, and the agency assessing the charges to the carrier increases the charges without notice or without adequate notice to the carrier or conference. If the tariff separately states the division, rate, or charge accruing to the domestic carrier, and if a change occurs in the division, rate, or charge, the amendment shall contain a statement explaining the change.

(e) *Port combination bases.* Domestic and ocean carriers may enter into joint arrangements and domestic carriers may at the same time maintain an effective rate applicable only from and to the ports, usable in combination with the ocean carriers' independently established rates. In the absence of a statement in tariffs limiting the application of export or import rates, the rates will apply. The domestic carriers may also publish in their tariffs, as information, the ocean carriers' rates that will apply to or from a foreign country in connection with the domestic carriers' rates. When this is done, the ocean carriers' rates are in no manner subject to the jurisdiction of this Commission.

(f) *Through export and import billing.* When export and import shipments are forwarded under through billing, the through bills of lading shall clearly separate the liability of the domestic

§ 1312.38

carriers and the ocean carriers. The name of the domestic carrier shall appear on the face of the bill of lading when that carrier originates the shipment. Tariffs which provide for the use of a specified kind of bill of lading shall reproduce all of its terms and conditions.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 3071, Jan. 23, 1986; 51 FR 27046, July 29, 1986; 51 FR 44297, Dec. 9, 1986]

§ 1312.38 Substitution of service.

Paragraphs (a), (b), (c), and (d) of this section only apply to property carriers. The provisions of this section may not be used in connection with joint rates and provisions for which concurrences are in effect unless they so provide.

(a) *Substituted service may be provided.*

(1) If a rail, water, or motor carrier (hereafter referred to as Carrier A) desires to have the option to substitute the services of a carrier of a different transportation mode (hereafter referred to as Carrier B) for part of its movement of a shipment, it may do so subject to the requirements of this section.

(2) Either the rate tariff or a governing tariff shall contain the substituted service provisions.

(3) A separate tariff entitled "Substituted Freight Service Directory" may be filed, governing the rate tariff(s), provided it contains only matter relating to the substituted service.

(b) *Service conditions.* Substituted service provisions may be published if—

(1) The shipment moves on the bill of lading that would be used if Carrier A was performing the service;

(2) Carrier A assumes the responsibility for the lading while it is in the possession of Carrier B; and

(3) Movement of the lading has been made prior to, or will be made subsequent to, the service performed by Carrier B.

(c) *Tariff conditions.* The tariff provisions for substituted service shall include—

(1) The name of Carrier B;

(2) The points between which the substituted service will be performed;

(3) A statement that the rate applicable via Carrier A will apply; and

49 CFR Ch. X (10–1–96 Edition)

(4) A statement that the substituted service will not be performed if the shipper advises the carrier that it does not want service to be substituted. Carrier B does not need to be shown as a participant in Carrier A's rate or governing tariffs, nor in the routing provisions.

(5) When publishing substitution of trailer-on-flatcar service for motor service, tariffs need not show the rail carrier's name or points of interchange with the rail carriers.

(d) *Changes in tariff provisions.* Additions, deletions and other changes in substituted service provisions (not rates) may be made on 1 day's notice.

(e) *Optional honoring of ticket arrangements.* (This paragraph only applies to passenger carriers.) Provisions may be published affirming an agreement of two or more carriers for the acceptance by one carrier of a ticket sold over the route of another carrier. The carriers' names shall be shown, along with the names of the points between which the tickets will be honored, and any restrictions or exceptions stated.

§ 1312.39 Miscellaneous provisions which may be filed on less than statutory notice.

(a) *Restorations of carrier participation.* Amendments to restore a carrier's participation in a tariff may be filed on 5 days' notice provided the relisting of the carrier is indicated to become effective not later than the date the cancellation was published to become effective.

(b) *Amendment of participating carrier list in a classification or dangerous articles tariff.* Additions, corrections and other changes to the list of participating carriers in classifications and dangerous articles tariffs may be made on 1 day's notice. This authority may not be used to cancel the participation of a carrier.

(c) *Rates for or newly established water carrier service.* (1) (This paragraph does not apply to the transportation of passengers.) Rates and provisions applicable at, from, to or via points on new lines may be established on 10 days' notice. If the establishment of local rates under this authority results in the establishment of combination through rates, the combination through rates

may be displaced by lower rates, either single factor or combination, on 10 days' notice. If class rates are initially established under this authority, lower commodity rates to displace the class rates may later be established on 10 days' notice.

(2) (This paragraph applies only to the transportation of passengers.) Rates and provisions applicable at, from or to points on new lines may be established in the first instance on 1 day's notice.

(d) *Extension of expiration dates or postponement of effective dates of come-back provisions.* Amendments to extend the expiration dates of provisions, and to postpone the effective date of come-back provisions (provisions which are paired with and published to supersede those indicated to expire with the preceding day) may be published on 1 day's notice provided no change is made in the extended or postponed provisions.

(e) *Effective Dates.* The effective date of a publication, rate, or provision may be postponed on 1 day's notice, and in statement form.

(f) *Roundtrip excursion fares.* Fares for a roundtrip excursion limited to a designated period may be established upon posting and filing the tariff on 1-day's notice.

(g) *Transportation of circus and show outfits.* Rates for specified movements of circuses and other show outfits may be established by filing the tariffs with the Commission on 1 day's notice. The tariffs shall publish the charges specifically, or may consist of a proper title page, containing the statement "as per copy of contract attached," with a copy of the contract attached.

(h) *Freight rate tariffs and classifications of railroads, motor common carriers of property and freight forwarders—notice for independent rate changes—*(1) *New and reduced rates.* Except as otherwise provided in paragraphs (h)(2), (4) and (5) of this section, each independently established new or changed rate, charge, rule, or other provision shall be filed with the Commission in Washington, DC at least 1 day before the date upon which it is to become effective.

(2) *Increased rates.* Each independently established increased rate or charge and each independently estab-

lished change in a rule or other provision which effects a reduction in the value of service or increase in a rate or charge shall be filed with the Commission in Washington, DC at least 7 work-days before the date upon which it is to become effective. This provision does not apply to rail freight rate tariff increases. Such filings shall be made on statutory notice, i.e., 20 days. See § 1312.4(e)(1)(i)(A).

(3) *Independently established for carrier's account.* The rate, charge, rule, or other provision shall be published either in a tariff filed in the carrier's name or under independent action instructions for only the particular carrier's account in a tariff filed in a tariff publishing agent's name.

(4) *Joint intermodal traffic.* This paragraph (h) applies to single-factor, motor-water property rates, charges, rules and other provisions, but does not apply to any other single-factor rate, charge, rule, or other provision having application over any segment of the lines of another transportation mode.

(5) *This section supersedes others.* The provisions of this section take precedence over all the provisions of this part 1312 that govern filing notice. The other provisions will continue to apply to filings that have been docketed with rate bureaus in advance of filing with the Commission (collectively agreed upon rate filings).

(6) *Mixed filings.* Tariffs or amendments that contain new or reduced rates in addition to rate increases shall be filed with the notice applicable for rate increases, with the new and reduced rate filings appropriately symbolized and excepted from the notice applicable for rate increases.

(i) *Tariffs of Motor Carriers of Passengers—Changes—New, Reduced and Increased Rates.* Except as otherwise provided in paragraph (h)(5) of this section, each independently established new or changed rate, charge, rule, or other provision must be filed with the Commission in Washington, DC, at least 1 day before the date upon which it is to become effective. Similarly, each independently established change in a rule or other provision that effects a reduction in the value of service or increase in a rate or charge must be

§ 1312.40

filed with the Commission in Washington, DC, at least 1 day before the date upon which it is to become effective.

[49 FR 38615, Oct. 1, 1984, as amended at 51 FR 9814, Mar. 21, 1986; 51 FR 44297, Dec. 9, 1986; 52 FR 537, Jan. 7, 1987; 52 FR 15726, Apr. 30, 1987; 52 FR 15949, May 1, 1987]

§ 1312.40 Claims rules.

Each carrier or its agent shall file with the Commission its rules and practices with respect to—

(a) The loss or damage to property (see 49 CFR part 1005); and

(b) Overcharge, duplicate payment or overcollection of freight charges (see 49 CFR part 1008).

The rules and regulations may be published in a rate or rules tariff, a classification, or in a separate tariff containing no other matter, or the tariff may refer to the relevant CFR provisions.

§ 1312.41 Range tariffs.

(a) A range tariff presents a series of rates or discounts with each rate or discount potentially applicable to any given shipment; the particular rate or discount made applicable to particular shipment(s) is given effect by the filing of a second tariff. Under these circumstances the rate or discount made applicable by the filing of the second tariff takes precedence over other filed tariffs otherwise applicable to the shipment(s).

(b) To *initiate* range tariff pricing, a carrier or agent shall:

(1) File with the Commission a tariff setting forth the series (range) of rates or discounts potentially applicable to shipments moving on, or subsequent to, the effective date of the tariff. The tariff shall show on its title page the term INITIATING RANGE TARIFF;

(2) Provide an explanation of the application of the tariff, including any conditions, limitations or restrictions that attend use of the tariff; the explanation shall be contained in an Item 150 designated “Application of Tariff”;

(3) File not more than one initiating range tariff to be in effect at any one time; however, different ranges of rates or discounts may be established within the one tariff provided the application of the different ranges is clearly ex-

49 CFR Ch. X (10–1–96 Edition)

plained to avoid ambiguity of applicability;

(4) File initiating range tariffs with the Commission in the manner required by § 1312.3 and § 1312.4(a) and (b) of this part; and

(5) Establish and maintain with the Commission a tariff filing fee account pursuant to the provisions of § 1002.2(a)(1)(ii) of this chapter, for use in making activating range tariff filings under paragraph (c) of this section.

(c) To activate for particular shipment(s) a particular rate or discount (from among the range of rates or discounts provided in the initiating range tariff established under paragraph (b) of this section), a carrier or agent shall:

(1) Prior to transporting a specifically identified shipment(s), file a tariff with the Commission stating the actual rate or discount that applies to the shipment(s). The tariff shall show on its title page the term ACTIVATING RANGE TARIFF and shall refer to the initiating range tariff (previously established under paragraph (b) of this section) as a control tariff;

(2) Publish activating rates or discounts in a tariff in the carrier’s own name or in a tariff filed in the name of a duly authorized agent, immediately followed by the carrier’s or agent’s code and the characters “6R”; immediately under this designation shall be shown the actual date of filing with the Commission, which shall serve as the date on which the tariff becomes applicable for traffic moving subsequent to the filing.

Example: ICC ABCD 6R
Filed: 7/1/93

Each page of the activating range tariff shall show this same information. Each page shall be sequentially numbered with the final page stating “end” following the last page number;

(3) Show on the title page of each activating range tariff a specific date of expiration that shall not exceed 7 days from the date of the tariff’s filing. In the event an expiration date is not designated, the tariff shall expire 7 days from the date of filing;

(4) Identify the specific traffic to be accorded service under the stated rate

Surface Transportation Board, DOT

§ 1313.2

or discount with whatever information is needed to identify specifically the intended shipments, but in any event, at a minimum, identify either the shipper's name or the commodity description and origin and destination points; and

(5) File with the Commission:

(i) One copy of each activating tariff submitted by fax transmission to (202) 927-5888; to avoid the necessity of filing a separate transmittal letter (see § 1312.4(b) of this part), the title page of every activating range tariff shall provide the name, title and phone number of the party authorized to submit the publication for filing with the Commission, and the fee account number established for the filing carrier or agent; or

(ii) Two copies of each activating tariff transmitted by hand in accordance with the requirements of § 1312.3 and 1312.4(a) and (b) of this part.

(d) Except as expressly provided in this section, range tariffs are subject to the provisions of §§ 1312.1 through 1312.40 of this part.

[59 FR 4844, Feb. 2, 1994]

PART 1313—RAILROAD CONTRACTS ENTERED INTO PURSUANT TO 49 U.S.C. 10713

Sec.

1313.1 Definitions of the terms *contract* and *amendment*.

1313.2 Jurisdiction; contract approval/disapproval.

1313.3 Contract implementation date.

1313.4 Common carrier responsibility; limitations on future contracts.

1313.5 Remedies for breach of approved contracts.

1313.6 Limitation on equipment; and relief.

1313.7 Contract filing, title pages, and numbering.

1313.8 Contract and contract summary availability.

1313.9 Formats for initial and amended contract summaries.

1313.10 Contract summary content—agricultural commodities.

1313.11 Contract summary content—forest products and paper.

1313.12 Contract summary content—port traffic (other than agricultural commodities, forest products, and paper).

1313.13 Contract summary content—other commodities or services not involving a port.

1313.14 Informal discovery.

1313.15 Contract discovery.

1313.16 Procedures for contract discovery and complaints.

1313.17 Grounds for contract review and complaints.

AUTHORITY: 49 U.S.C. 10321 and 10713; 5 U.S.C. 553.

SOURCE: 53 FR 5380, Feb. 24, 1988, unless otherwise noted.

§ 1313.1 Definitions of the terms *contract* and *amendment*.

(a) A contract made pursuant to 49 U.S.C. 10713 is a written agreement, including any amendment, entered into by one or more rail carriers with one or more purchasers of rail service, to provide specified services under specified rates, charges and conditions.

(b) A contract filed under these rules must:

(1) Specify that the contract is made pursuant to 49 U.S.C. 10713, and

(2) Be signed by duly authorized parties.

(c) The term *amendment* includes written contract modifications signed by the parties.

(d) An amendment is treated as a new contract. [To the extent contract extensions or amendments change any term of the contract, remedies are revived and review is again available.] An amendment is lawful only if it is filed and approved in the same manner as the original contract and is consistent with these rules, including the filing of a complete contract summary.

§ 1313.2 Jurisdiction; contract approval/disapproval.

(a) *Jurisdiction*. (1) The contract or amendment and transportation are subject to Commission jurisdiction until Commission approval under 49 U.S.C. 10713 and applicable regulations.

(2) Railroad transportation contracts (other than agricultural commodity contracts) made by the United States Department of Defense are exempt from the requirements of 49 U.S.C. 10713.

(b) *Contract approval date*. Except as provided in § 1313.7(a)(2):

(1) The contract is approved on the 30th day after the filing of the contract summary if the Commission does not institute a proceeding to review the contract.

§ 1313.3

49 CFR Ch. X (10–1–96 Edition)

(2) If the Commission institutes a proceeding to review a contract, it has jurisdiction for 60 days after the contract summary is filed. Under these circumstances the contract will be approved:

(i) On the date the Commission approves the contract, if the date of approval is 31 or more days after the filing date of the contract summary;

(ii) On the 31st day after the contract summary filing date if the Commission denies the complaint against the contract by the 30th day after the contract summary filing date; or

(iii) On the 60th day after the contract summary filing date, if the Commission fails to disapprove the contract.

(c) *Contract disapproval.* If the Commission finds that the contract violates the provisions of 49 U.S.C. 10713, it will:

(1) Disapprove the contract; or

(2) In the case of agricultural contracts (including forest products and paper) where the Commission finds unreasonable discrimination by a carrier in accordance with 49 U.S.C. 10713 and § 1313.17(b)(3), allow the carriers the option to:

(i) Provide rates and services substantially similar to the contract at issue, with such differences in terms and conditions as are justified by the evidence; or

(ii) Cancel the contract.

(d) *Applicable rates/charges if contract disapproved.* If the Commission disapproves or rejects the contract or amendment, the appropriate non-contract tariffs or the contract provisions otherwise in effect under previously approved contracts will be applicable.

[53 FR 5380, Feb. 24, 1988, as amended at 57 FR 40621, Sept. 4, 1992]

§ 1313.3 Contract implementation date.

(a) Transportation or service performed under a contract or amendment may begin, without specific Commission authorization, on or after the date the contract summary (or amended contract summary) is filed and before Commission approval as defined in 49 CFR 1313.2, subject to the following conditions:

(1) The contract or contract amendment shall specifically state that the

transportation or service may begin on the date of filing.

(2) The contract summary shall separately reflect the date of commencement of service.

(b) Except as provided under paragraph (c) of this section, transportation or service may not begin under a contract or an amendment to a contract before the filing date of either the contract summary or the amended contract summary, respectively.

(c) Railroad transportation or service is exempt from the requirements of 49 U.S.C. 10761, 11902, 11903, and 11904 to the extent that a railroad may apply a contract or amended contract rate rather than an otherwise applicable tariff or prior contract rate and pay reparations or waive undercharges under the following conditions:

(1) A transportation contract summary or amended contract summary under 49 U.S.C. 10713 has been filed with the Commission and has been approved by the Commission or by operation of law.

(2) The shipment at issue falls within the terms of the contract or amendment; and

(3) The shipment was transported before the contract or amendment was approved but:

(i) After the contract or amendment was signed; or

(ii) After the parties agreed on the rate to be charged and they either agreed to be bound by the contract or amendment or intended the movement to be covered by the contract and amendments.

(d) Except as provided elsewhere in this section, all transportation under the contract may begin only in accordance with 49 CFR 1313.2.

[53 FR 5380, Feb. 24, 1988, as amended at 57 FR 40621, Sept. 4, 1992; 57 FR 43291, Sept. 18, 1992]

§ 1313.4 Common carrier responsibility; limitations on future contracts.

(a) The terms of a contract approved by the Commission determine completely the obligations of the parties to the contract with respect to the services provided under the contract. The contract does not affect the parties' responsibilities for any services which are not included in the contract.

Surface Transportation Board, DOT

§ 1313.7

(b) Service under a contract approved by the Commission is deemed a separate and distinct class of service and the equipment used to fulfill the contract shall not be subject to car service limitations under 49 U.S.C. 11123.

(c) *Limitation of rail carrier rights to enter future contract.* The Commission may limit the right of a rail carrier to enter into future contracts if the Commission determines that additional contracts would impair the ability of the rail carrier to fulfill its common carrier obligations under 49 U.S.C. 11101. The Commission will handle these determinations on a case-by-case basis and may investigate, either on its own initiative or upon the filing of a verified complaint by a shipper which demonstrates that it individually had been or will be harmed by a carrier's inability to fulfill its common carrier obligations as a result of existing contracts.

§ 1313.5 Remedies for breach of approved contracts.

(a) The exclusive remedy for an alleged breach of a contract approved by the Commission shall be an action in the appropriate State Court or United States District Court, unless the parties otherwise agree in the contract.

(b) The Commission may not require a rail carrier to violate the terms of a contract that has been approved under 49 CFR 1313.2, except to the extent necessary to comply with 49 U.S.C. 11128.

§ 1313.6 Limitation on equipment; and relief.

(a) A rail carrier may enter into contract for the transportation of agricultural commodities (including forest products but not including wood pulp, wood chips, pulpwood, or paper) that involve the use of carrier owned or leased equipment not in excess of 40 percent of the total number of the carrier's owned or leased equipment, by major car type, except as provided in paragraph (b) of this section.

(b) In the case of a proposed contract between a class I carrier and a shipper originating an average of 1,000 cars or more per year during the prior 3-year period by major car type on a particular carrier, not more than 40 percent of carrier owned or leased equipment used

on the average during the prior 3-year period may be used for the contract without prior Commission authorization.

(c) If the rail equipment standards of 49 U.S.C. 10713(k) are exceeded, prior relief must be obtained from the Commission and must be specifically identified in the contract summary.

(d) The Commission may grant relief from the limitations of paragraphs (a) and (b) of this section if:

(1) A rail carrier or other party requests such relief; or the Commission on its own initiative considers granting such relief; and

(2) The Commission determines that making additional equipment available does not impair the rail carrier's ability to meet its common carrier obligations under 49 U.S.C. 11101.

§ 1313.7 Contract filing, title pages, and numbering.

(a) *Filing of Rail Contracts.* (1) Rail carriers providing transportation subject to Subchapter I of Chapter 105 of Title 49, United States Code, must file with the Commission an original contract (or amendment) entered into with one or more purchasers of rail service. The contract (or amendment) must be accompanied by three copies of a contract summary (or amended contract summary) of the non-confidential elements of the contract as specified in §§ 1313.10, 1313.11, 1313.12, or 1313.13. The contract (or amendment) must also be accompanied by the appropriate filing fee (see 49 CFR part 1002).

(2) A contract (or amendment) and contract summary (or amended contract summary) may be rejected for noncompliance with applicable statutes and regulations.

(3) Contracts and contract summaries must not be filed in the same package with standard tariff filings.

(4) The confidential contract shall not be attached to the contract summary.

(5) The outside envelope or wrapper containing the contract/contract amendment and summary must be prominently marked "Confidential, Rail Contract" and addressed to: Interstate Commerce Commission, Section of Tariffs, Washington, DC 20423.

(6) A contract and summary must be accompanied by a transmittal letter identifying the submitted documents, and the name and telephone number of a contact person. Each transmittal letter shall clearly indicate in the upper left-hand corner thereof:

(i) The assigned alpha code of the issuing carrier;

(ii) The number of series transmitted;

(iii) The filing fee enclosed, the account number to be billed, or the credit card to be charged; and

(iv) The transmittal number if the filer utilizes transmittal numbers.

If the filing fee is charged to a credit card, the information must include the credit card number and expiration date, and an authorized signature.

(b) *Contract and contract summary title pages.* (1) The title page of every contract and amendment must contain only the following information:

(i) In the upper right corner, the contract number (see paragraph (c) of this section).

(ii) In the center of the page, the issuing carrier's name, followed by the word "CONTRACT" in large print.

(iii) Amendments to the contract must also show in the upper right corner, the amendment number (see paragraph (c) of this section).

(iv) A solid one inch black border, or a similar border consisting of continuous repetitions of a single alphabetic or special character, down the right side of the title page.

(v) Date of issue and date to be effective.

(2) The title page of every contract summary and amended contract summary must contain only the following information:

(i)(A) If contract summary, in the upper right corner, the contract summary number (see paragraph (c) of this section).

(B) If amended contract summary, in the upper right corner, the contract summary number, followed by the corresponding contract amendment number.

(ii)(A) In the center of the page, the issuing carrier's name, followed by the words "CONTRACT SUMMARY" in large print.

(B) If a contract summary for an amendment to a contract: in the center

of the page, the issuing carrier's name, followed by the words "AMENDED CONTRACT SUMMARY".

(iii) Date of issue and date to be effective.

(iv) In the center lower portion, the issuing individual's name and address. The name of the individual for service of complaints and petitions for discovery must also appear, if different from the issuing individual. If not otherwise noted, a complainant/petitioner may rely on service to the issuing individual.

(c) *Contract and contract summary numbering system.* (1) Each issuing carrier shall sequentially number each contract and contract summary (and amendment and amended contract summary) it issues. The contract and contract summary identification number must include the word "ICC," the industry standard alphabet code for the issuing railroad (limited to four letters), the letter "C," and the sequential number, with each separated by a hyphen. The following is an example: the 357th contract filed by the Conrail would have the following identification number: "ICC-CR-C-0357."

(2) Amendments to contracts shall be reflected in a corresponding amended contract summary.

(3) At the carrier's option, it may issue contracts with nonconsecutive numbers if it assigns blocks of numbers to different departments. An index to the blocks of reserved numbers shall be filed with the Commission.

(4) Contract amendments and amended contract summaries must be sequentially numbered.

(d) *Modification of contract termination dates.* (1) An amendment extending a contract expiration date must be filed with the Commission prior to such expiration date. An amendment reactivating an expired contract will not be accepted more than 180 days after such expiration date.

(2) Whenever a contract provides for automatic renewal or extension, absent unilateral action terminating it, the filing carrier must file a notice with the Commission when the contract is terminated. Said notice must be filed not more than 180 days after the termination of the contract.

Surface Transportation Board, DOT

§ 1313.10

(3) Whenever a contract is to be terminated before the termination date, if any, specified therein, the filing carrier must advise the Commission not more than 180 days after such termination. If the contract is terminated through unilateral action provided for therein, the filing carrier must file a notice announcing such termination; if the termination results from an agreement among the parties, an amendment must be filed to implement such termination.

(e) *Application for relief from requirements of paragraphs (a), (b), (c) or (d) of this section.* (1) Application for relief from one or more of the requirements of paragraphs (a), (b), (c) or (d) of this section shall be submitted to the Suspension/Special Permission Board.

(2) They shall be accompanied by appropriate filing fee (see 49 CFR part 1002), and marked "Special Contract/Summary Authority Application."

(3) Applications must explain and justify the relief sought.

(4) An original and one copy of applications concerning contract summary filings must be filed. Only an original need be filed in the case of applications concerning confidential contract filings.

(5) The applications will be decided by the Suspension/Special Permission Board with appeals available under 49 CFR 1118.4.

[53 FR 5380, Feb. 24, 1988, as amended at 55 FR 157, Jan. 3, 1990; 56 FR 58320, Nov. 19, 1991; 57 FR 40622, Sept. 4, 1992; 58 FR 7756, Feb. 9, 1993]

§ 1313.8 Contract and contract summary availability.

(a)(1) Except as provided in paragraph (a)(2) of this section, the contract filed under these rules shall not be available to persons other than the parties to the contract and authorized Commission personnel, except by informal discovery under 49 CFR 1313.14 and/or by Commission decision.

(2) A contract and its summary filed under 49 U.S.C. 10713 may be labeled "nonconfidential." Such a designation will permit the general public to inspect the entire contract.

(b)(1) The contract summary filed under these rules shall be available

from the Commission's Bureau of Traffic and Contract Advisory Service.

(2) The contract summary filed under these rules shall not be required to be posted in any stations, but shall be made available upon reasonable request from the carriers participating in the contract.

§ 1313.9 Formats for initial and amended contract summaries.

(a) The contract summary must enumerate and have each item completed. When the item does not pertain to the contract, the term "Not Applicable" ("NA") shall be used.

(b)(1) Changes in prior contract summaries must be underscored and must be followed by the words "addition," "deletion," "extension," "cancellation," or other appropriate descriptive phrase in parentheses. If the change to the contract is only in confidential matter, a statement to that effect must be made in the amended contract summary and must indicate the particular feature to which the change applies (i.e., rate, special feature, etc.). If "not applicable" is permitted in the original summary under §§ 1313.10–1313.12, the amended summary may use "not applicable" with a notation that a change pertained only to confidential data.

(2) Amended contract summaries filed under this provision may not substitute phrases such as "not applicable" or "no change" where disclosure was required in the original contract (such as in the commodity description); amended contract summaries must set forth all non-confidential terms in the contract, whether amended or not.

(3) An amendment that shortens the life of a contract must be publicized in a contract summary for the amendment.

§ 1313.10 Contract summary content—agricultural commodities.

(a) Contract summaries for agricultural commodities (excluding forest products and paper) must contain the following information which includes that required to be disclosed under 49 U.S.C. 10713(b)(2)(A). These requirements also apply to amended contract summaries.

§ 1313.10

49 CFR Ch. X (10–1–96 Edition)

(b)(1) *Carrier names.* A list, alphabetically arranged, of the corporate names of all carriers that are parties to the contract plus the addresses for service of complaints [must be provided].

(2) *Specific commodity.* The specific commodity or commodities to be transported under the contract must be identified. Vague commodity descriptions such as “grain” are not permitted, even if that is the commodity description in the contract.

(3) *Shipper identity.* The specific identity of the shipper party to the contract must be disclosed. A shipper that is party to the contract who is acting on behalf of another party or parties at the time the contract is entered into must identify the other party or parties to the extent known at the time.

(4) *Specific origins, destinations, transit points, and other shipper facilities.* (i) Each specific origin and destination point to and from which the contract applies must be shown except that references to tariffs or broad geographic descriptions such as “all stations in Kansas” shall be permitted only to the extent such terms are actually used in the contract and such origins and destination are subject to specific identification by reference to tariffs or broad geographic descriptions. Tariff references must be accompanied by some geographic reference. Vague descriptions such as “various points in Kansas” are prohibited.

(ii) Each port must be identified.

(iii) Each transit point identified in the contract must be identified in the contract summary.

(iv) Each shipper facility affecting the contract must be listed if it is not included in the origin/destination points or transit points, but affects performance under the contract. Identification is required only to the extent such facilities are identified in the contract or are known to the contracting parties at the time of filing the contract.

(5) *Contract duration.* (i) If applicable, the date on which the transportation service has begun under a contract before the date such contract is filed with or approved by the Commission.

(ii) The date on which the contract became applicable to the transport-

tation services provided under the contract.

(iii) Termination date of the contract. If the terms of the contract provide for automatic extension or renewal, such information must be shown in connection with the termination date.

(iv) Provisions for optional extension.

(6) *Rail car data.* Provide, by number of dedicated cars, or, at the carrier’s option, car days:

(i) By major car type used to fulfill the contract or contract options:

(A) Available and owned by the carrier(s) listed in paragraph (b)(1) of this section;

(B) Available and leased by the carrier(s) with average number of bad-order cars identified;

(C) (Optional) On order (for ownership or lease) along with delivery dates; and

(D) In the event a complaint is filed involving common carrier obligation and carrier furnished cars, the carrier(s) shall immediately submit to the Commission and the complainant additional data on cars used to fulfill the challenged contract. Data shall include (by major car type used to fulfill the contract):

(1) Total bad-car orders;

(2) Assigned car obligations; and

(3) Free-running cars.

(ii) In addition to subparagraph (b)(6)(i) of this subsection if agricultural commodities (including forest products but not including woodpulp, wood chips, pulpwood or paper) the carrier must submit a certified statement:

(A) That the cumulative equipment total for all contracts does not exceed 40 percent of the capacity of carrier owned and leased cars by applicable major car type; and

(B) In the case of the agricultural shipper which originated an average 1,000 cars or more per year during the prior 3-year period by major car type, that the equipment used does not exceed 40 percent of the carrier owned or leased cars used on the average by that shipper during the previous 3 years.

(iii) Rail car data need not be furnished if:

Surface Transportation Board, DOT

§ 1313.12

(A) The shipper furnishes the rail cars, unless the rail cars are leased from the carrier; or,

(B) The contract is restricted to certain services which do not entail car supply.

(7) *Base rates and charges.* (i) Identify the specific base rates and/or charges. This is satisfied by identifying the specific tariff provisions which would apply without the contract.

(ii) Summarize escalation provisions.

(8) *Volume.* Identify all volume, car and/or train size requirements as set forth in the contract including:

(i) Movement type (single car, multiple car, unit train).

(ii) Minimum and actual volume requirements under contract for the applicable period(s) (annual, quarterly, etc.).

(iii) Volume breakpoints affecting the contract.

(9) *Special features.* Identify existence (but not the terms or amount) of special features such as transit time commitments, credit terms, discounts, switching, special demurrage, guaranteed or minimum percentages, etc.

[53 FR 5380, Feb. 24, 1988, as amended at 57 FR 40622, Sept. 4, 1992]

§ 1313.11 Contract summary content—forest products and paper.

(a) Contract summaries for forest products and paper must contain the following terms in the order named. These requirements also apply to amended contract summaries.

(b)(1) *Carrier names.* A list, alphabetically arranged, of the corporate names of all carriers that are parties to the contract plus the addresses for service of complaints [must be submitted].

(2) *Specific commodity.* The specific commodities to be transported under the contract must be identified except that broad commodity descriptions such as “forest products” are permitted only to the extent that is the commodity description in the contract.

(3) *Specific origins and destinations.* (i) Each specific origin and destination point to and from which the contract applies must be shown except that references to tariffs or broad geographic descriptions such as “all stations in Oregon” are permitted only to the extent such terms are actually used in

the contract and such origins and destinations are subject to specific identification by reference to tariffs or broad geographic descriptions. Tariff references must be accompanied by some geographic reference. Vague descriptions such as “various points in Oregon” are prohibited.

(ii) Each port must be identified.

(4) *Contract duration.* (i) If applicable, the date on which the transportation service has begun under a contract before the date such contract is filed with or approved by the Commission.

(ii) The date on which the contract services became applicable to the transportation services provided under the contract.

(iii) Termination date of the contract. If the terms of the contract provide for automatic extension or renewal, such information must be shown in connection with the termination date.

(5) *Rail car data.* The information required under § 1313.10(b)(6) must be provided.

(6) *Base rates and charges.* (i) Identify the specific base rates and/or charges. This is satisfied by identifying the general tariff provisions, or the general tariff provisions which would apply without the contract.

(ii) Identify existence of, but not terms or amount of, any movement type (e.g. single car, multiple car, unit train), minimum volume requirement (if applicable), or escalation provisions.

(7) *Special features.* Identify existence (but not the terms or amount) of special features such as transit time commitments, guaranteed car supply, minimum percentage of traffic requirements, credit terms, discounts, etc.

[53 FR 5380, Feb. 24, 1988, as amended at 57 FR 40622, Sept. 4, 1992]

§ 1313.12 Contract summary content—port traffic (other than agricultural commodities, forest products, and paper).

(a) Contract summaries for other commodities or services involving a port must contain the information required in § 1313.11(b) (1), (2), (4), (6) and (7) and 1313.10(b)(6). In addition, the port shall be named and the tariff mileage rounded to the nearest 50 miles

§ 1313.13

49 CFR Ch. X (10–1–96 Edition)

shall be disclosed (or, at the contracting parties' option, the origin and destination shall be specified). The required information shall be disclosed for each movement involving multiple origins and destinations. These requirements also apply to amended contract summaries.

(b) [Reserved]

§ 1313.13 Contract summary content—other commodities or services not involving a port.

(a) Contract summaries for other commodities not involving a port must contain the commodity or commodities to be transported under the contract and the information required in § 1313.11(b) (1) and (4), and § 1313.10(b)(6). Paragraph (b)(7) of § 1313.11 is applicable only to the extent that service requirements are placed in the contract. These requirements also apply to amended contract summaries.

(b) [Reserved]

§ 1313.14 Informal discovery.

(a) Prior to filing a petition for formal discovery under 49 CFR 1313.15, a petitioner may request discovery from the carrier.

(b) The carrier must promptly grant or deny the request.

(c) Agreements between carriers and shippers for informal discovery are permitted under these rules.

§ 1313.15 Contract discovery.

(a) *Petition.* A petition to discover contract provisions must show that petitioner is a shipper or port, has standing to file a complaint under 49 U.S.C. 10713(d)(2) (A) or (B), and that petitioner is affected by the contract. The following information will be considered in making a determination on whether to permit discovery.

(1) *Standing.* Identify the provision(s) in 49 U.S.C. 10713(d) under which petitioner has standing to file a complaint.

(2) *Affected party.* An affected party is one that is an actual or potential participant in the relevant market. The following information is relevant to making that determination and should be provided.

(i) Nature and volume of petitioner's relevant business.

(ii) Relevant commodities petitioner ships or receives;

(iii) Comparisons between petitioner's commodities, locations of shipping facilities and serving carriers, actual or potential traffic patterns and serving carrier(s), with the traffic patterns and serving carrier(s) identified in the contract summary. State whether petitioner is a consignor or consignee.

(iv) Showing of an ability to ship the commodity in question at a time generally simultaneous with the contract at issue.

(v) Any additional information petitioner considers appropriate to support its request, including prior negotiations, if any.

(vi) Demonstrate how and to what degree the petitioner's relevant business may be affected by the contract terms as disclosed in the summary.

(vii) Proof of actual injury is not required to satisfy this rule.

(3) *Demonstrated need.* (i) With regard to the grounds for complaint under 49 U.S.C. 10713(d)(2)(B), the demonstrated need test applies to contracts for forest products and paper, non-agricultural port traffic, and other commodities. The test does not apply to agricultural commodity contracts.

(ii) A petitioner seeking disclosure of non-agricultural contract information must show that the contract terms it seeks are relevant to its potential challenge to the contract.

(iii) As car data is published in the contract summary, a petition for further disclosure on the basis that the contract may impair the contracting carrier's common obligation must establish a nexus between the information sought and the common carrier obligation. Before information regarding special features will be disclosed, a petitioner must show how the special feature or certain forms of that special feature could impair the contracting carrier's common carrier obligation and how that impairment may affect the petitioner. On receiving such a petition, the carrier must furnish to the petitioner and the Commission the data required by § 1313.10(b)(6)(i)(D).

§ 1313.16 Procedures for contract discovery and complaints.

(a) *Complaints, discovery petitions, replies, and appeals.* (1) Discovery petitions and/or skeletal complaints must be filed no later than the 18th day after the contract and summary are properly filed.

(2) Petitions must note on the front page "Petition for Discovery of Rail Contract" and note the contract and amendment numbers.

(3) A skeletal complaint as required under paragraph (b) of this section must accompany the petition.

(4) Petitioner must certify that 2 copies of the petition and complaint have been sent to the contracting carrier(s) either by hand, express mail, or other overnight delivery service the same day as filed at the Commission. The contracting carrier shall in turn serve the contracting shipper with a copy of the petition and complaint. Replies shall be served in the same manner on complainant/petitioner.

(5) Replies to the petition are due within 5 days from the date of filing of the petition and in no event later than noon on the 23rd day following filing of the contract.

(6) An original and 10 copies of the petition, skeletal complaint and replies plus 2 transmittal letters must be filed with the Commission in an envelope labeled "Suspension/Special Permission Board—Confidential Contract Material."

(7) An appeal of a Suspension/Special Permission Board's decision must be made in accordance with 49 CFR 1132.2, subject to the following:

(i) An appeal must be received within 2 days of the Board's decision (anticipated by day 26 after the contract filing date), but in no event later than the 28th day after the contract filing date.

(ii) The appeal shall be filed with the Suspension/Special Permission Board for handling and will be considered by the entire Commission.

(iii) Telegraphic notice or its equivalent must be given to the opposing party.

(iv) Replies to the appeal must be received within one day after the appeal is filed.

(v) The number of copies of appeals and replies required is the same as provided in paragraphs (a) (4) and (6) of this section.

(8) *Protective order.* If confidential contract data or data disclosed pursuant to §§ 1313.15, 1313.16, or 1313.17 are filed with the Commission in a complaint, petition, reply or other pleading, the party filing these data should submit them as a separate package, clearly marked on the outside "Confidential Material Subject to Protective Order." The order in paragraph (a)(9) of this section applies to the parties specified in the order who receive confidential information through proceedings before the Commission or through informal discovery.

(9) *Order.* Petitioner and carriers, and their duly authorized agents agree to limit to the discovery/complaint proceeding involving the contract, the use of contract information or other confidential commercial information which may be revealed in the contract, the complaint, reply, or any other pleading relating to the contract. This agreement shall be a condition to release of any contract term by a petitioner/complainant and shall operate similarly on a carrier in possession of confidential information which may be contained in a complaint, petition for discovery, or request for informal disclosure. Any information pertaining to parties to the contract, or subject to the contract (including consignors, consignees and carriers), or pertaining to the terms of the contract, or relating to the petitioner's/complainant's confidential commercial information, must be kept confidential. Neither the information nor the existence of the information shall be disclosed to third parties, except for: consultants or agents who agree, in writing, to be bound by this regulation; information which is publicly available; information which, after receipt, becomes publicly available through no fault of the party seeking to disclose the information after it has become publicly available, or is acquired from a third party free of any restriction as to its disclosure. The petitioner/complainant or carrier must take all necessary steps to assure that the information will be kept confidential by its employees and

§ 1313.17

49 CFR Ch. X (10–1–96 Edition)

agents. No copies of the contract terms or other confidential information are to be retained by the parties not originally privy to the data subsequent to the termination of the proceeding or the expiration of Commission jurisdiction under 49 CFR 1313.2.

(b)(1) *Complaint proceedings, complainants and replies.* On receipt of a skeletal complaint by the 18th day after the contract filing date, a complaint proceeding will be instituted to extend this Commission's jurisdiction to 60 days after the contract filing date regardless whether a petition for discovery is filed or approved. The decision will provide for automatic dismissal of the proceeding and approval of the contract if complainant(s) fail to submit the case-in-chief by the due date established in paragraph (b)(5) of this section.

(2) The skeletal complaint must contain the correct, unabbreviated names and addresses of the complainant(s) and defendant. The complainant must set out the statutory provisions under which it has standing to file a complaint.

(3) If discovery is granted, the carrier must furnish the required information by the 1st working day after the Commission issues a final decision.

(4) Upon institution of a complaint proceeding, approval of the contract is postponed to 60 days after the contract filing date or until the Commission issues a decision approving the contract, if earlier.

(5) The amended complaint and case-in-chief are due 39 days after the filing of the contract.

(6) Replies of the carrier defendant(s) are due 46 days after the filing of the contract.

§ 1313.17 Grounds for contract review and complaints.

(a) Within 30 days of the contract filing date, the Commission may, on its own motion or on complaint, begin a proceeding to review the contract. Review can be based only on allegation of violations as described in paragraph (b) of this section.

(b) A contract may be reviewed only on the following grounds:

(1) In the case of a contract, other than a contract for the transportation

of agricultural commodities (including forest products and paper), a complaint may be filed:

(i) By a shipper only on the grounds that the shipper individually will be harmed because the proposed contract unduly impairs the ability of the contracting carrier to meet common carrier obligations under 49 U.S.C. 11101; or

(ii) By a port on the grounds that the port individually will be harmed because the proposed contract will result in unreasonable discrimination against the port.

(2) In the case of a contract for the transportation of agricultural commodities (including forest products and paper), in addition to the grounds for a complaint described in paragraph (b)(1)(i) of this section, a complaint may be filed on the grounds that the shipper individually will be harmed because:

(i) The rail carrier(s) unreasonably discriminated by refusing to enter into a similar contract with the shipper for rates and services for the transportation of the same type of commodity under similar conditions to the contract at issue and that the shipper was ready, willing, and able to enter into such a contract at a time essentially contemporaneous with the period during which the contract was offered; or

(ii) The proposed contract constitutes a destructive competitive practice.

(3) *Unreasonable discrimination* as used in these rules means, when applied to shippers of agricultural commodities (including forest products and paper), that the railroad has refused to enter into a contract with the shipper for rates and services for the transportation of the same type of commodity under similar conditions to the contract at issue, and that the shipper was ready, willing, and able to enter into such a contract at a time essentially contemporaneous with the period during which the contract at issue was offered; and, when applied to a port, has the same meaning as the term has under 49 U.S.C. 10741.

(4) The definitions for *agricultural commodities*, *forest products*, and *paper* will be decided on a case-by-case basis.

PART 1320—EXTENSION OF CREDIT TO SHIPPERS BY RAIL COMMON CARRIERS, MOTOR COMMON CARRIERS, WATER COMMON CARRIERS, AND HOUSEHOLD GOODS FREIGHT FORWARDERS

Sec.

1320.1 Scope.

1320.2 Extension of credit to shippers.

1320.3 Presentation of freight bills.

1320.4 Effect of mailing freight bills or payments.

1320.5 Additional charges.

1320.6 Computation of time.

1320.7 Charges under average demurrage agreements.

1320.8 Household goods shipments by motor common carriers.

1320.9–1320.16 [Reserved]

1320.17 Interline settlement of revenues.

AUTHORITY: 5 U.S.C. 553 and 49 U.S.C. 10321, 10701, 10702, 10741, 10743, and 10744.

SOURCE: 50 FR 2290, Jan 16, 1985, unless otherwise noted.

§ 1320.1 Scope.

(a) *General.* These regulations apply to the extension of credit in the transportation of property under Interstate Commerce Commission regulation by rail, motor, and water carriers and household goods freight forwarders, except as otherwise provided.

(b) *Exceptions.* These regulations do not apply to—

(1) Contract carriage operations.

(2) Transportation for—

(i) The United States or any department, bureau, or agency thereof,

(ii) Any State, or political subdivision thereof,

(iii) The District of Columbia.

(3) Property transportation incidental to passenger operations.

[50 FR 2290, Jan. 16, 1985, as amended at 51 FR 44297, Dec. 9, 1986]

§ 1320.2 Extension of credit to shippers.

(a) *Authorization to extend credit.* (1) A carrier that meets the requirements in paragraph (a)(2) of this section may—

(i) Relinquish possession of freight in advance of the payment of the tariff charges, and

(ii) Extend credit in the amount of such charges to those who undertake

to pay them (such persons are called *shippers* in this part).

(2) For such authorization, the carrier shall take reasonable actions to assure payment of the tariff charges within the credit periods specified—

(i) In this part, or

(ii) In tariff provisions published pursuant to the regulations in paragraph (d) of this section.

(b) *When the credit period begins.* The credit period shall begin on the day following presentation of the freight bill.

(c) *Length of credit period.* Unless a different credit period has been established by tariff publication pursuant to paragraph (d) of this section, the credit period is 15 days. It includes Saturdays, Sundays, and legal holidays.

(d) *Carriers may establish different credit periods in tariff rules.* Carriers may publish tariff rules establishing credit periods different from those in paragraph (c) of this section. Such credit periods shall not be longer than 30 calendar days.

(e) *Service charges.* (1) Service charges shall not apply when credit is extended and payments are made within the standard credit period. The term *standard credit period*, as used in the preceding sentence, means—

(i) The credit period prescribed in paragraph (c) of this section, or

(ii) A substitute credit period published in a tariff rule pursuant to the authorization in paragraph (d) of this section.

(2) Carriers may, by tariff rule, extend credit for an additional time period, subject if they wish to a service charge for that additional time. The combined length of the carrier's standard credit period (as defined in paragraph (e)(1) of this section) and its additional credit period shall not exceed the 30-day maximum credit period prescribed in paragraph (d) of this section. When such a tariff rule is in effect, shippers may elect to postpone payment until the end of the extended credit period if, in consideration thereof, they include any published service charges when making their payment.

(3) Carriers may, by tariff rule, establish service charges for payments made after the expiration of an authorized credit period. Such a rule shall—

(i) Institute such charges on the day following the last day of an authorized credit period, and

(ii) Notify shippers—

(A) That its only purpose is to prevent a shipper who does not pay on time from having free use of funds due to the carrier,

(B) That it does not sanction payment delays, and

(C) That failure to pay within the authorized credit period will, despite this provision for such charges, continue to require the carrier, before again extending credit, to determine in good faith whether the shipper will comply with the credit regulations in the future.

(4) Tariff rules that establish charges pursuant to paragraph (e) (2) or (3) of this section may establish minimum charges.

(f) *Discounts.* Carriers may, by tariff rule, authorize discounts for early freight bill payments when credit is extended.

(g)(1) *Collection expense charges.* Carriers may, by tariff rule, assess reasonable and certain liquidated damages for all costs incurred in the collection of overdue freight charges. Carriers may use one of two methods in their tariffs:

(i) The first method is to assess liquidated damages as a separate additional charge to the unpaid freight bill. In doing so, the tariff rule shall disclose the exact amount of the charges by stating either a dollar or specified percentage amount (or a combination of both) of the unpaid freight bill. The tariff shall further specify the time period (which shall at least allow for the authorized credit period) within which the shipper must pay to avoid such liquidated damages.

(ii) The second method is to require payment of the full, nondiscounted rate instead of the discounted rate otherwise applicable. The difference between the discount and the full rate constitutes a carrier's liquidated damages for its collection effort. Under this method the tariff shall identify the discount rates that are subject to the condition precedent and which require the shipper to make payment by a date certain. The date certain may not be set to occur by the carrier until at

least after the expiration of the carrier's authorized credit period.

(2) The damages, the timing of their applicability, and the conditions, if any, as provided by the tariff-rule methods allowed under paragraphs (g)(1) (i) and (ii) of this section also:

(i) Shall be clearly described in the tariff rule;

(ii) Shall be applied without unlawful prejudice and/or unjust discrimination between similarly situated shippers and/or consignees;

(iii) Shall be applied only to the non-payment of original, separate and independent freight bills and shall not apply to aggregate *balance-due* claims sought for collection on past shipments by a bankruptcy trustee, or any other person or agent;

(iv) Shall not apply to instances of clear clerical or ministerial error such as non-receipt of a carrier's freight bill, or shipper's payment check lost in the mail, or carrier mailing of the freight bill to the wrong address;

(v) Shall not apply in any way to a charge for a transportation service if the carrier's bill of lading independently provides that the shipper is liable for fees incurred by the carrier in the collection of freight charges on that same transportation service;

(vi) shall be applied only after the authorized credit period, and when the carrier has issued a revised freight bill or notice of imposition of collection expense charges for late payment within 90 days after expiration of the authorized credit period.

(3) As an alternative to the tariff-rule methods allowed under paragraphs (g)(1) (i) and (ii) of this section, a carrier may, wholly outside of its tariff, assess collection charges though contract terms in a bill of lading. By using the carrier and its bill of lading, the shipper accepts the bill of lading terms.

(h) *Discrimination prohibited.* Tariff rules published pursuant to paragraphs (d), (e), and (f) of this section shall not result in unreasonable discrimination among shippers.

[50 FR 2290, Jan 16, 1985, as amended at 53 FR 6991, Mar. 4, 1988; 54 FR 30748, July 24, 1989]

§ 1320.3 Presentation of freight bills.

(a) *“To be prepaid” shipments.* (1) On “to be prepaid” shipments, the carrier shall present its freight bill for all transportation charges within the time period prescribed in paragraph (a)(2) of this section, except—

(i) As noted in paragraph (d) of this section, or

(ii) As otherwise excepted in this part.

(2) The time period for a carrier to present its freight bill for all transportation charges shall be 7 days, measured from the date the carrier received the shipment. This time period does not include Saturdays, Sundays, or legal holidays.

(b) *“Collect” shipments.* (1) On “collect” shipments, the carrier shall present its freight bill for all transportation charges within the time period prescribed in paragraph (b)(2) and of this section, except—

(i) As noted in paragraph (d) of this section, or

(ii) As otherwise excepted in this part.

(2) The time period for a carrier to present its freight bill for all transportation charges shall be 7 days, measured from the date the shipment was delivered at its destination. This time period does not include Saturdays, Sundays, or legal holidays.

(c) *Bills or accompanying written notices shall state penalties for late payment, credit time limits and service charge and/or collection expense charge and discount terms.* When credit is extended, freight bills or a separate written notice accompanying a freight bill or a group of freight bills presented at one time shall state that “failure timely to pay freight charges may be subject to tariff penalties” (or a statement of similar import). The bills or other notice shall also state the time by which payment must be made and any applicable service charge and/or collection expense charge and discount terms.

(d) *When the carrier lacks sufficient information to compute tariff charges.* (1) When information sufficient to enable the carrier to compute the tariff charges is not then available to the carrier at its billing point, the carrier shall present its freight bill for payment within 7 days following the day

upon which sufficient information becomes available at the billing point. This time period does not include Saturdays, Sundays, or legal holidays.

(2) A carrier shall not extend further credit to any shipper which fails to furnish sufficient information to allow the carrier to render a freight bill within a reasonable time after the shipment is tendered to the origin carrier.

(3) As used in this paragraph, the term “shipper” includes, but is not limited to, freight forwarders, and shippers’ associations and shippers’ agents within the meaning of 49 U.S.C. 10562 (3) and (4).

(e) *Freight bill presentation on railroad transported export traffic loaded into vessels.* The term *delivered at its destination* as used in paragraph (b)(2) of this section shall mean the time when the vessel is completely loaded, when—

(1) The traffic in export traffic that is loaded into vessels either—

(i) Direct from railroad cars or piers, or

(ii) From such cars or piers by means of lighters, and

(2) The freight bills are presented to vessel owners or their representatives.

[50 FR 2290, Jan 16, 1985, as amended at 53 FR 6991, Mar. 4, 1988; 54 FR 30748, July 24, 1989]

§ 1320.4 Effect of mailing freight bills or payments.

(a) *Presentation of freight bills by mail.* When carriers present freight bills by mail, the time of mailing shall be deemed to be the time of presentation of the bills. The term *freight bills*, as used in this paragraph, includes both paper documents and billing by use of electronic media such as computer tapes or disks, when the mails are used to transmit them.

(b) *Payment by mail.* When shippers mail acceptable checks, drafts, or money orders in payment of freight charges, the act of mailing them within the credit period shall be deemed to be the collection of the tariff charges within the credit period for the purposes of the regulations in this part.

(c) *Disputes as to date of mailing.* In case of dispute as to the date of mailing, the postmark shall be accepted as such date.

§ 1320.5

49 CFR Ch. X (10–1–96 Edition)

§ 1320.5 Additional charges.

When a carrier—

(a) Has collected the amount of tariff charges represented in a freight bill presented by it as the total amount of such charges, and

(b) Thereafter presents to the shipper another freight bill for additional charges—

the carrier may extend credit in the amount of such additional charges for a period of 30 calendar days from the date of the presentation of the freight bill for the additional charges.

§ 1320.6 Computation of time.

Time periods involving calendar days shall be calculated pursuant to 49 CFR 1104.7(a).

§ 1320.7 Charges under average demurrage agreements.

(a) *Conditions for special credit rules regarding demurrage charges.* The rules in paragraph (b) of this section shall apply to demurrage charges, if—

(1) The amount of demurrage charges is determinable under average agreements made in accordance with tariff provisions, and

(2) The carrier takes reasonable actions to assure payment of the tariff charges within the credit period.

(b) *Special credit rules for demurrage charges.* When both conditions in paragraph (a) of this section are met, the carrier may—

(1) Delay presentation of bills for such demurrage charges for a period not exceeding 15 calendar days after the end of the authorized demurrage period, and

(2) Extend credit, in the amount of the demurrage charges accrued during the demurrage period, for 15 calendar days from the date of presentation of the bill for such charges.

§ 1320.8 Household goods shipments by motor common carriers.

(a) *Exceptions—Household goods “collect on delivery” shipments.* The regulations in the other sections of this part and in paragraph (c) of this section do not apply when the carrier is required by 49 CFR 1056.3(d) to relinquish possession of an otherwise “collect on delivery” household goods shipment in

advance of payment of all of the charges.

(b) *Charge card reversed transactions.* The regulations of this part apply when—

(1) Charges for household goods movements are paid by use of charge cards pursuant to 49 CFR 1056.19, and

(2) The shipper forces an involuntary extension of credit by the carrier by causing the charge card issuer to reverse the charge transaction and charge payments back to the carrier’s account.

(c) *Exceptions—House goods credit shipments.* The provisions in paragraphs (c) (1) through (3) of this section are exceptions to the other regulations in this part. They apply to credit extensions for household goods transportation by motor common carriers (except as provided in paragraph (a) of this section)—

(1) A freight bill shall be presented within 15 days (excluding Saturdays, Sundays, and legal holidays) of the date of delivery of a shipment at its destination.

(2) The credit of period is 7 days (excluding Saturdays, Sundays, and legal holidays).

(3) Motor Common carriers of household goods must provide in their tariffs that—

(i) The credit period shall automatically be extended to a total of 30 calendar days for any shipper who has not paid the carrier’s freight bill within the 7-day period.

(ii) Such shipper will be assessed a service charge by the carrier equal to 1 percent of the amount of the freight bill, subject to a \$10 minimum charge, for such extension of the credit period, and

(iii) No such carrier shall grant credit to any shipper who fails to pay a duly presented freight bill within the 30-day period, unless and until such shipper affirmatively satisfies the carrier that all future freight bills duly presented will be paid strictly in accordance with the rules and regulations prescribed by the Commission for the settlement of carrier rates and charges.

Surface Transportation Board, DOT

§ 1331.1

§ 1320.9—1320.16 [Reserved]

§ 1320.17 Interline settlement of revenues.

Nothing in this part shall be interpreted as affecting the interline settlement of revenues from traffic which is transported over through routes composed of lines of common carriers subject to Interstate Commerce Commission jurisdiction under Subchapters I, II, or III or Chapter 105 of Title 49, Subtitle IV, of the United States Code.

PARTS 1321—1324 [RESERVED]

PART 1325—EXTENSION OF CREDIT TO CANDIDATES FOR FEDERAL OFFICE OR THEIR REPRESENTATIVES

Sec.

1325.1 Extension of unsecured credit prohibited.

1325.2 Credit agreements.

1325.3 Federal office.

AUTHORITY: Pub. L. 92-225, the Federal Election Campaign Act of 1971, enacted Feb. 7, 1972.

SOURCE: 37 FR 10446, May 23, 1972, unless otherwise noted.

§ 1325.1 Extension of unsecured credit prohibited.

Persons subject to regulation by the Interstate Commerce Commission shall not knowingly and willfully provide, for candidates for Federal office or their representatives, service or goods related to their campaign without obtaining either prepayment or a binding guarantee of payment through a sufficient deposit, bond, collateral, or other means of security. The extension of credit to such persons shall not exceed the amount of the security posted.

§ 1325.2 Credit agreements.

(a) All agreements to extend credit to candidates for Federal office or their representatives by persons subject to regulation by the Interstate Commerce Commission (1) must be in writing, (2) must contain a detailed description of the deposit, bond, collateral, or other means of security, used to secure payment of the debt, and (3) must be signed by all parties to the agreement.

A copy of each such agreement must be filed with this Commission's Bureau of Operations in Washington, DC, within 20 days of the date of its execution.

(b) [Reserved]

§ 1325.3 Federal office.

For the purposes of this section, *Federal office* means the office of President or Vice President of the United States; or of Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States.

PART 1331—APPLICATIONS UNDER 49 U.S.C. 10706 TO ESTABLISH OR CONTROL AGREEMENTS BETWEEN OR AMONG CARRIERS

Sec.

1331.1 Form and content of application.

1331.2 Required exhibits.

1331.3 Procedure.

1331.4 New parties to an agreement.

1331.5 Additional standards for retaining antitrust immunity by passenger bus industry rate bureaus.

AUTHORITY: 49 U.S.C. 10706 and 10321.

SOURCE: 55 FR 11206, Mar. 27, 1990, unless otherwise noted.

§ 1331.1 Form and content of application.

The application and supporting exhibits shall conform to 49 CFR part 1104 and shall show, in the order and with the paragraph designations indicated, the following:

(a) Full name and business address of the carrier applicant(s); whether each applicant is a corporation, individual, or partnership; if a corporation, the State of incorporation; and if a partnership, the names of the partners and date of the partnership's formation.

(b) Full name and business address of each entity on whose behalf the application is filed and whether it is a corporation, individual, or partnership.

(c) Whether applicant and each entity on whose behalf the application is filed is a rail, motor, or water carrier, a household goods freight forwarder, or express, sleeping-car, or pipeline company.

(d) If the agreement of which approval is sought pertains to a conference, bureau, committee, or other organization, a complete description of

§ 1331.2

such organization, including any subunits, and of its or their functions and methods of operation, together with a description of the territorial scope of such operations, and a complete description of any working or other arrangement or relationship that such organization has with any other organization. If the agreement is of any other character, a precise statement of its nature and scope and the mode of procedure thereunder.

(e) The facts and circumstances relied upon to establish that the agreement will promote the national transportation policy at 49 U.S.C. 10101.

(f) The name, title, and address of the person to whom correspondence is to be sent.

§ 1331.2 Required exhibits.

There shall be filed with and made a part of each original application, and each copy, the following exhibits:

(a) As Exhibit 1, a true copy of the agreement.

(b) If the agreement pertains to a conference, bureau, committee, or other organization:

(1) As Exhibit 2, a copy of the constitution, bylaws, or other documents or writings specifying the organization's powers, duties, and procedures, unless incorporated in the agreement filed as Exhibit 1;

(2) As Exhibit 3, an organization chart; and

(3) As Exhibit 4, a schedule of its charges to members or a statement showing how the expenses are divided among the members.

(c) As Exhibit 5, opinion of counsel that the application meets the requirements of 49 U.S.C. 10706, with specific reference to any specially pertinent provisions of articles of incorporation or association.

§ 1331.3 Procedure.

(a) Applicant shall serve a copy of the application by first class mail upon the regulatory body having jurisdiction over rates, fares, or charges of each State or territory covered by the agreement, and the original application filed with the Commission shall include a certificate naming the bodies upon whom the application has been served.

49 CFR Ch. X (10–1–96 Edition)

(b) The Commission will publish in the FEDERAL REGISTER a notice that an application has been filed under these rules and indicating how a hearing on the application may be obtained.

(c) A protest to an application should conform to 49 CFR part 1104.

(d) The Commission's general rules of practice govern procedural matters not specifically covered by these rules.

§ 1331.4 New parties to an agreement.

Where a carrier becomes a party to an agreement which has been approved by the Commission, such approval will extend to such carrier upon the filing with the Commission by the carrier or its authorized agent of a verified statement that it has become a party to the agreement, which statement shall show the information prescribed at § 1331.1(b). Such carrier may provide transportation under joint rates or over through routes, but may not otherwise act with carriers of a different class (as defined at 49 U.S.C. 10706(d)).

§ 1331.5 Additional standards for retaining antitrust immunity by passenger bus industry rate bureaus.

(a) Rate bureaus must comply with the terms of their agreements, as approved by the Commission. Failure to do so will result in lack of immunity for that activity.

(b) The bureaus are required to maintain detailed minutes of all meetings where immunized matters are discussed. The bureaus will be subject to withdrawal of their immunity for serious continuing violations of Commission standards, and individual tariff publications will be subject to rejection, suspension, or investigation for improprieties in the rate bureau process.

(c) Absent Commission approval, no other changes may be made in any approved agreement.

(d) For the purposes of the statute, the following definitions shall apply:

(1) A *general increase* is a proposed general adjustment of substantially all the rates published in a rate bureau's tariff(s).

(2) A *broad change in tariff structure* modifies in a relatively non-uniform fashion the relationship between most

Surface Transportation Board, DOT

§ 1332.3

rates published in a rate bureau's tariff, and applies to a large area, either nationally or regionally.

(3) An *innovative fare* will be determined on a case-by-case basis; the Commission will, on request, issue opinions on whether particular rate proposals may be regarded as innovative. Two examples of an innovative fare are:

(i) A fare for unlimited passenger travel; and

(ii) An experimental fare providing for transportation at the passenger's option over the line of one or more carriers.

(4) A *promotional fare* generally has three characteristics:

(i) Limited duration;

(ii) Attractive price or level of service quality; and

(iii) Some added feature in addition to those normally offered.

PART 1332—FILING CONTRACTS FOR SURFACE MAIL TRANSPORTATION

Sec.

1332.1 Applicability.

1332.2 Availability of contracts.

1332.3 Manner of submitting contracts.

AUTHORITY: Sec. 5005(b)(3), 84 Stat. 767, 39 U.S.C. 5005.

§ 1332.1 Applicability.

The provisions of this part shall apply to copies of all contracts or agreements entered into by the U.S.

Postal Service with any common carrier by rail or motor vehicle (including passenger-carrying vehicle), or freight forwarder, express company, or other person, for the surface transportation of mail as authorized by Chapters 50 and 52 of Title 39, United States Code, as revised and reenacted by the Postal Reorganization Act, 84 Stat. 719, 39 U.S.C. 5001 and 5201.

[36 FR 6426, Apr. 3, 1971]

§ 1332.2 Availability of contracts.

Upon request from any member of the public to inspect a contract(s) or agreement(s) described in § 1332.1, at any time between the effective date of such contract(s) or agreement(s) and 15 days prior thereto, the Commission will obtain the requested contract(s) or agreement(s) from the U.S. Postal Service and make it (them) available for inspection.

[57 FR 23539, June 4, 1992]

§ 1332.3 Manner of submitting contracts.

The U.S. Postal Service will submit to the Commission, upon request, a copy of the requested contract(s) or agreement(s). Such contract(s) or agreement(s) will be submitted by facsimile transmission or messenger service where feasible, and, where such services are not feasible, by the fastest available mail service.

[57 FR 23539, June 4, 1992]

FINDING AIDS

A list of CFR titles, subtitles, chapters, subchapters and parts and an alphabetical list of agencies publishing in the CFR are included in the subject index volume to the Code of Federal Regulations which is published separately and revised annually.

Table of CFR Titles and Chapters
Alphabetical List of Agencies Appearing in the CFR
Redesignation Table
List of CFR Sections Affected

Table of CFR Titles and Chapters

(Revised as of September 30, 1996)

Title 1—General Provisions

- I Administrative Committee of the Federal Register (Parts 1—49)
- II Office of the Federal Register (Parts 50—299)
- IV Miscellaneous Agencies (Parts 400—500)

Title 2—[Reserved]

Title 3—The President

- I Executive Office of the President (Parts 100—199)

Title 4—Accounts

- I General Accounting Office (Parts 1—99)
- II Federal Claims Collection Standards (General Accounting Office—Department of Justice) (Parts 100—299)

Title 5—Administrative Personnel

- I Office of Personnel Management (Parts 1—1199)
- II Merit Systems Protection Board (Parts 1200—1299)
- III Office of Management and Budget (Parts 1300—1399)
- IV Advisory Committee on Federal Pay (Parts 1400—1499)
- V The International Organizations Employees Loyalty Board (Parts 1500—1599)
- VI Federal Retirement Thrift Investment Board (Parts 1600—1699)
- VII Advisory Commission on Intergovernmental Relations (Parts 1700—1799)
- VIII Office of Special Counsel (Parts 1800—1899)
- IX Appalachian Regional Commission (Parts 1900—1999)
- XI Armed Forces Retirement Home (Part 2100)
- XIV Federal Labor Relations Authority, General Counsel of the Federal Labor Relations Authority and Federal Service Impasses Panel (Parts 2400—2499)
- XV Office of Administration, Executive Office of the President (Parts 2500—2599)
- XVI Office of Government Ethics (Parts 2600—2699)
- XXI Department of the Treasury (Parts 3100—3199)
- XXII Federal Deposit Insurance Corporation (Part 3202)
- XXIII Department of Energy (Part 3301)

Title 5—Administrative Personnel—Continued

Chap.	
XXIV	Federal Energy Regulatory Commission (Part 3401)
XXVI	Department of Defense (Part 3601)
XXX	Farm Credit System Insurance Corporation (Parts 4000—4099)
XXXI	Farm Credit Administration (Parts 4100—4199)
XXXIII	Overseas Private Investment Corporation (Part 4301)
XL	Interstate Commerce Commission (Part 5001)
XLI	Commodity Futures Trading Commission (Part 5101)
XLV	Department of Health and Human Services (Part 5501)
XLVI	Postal Rate Commission (Part 5601)
XLVII	Federal Trade Commission (Part 5701)
XLVIII	Nuclear Regulatory Commission (Part 5801)
L	Department of Transportation (Part 6001)
LII	Export-Import Bank of the United States (Part 6201)
LIII	Department of Education (Parts 6300—6399)
LIV	Environmental Protection Agency (Part 6401)
LIX	National Aeronautics and Space Administration (Part 6901)
LX	United States Postal Service (Part 7001)
LXII	Equal Employment Opportunity Commission (Part 7201)
LXIII	Inter-American Foundation (Part 7301)
LXV	Department of Housing and Urban Development (Part 7501)
LXVI	National Archives and Records Administration (Part 7601)
LXIX	Tennessee Valley Authority (Part 7901)
LXXIV	Federal Mine Safety and Health Review Commission (Part 8401)
LXXVI	Federal Retirement Thrift Investment Board (Part 8601)
LXXVII	Office of Management and Budget (Part 8701)

Title 6—[Reserved]

Title 7—Agriculture

	SUBTITLE A—Office of the Secretary of Agriculture (Parts 0—26)
	SUBTITLE B—Regulations of the Department of Agriculture
I	Agricultural Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture (Parts 27—209)
II	Food and Consumer Service, Department of Agriculture (Parts 210—299)
III	Animal and Plant Health Inspection Service, Department of Agriculture (Parts 300—399)
IV	Federal Crop Insurance Corporation, Department of Agriculture (Parts 400—499)
V	Agricultural Research Service, Department of Agriculture (Parts 500—599)
VI	Natural Resources Conservation Service, Department of Agriculture (Parts 600—699)
VII	Farm Service Agency, Department of Agriculture (Parts 700—799)

Title 7—Agriculture—Continued

Chap.	
VIII	Grain Inspection, Packers and Stockyards Administration (Federal Grain Inspection Service), Department of Agriculture (Parts 800—899)
IX	Agricultural Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Nuts), Department of Agriculture (Parts 900—999)
X	Agricultural Marketing Service (Marketing Agreements and Orders; Milk), Department of Agriculture (Parts 1000—1199)
XI	Agricultural Marketing Service (Marketing Agreements and Orders; Miscellaneous Commodities), Department of Agriculture (Parts 1200—1299)
XIV	Commodity Credit Corporation, Department of Agriculture (Parts 1400—1499)
XV	Foreign Agricultural Service, Department of Agriculture (Parts 1500—1599)
XVI	Rural Telephone Bank, Department of Agriculture (Parts 1600—1699)
XVII	Rural Utilities Service, Department of Agriculture (Parts 1700—1799)
XVIII	Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, and Farm Service Agency, Department of Agriculture (Parts 1800—2099)
XXVI	Office of Inspector General, Department of Agriculture (Parts 2600—2699)
XXVII	Office of Information Resources Management, Department of Agriculture (Parts 2700—2799)
XXVIII	Office of Operations, Department of Agriculture (Parts 2800—2899)
XXIX	Office of Energy, Department of Agriculture (Parts 2900—2999)
XXX	Office of Finance and Management, Department of Agriculture (Parts 3000—3099)
XXXI	Office of Environmental Quality, Department of Agriculture (Parts 3100—3199)
XXXII	[Reserved]
XXXIII	Office of Transportation, Department of Agriculture (Parts 3300—3399)
XXXIV	Cooperative State Research, Education, and Extension Service, Department of Agriculture (Parts 3400—3499)
XXXVI	National Agricultural Statistics Service, Department of Agriculture (Parts 3600—3699)
XXXVII	Economic Research Service, Department of Agriculture (Parts 3700—3799)
XXXVIII	World Agricultural Outlook Board, Department of Agriculture (Parts 3800—3899)
XXXIX	Economic Analysis Staff, Department of Agriculture (Parts 3900—3999)
XL	Economics Management Staff, Department of Agriculture (Parts 4000—4099)
XLI	[Reserved]
XLII	Rural Business-Cooperative Service and Rural Utilities Service, Department of Agriculture (Parts 4200—4299)

Title 8—Aliens and Nationality

Chap.

- I Immigration and Naturalization Service, Department of Justice (Parts 1—499)

Title 9—Animals and Animal Products

- I Animal and Plant Health Inspection Service, Department of Agriculture (Parts 1—199)
- II Grain Inspection, Packers and Stockyards Administration (Packers and Stockyards Programs), Department of Agriculture (Parts 200—299)
- III Food Safety and Inspection Service, Meat and Poultry Inspection, Department of Agriculture (Parts 300—399)

Title 10—Energy

- I Nuclear Regulatory Commission (Parts 0—199)
- II Department of Energy (Parts 200—699)
- III Department of Energy (Parts 700—999)
- X Department of Energy (General Provisions) (Parts 1000—1099)
- XI United States Enrichment Corporation (Parts 1100—1199)
- XV Office of the Federal Inspector for the Alaska Natural Gas Transportation System (Parts 1500—1599)
- XVII Defense Nuclear Facilities Safety Board (Parts 1700—1799)

Title 11—Federal Elections

- I Federal Election Commission (Parts 1—9099)

Title 12—Banks and Banking

- I Comptroller of the Currency, Department of the Treasury (Parts 1—199)
- II Federal Reserve System (Parts 200—299)
- III Federal Deposit Insurance Corporation (Parts 300—399)
- IV Export-Import Bank of the United States (Parts 400—499)
- V Office of Thrift Supervision, Department of the Treasury (Parts 500—599)
- VI Farm Credit Administration (Parts 600—699)
- VII National Credit Union Administration (Parts 700—799)
- VIII Federal Financing Bank (Parts 800—899)
- IX Federal Housing Finance Board (Parts 900—999)
- XI Federal Financial Institutions Examination Council (Parts 1100—1199)
- XIV Farm Credit System Insurance Corporation (Parts 1400—1499)
- XV Thrift Depositor Protection Oversight Board (Parts 1500—1599)
- XVII Office of Federal Housing Enterprise Oversight, Department of Housing and Urban Development (Parts 1700-1799)
- XVIII Community Development Financial Institutions Fund, Department of the Treasury (Parts 1800—1899)

Title 13—Business Credit and Assistance

Chap.

- I Small Business Administration (Parts 1—199)
- III Economic Development Administration, Department of Commerce (Parts 300—399)

Title 14—Aeronautics and Space

- I Federal Aviation Administration, Department of Transportation (Parts 1—199)
- II Office of the Secretary, Department of Transportation (Aviation Proceedings) (Parts 200—399)
- III Commercial Space Transportation, Federal Aviation Administration, Department of Transportation (Parts 400—499)
- V National Aeronautics and Space Administration (Parts 1200—1299)

Title 15—Commerce and Foreign Trade

SUBTITLE A—Office of the Secretary of Commerce (Parts 0—29)

SUBTITLE B—Regulations Relating to Commerce and Foreign Trade

- I Bureau of the Census, Department of Commerce (Parts 30—199)
- II National Institute of Standards and Technology, Department of Commerce (Parts 200—299)
- III International Trade Administration, Department of Commerce (Parts 300—399)
- IV Foreign-Trade Zones Board, Department of Commerce (Parts 400—499)
- VII Bureau of Export Administration, Department of Commerce (Parts 700—799)
- VIII Bureau of Economic Analysis, Department of Commerce (Parts 800—899)
- IX National Oceanic and Atmospheric Administration, Department of Commerce (Parts 900—999)
- XI Technology Administration, Department of Commerce (Parts 1100—1199)
- XIII East-West Foreign Trade Board (Parts 1300—1399)
- XIV Minority Business Development Agency (Parts 1400—1499)
- SUBTITLE C—Regulations Relating to Foreign Trade Agreements
- XX Office of the United States Trade Representative (Parts 2000—2099)
- SUBTITLE D—Regulations Relating to Telecommunications and Information
- XXIII National Telecommunications and Information Administration, Department of Commerce (Parts 2300—2399)

Title 16—Commercial Practices

- I Federal Trade Commission (Parts 0—999)
- II Consumer Product Safety Commission (Parts 1000—1799)

Title 17—Commodity and Securities Exchanges

Chap.

- I Commodity Futures Trading Commission (Parts 1—199)
- II Securities and Exchange Commission (Parts 200—399)
- IV Department of the Treasury (Parts 400—499)

Title 18—Conservation of Power and Water Resources

- I Federal Energy Regulatory Commission, Department of Energy (Parts 1—399)
- III Delaware River Basin Commission (Parts 400—499)
- VI Water Resources Council (Parts 700—799)
- VIII Susquehanna River Basin Commission (Parts 800—899)
- XIII Tennessee Valley Authority (Parts 1300—1399)

Title 19—Customs Duties

- I United States Customs Service, Department of the Treasury (Parts 1—199)
- II United States International Trade Commission (Parts 200—299)
- III International Trade Administration, Department of Commerce (Parts 300—399)

Title 20—Employees' Benefits

- I Office of Workers' Compensation Programs, Department of Labor (Parts 1—199)
- II Railroad Retirement Board (Parts 200—399)
- III Social Security Administration (Parts 400—499)
- IV Employees' Compensation Appeals Board, Department of Labor (Parts 500—599)
- V Employment and Training Administration, Department of Labor (Parts 600—699)
- VI Employment Standards Administration, Department of Labor (Parts 700—799)
- VII Benefits Review Board, Department of Labor (Parts 800—899)
- VIII Joint Board for the Enrollment of Actuaries (Parts 900—999)
- IX Office of the Assistant Secretary for Veterans' Employment and Training, Department of Labor (Parts 1000—1099)

Title 21—Food and Drugs

- I Food and Drug Administration, Department of Health and Human Services (Parts 1—1299)
- II Drug Enforcement Administration, Department of Justice (Parts 1300—1399)
- III Office of National Drug Control Policy (Parts 1400—1499)

Title 22—Foreign Relations

- I Department of State (Parts 1—199)

Title 22—Foreign Relations—Continued

Chap.

- II Agency for International Development, International Development Cooperation Agency (Parts 200—299)
- III Peace Corps (Parts 300—399)
- IV International Joint Commission, United States and Canada (Parts 400—499)
- V United States Information Agency (Parts 500—599)
- VI United States Arms Control and Disarmament Agency (Parts 600—699)
- VII Overseas Private Investment Corporation, International Development Cooperation Agency (Parts 700—799)
- IX Foreign Service Grievance Board Regulations (Parts 900—999)
- X Inter-American Foundation (Parts 1000—1099)
- XI International Boundary and Water Commission, United States and Mexico, United States Section (Parts 1100—1199)
- XII United States International Development Cooperation Agency (Parts 1200—1299)
- XIII Board for International Broadcasting (Parts 1300—1399)
- XIV Foreign Service Labor Relations Board; Federal Labor Relations Authority; General Counsel of the Federal Labor Relations Authority; and the Foreign Service Impasse Disputes Panel (Parts 1400—1499)
- XV African Development Foundation (Parts 1500—1599)
- XVI Japan-United States Friendship Commission (Parts 1600—1699)
- XVII United States Institute of Peace (Parts 1700—1799)

Title 23—Highways

- I Federal Highway Administration, Department of Transportation (Parts 1—999)
- II National Highway Traffic Safety Administration and Federal Highway Administration, Department of Transportation (Parts 1200—1299)
- III National Highway Traffic Safety Administration, Department of Transportation (Parts 1300—1399)

Title 24—Housing and Urban Development

SUBTITLE A—Office of the Secretary, Department of Housing and Urban Development (Parts 0—99)

SUBTITLE B—Regulations Relating to Housing and Urban Development

- I Office of Assistant Secretary for Equal Opportunity, Department of Housing and Urban Development (Parts 100—199)
- II Office of Assistant Secretary for Housing-Federal Housing Commissioner, Department of Housing and Urban Development (Parts 200—299)
- III Government National Mortgage Association, Department of Housing and Urban Development (Parts 300—399)
- V Office of Assistant Secretary for Community Planning and Development, Department of Housing and Urban Development (Parts 500—599)

Title 24—Housing and Urban Development—Continued

Chap.

- VI Office of Assistant Secretary for Community Planning and Development, Department of Housing and Urban Development (Parts 600—699) [Reserved]
- VII Office of the Secretary, Department of Housing and Urban Development (Housing Assistance Programs and Public and Indian Housing Programs) (Parts 700—799)
- VIII Office of the Assistant Secretary for Housing—Federal Housing Commissioner, Department of Housing and Urban Development (Section 8 Housing Assistance Programs and Section 202 Direct Loan Program) (Parts 800—899)
- IX Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development (Parts 900—999)
- X Office of Assistant Secretary for Housing—Federal Housing Commissioner, Department of Housing and Urban Development (Interstate Land Sales Registration Program) (Parts 1700—1799)
- XII Office of Inspector General, Department of Housing and Urban Development (Parts 2000—2099)
- XX Office of Assistant Secretary for Housing—Federal Housing Commissioner, Department of Housing and Urban Development (Parts 3200—3699)
- XXV Neighborhood Reinvestment Corporation (Parts 4100—4199)

Title 25—Indians

- I Bureau of Indian Affairs, Department of the Interior (Parts 1—299)
- II Indian Arts and Crafts Board, Department of the Interior (Parts 300—399)
- III National Indian Gaming Commission, Department of the Interior (Parts 500—599)
- IV Office of Navajo and Hopi Indian Relocation (Parts 700—799)
- V Bureau of Indian Affairs, Department of the Interior, and Indian Health Service, Department of Health and Human Services (Part 900)
- VI Office of the Assistant Secretary-Indian Affairs, Department of the Interior (Part 1001)

Title 26—Internal Revenue

- I Internal Revenue Service, Department of the Treasury (Parts 1—799)

Title 27—Alcohol, Tobacco Products and Firearms

- I Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury (Parts 1—299)

Title 28—Judicial Administration

- I Department of Justice (Parts 0—199)
- III Federal Prison Industries, Inc., Department of Justice (Parts 300—399)

Title 28—Judicial Administration—Continued

Chap.

- V Bureau of Prisons, Department of Justice (Parts 500—599)
- VI Offices of Independent Counsel, Department of Justice (Parts 600—699)
- VII Office of Independent Counsel (Parts 700—799)

Title 29—Labor

SUBTITLE A—Office of the Secretary of Labor (Parts 0—99)

SUBTITLE B—Regulations Relating to Labor

- I National Labor Relations Board (Parts 100—199)
- II Office of Labor-Management Programs, Department of Labor (Parts 200—299)
- III National Railroad Adjustment Board (Parts 300—399)
- IV Office of Labor-Management Standards, Department of Labor (Parts 400—499)
- V Wage and Hour Division, Department of Labor (Parts 500—899)
- IX Construction Industry Collective Bargaining Commission (Parts 900—999)
- X National Mediation Board (Parts 1200—1299)
- XII Federal Mediation and Conciliation Service (Parts 1400—1499)
- XIV Equal Employment Opportunity Commission (Parts 1600—1699)
- XVII Occupational Safety and Health Administration, Department of Labor (Parts 1900—1999)
- XX Occupational Safety and Health Review Commission (Parts 2200—2499)
- XXV Pension and Welfare Benefits Administration, Department of Labor (Parts 2500—2599)
- XXVII Federal Mine Safety and Health Review Commission (Parts 2700—2799)
- XL Pension Benefit Guaranty Corporation (Parts 4000—4999)

Title 30—Mineral Resources

- I Mine Safety and Health Administration, Department of Labor (Parts 1—199)
- II Minerals Management Service, Department of the Interior (Parts 200—299)
- III Board of Surface Mining and Reclamation Appeals, Department of the Interior (Parts 300—399)
- IV Geological Survey, Department of the Interior (Parts 400—499)
- VI Bureau of Mines, Department of the Interior (Parts 600—699)
- VII Office of Surface Mining Reclamation and Enforcement, Department of the Interior (Parts 700—999)

Title 31—Money and Finance: Treasury

SUBTITLE A—Office of the Secretary of the Treasury (Parts 0—50)

SUBTITLE B—Regulations Relating to Money and Finance

- I Monetary Offices, Department of the Treasury (Parts 51—199)

Title 31—Money and Finance: Treasury—Continued

Chap.

- II Fiscal Service, Department of the Treasury (Parts 200—399)
- IV Secret Service, Department of the Treasury (Parts 400—499)
- V Office of Foreign Assets Control, Department of the Treasury (Parts 500—599)
- VI Bureau of Engraving and Printing, Department of the Treasury (Parts 600—699)
- VII Federal Law Enforcement Training Center, Department of the Treasury (Parts 700—799)
- VIII Office of International Investment, Department of the Treasury (Parts 800—899)

Title 32—National Defense

SUBTITLE A—Department of Defense

- I Office of the Secretary of Defense (Parts 1—399)
- V Department of the Army (Parts 400—699)
- VI Department of the Navy (Parts 700—799)
- VII Department of the Air Force (Parts 800—1099)

SUBTITLE B—Other Regulations Relating to National Defense

- XII Defense Logistics Agency (Parts 1200—1299)
- XVI Selective Service System (Parts 1600—1699)
- XIX Central Intelligence Agency (Parts 1900—1999)
- XX Information Security Oversight Office, National Archives and Records Administration (Parts 2000—2099)
- XXI National Security Council (Parts 2100—2199)
- XXIV Office of Science and Technology Policy (Parts 2400—2499)
- XXVII Office for Micronesia Status Negotiations (Parts 2700—2799)
- XXVIII Office of the Vice President of the United States (Parts 2800—2899)
- XXIX Presidential Commission on the Assignment of Women in the Armed Forces (Part 2900)

Title 33—Navigation and Navigable Waters

- I Coast Guard, Department of Transportation (Parts 1—199)
- II Corps of Engineers, Department of the Army (Parts 200—399)
- IV Saint Lawrence Seaway Development Corporation, Department of Transportation (Parts 400—499)

Title 34—Education

SUBTITLE A—Office of the Secretary, Department of Education (Parts 1—99)

SUBTITLE B—Regulations of the Offices of the Department of Education

- I Office for Civil Rights, Department of Education (Parts 100—199)
- II Office of Elementary and Secondary Education, Department of Education (Parts 200—299)

Title 34—Education—Continued

Chap.

- III Office of Special Education and Rehabilitative Services, Department of Education (Parts 300—399)
- IV Office of Vocational and Adult Education, Department of Education (Parts 400—499)
- V Office of Bilingual Education and Minority Languages Affairs, Department of Education (Parts 500—599)
- VI Office of Postsecondary Education, Department of Education (Parts 600—699)
- VII Office of Educational Research and Improvement, Department of Education (Parts 700—799)
- XI National Institute for Literacy (Parts 1100-1199)
SUBTITLE C—Regulations Relating to Education
- XII National Council on Disability (Parts 1200—1299)

Title 35—Panama Canal

- I Panama Canal Regulations (Parts 1—299)

Title 36—Parks, Forests, and Public Property

- I National Park Service, Department of the Interior (Parts 1—199)
- II Forest Service, Department of Agriculture (Parts 200—299)
- III Corps of Engineers, Department of the Army (Parts 300—399)
- IV American Battle Monuments Commission (Parts 400—499)
- V Smithsonian Institution (Parts 500—599)
- VII Library of Congress (Parts 700—799)
- VIII Advisory Council on Historic Preservation (Parts 800—899)
- IX Pennsylvania Avenue Development Corporation (Parts 900—999)
- XI Architectural and Transportation Barriers Compliance Board (Parts 1100—1199)
- XII National Archives and Records Administration (Parts 1200—1299)
- XIV Assassination Records Review Board (Parts 1400-1499)

Title 37—Patents, Trademarks, and Copyrights

- I Patent and Trademark Office, Department of Commerce (Parts 1—199)
- II Copyright Office, Library of Congress (Parts 200—299)
- IV Assistant Secretary for Technology Policy, Department of Commerce (Parts 400—499)
- V Under Secretary for Technology, Department of Commerce (Parts 500—599)

Title 38—Pensions, Bonuses, and Veterans' Relief

- I Department of Veterans Affairs (Parts 0—99)

Title 39—Postal Service

Chap.

- I United States Postal Service (Parts 1—999)
- III Postal Rate Commission (Parts 3000—3099)

Title 40—Protection of Environment

- I Environmental Protection Agency (Parts 1—799)
- V Council on Environmental Quality (Parts 1500—1599)

Title 41—Public Contracts and Property Management

SUBTITLE B—Other Provisions Relating to Public Contracts

- 50 Public Contracts, Department of Labor (Parts 50–1—50–999)
- 51 Committee for Purchase From People Who Are Blind or Severely Disabled (Parts 51–1—51–99)
- 60 Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Parts 60–1—60–999)
- 61 Office of the Assistant Secretary for Veterans Employment and Training, Department of Labor (Parts 61–1—61–999)

SUBTITLE C—Federal Property Management Regulations System

- 101 Federal Property Management Regulations (Parts 101–1—101–99)
- 105 General Services Administration (Parts 105–1—105–999)
- 109 Department of Energy Property Management Regulations (Parts 109–1—109–99)
- 114 Department of the Interior (Parts 114–1—114–99)
- 115 Environmental Protection Agency (Parts 115–1—115–99)
- 128 Department of Justice (Parts 128–1—128–99)

SUBTITLE D—Other Provisions Relating to Property Management [Reserved]

SUBTITLE E—Federal Information Resources Management Regulations System

- 201 Federal Information Resources Management Regulation (Parts 201–1—201–99) [Reserved]

SUBTITLE F—Federal Travel Regulation System

- 301 Travel Allowances (Parts 301–1—301–99)
- 302 Relocation Allowances (Parts 302–1—302–99)
- 303 Payment of Expenses Connected with the Death of Certain Employees (Parts 303–1—303–2)
- 304 Payment from a Non-Federal Source for Travel Expenses (Parts 304–1—304–99)

Title 42—Public Health

- I Public Health Service, Department of Health and Human Services (Parts 1—199)
- IV Health Care Financing Administration, Department of Health and Human Services (Parts 400—499)
- V Office of Inspector General-Health Care, Department of Health and Human Services (Parts 1000—1999)

Title 43—Public Lands: Interior

Chap.

SUBTITLE A—Office of the Secretary of the Interior (Parts 1—199)

SUBTITLE B—Regulations Relating to Public Lands

- I Bureau of Reclamation, Department of the Interior (Parts 200—499)
- II Bureau of Land Management, Department of the Interior (Parts 1000—9999)
- III Utah Reclamation Mitigation and Conservation Commission (Parts 10000—10005)

Title 44—Emergency Management and Assistance

- I Federal Emergency Management Agency (Parts 0—399)
- IV Department of Commerce and Department of Transportation (Parts 400—499)

Title 45—Public Welfare

SUBTITLE A—Department of Health and Human Services, General Administration (Parts 1—199)

SUBTITLE B—Regulations Relating to Public Welfare

- II Office of Family Assistance (Assistance Programs), Administration for Children and Families, Department of Health and Human Services (Parts 200—299)
- III Office of Child Support Enforcement (Child Support Enforcement Program), Administration for Children and Families, Department of Health and Human Services (Parts 300—399)
- IV Office of Refugee Resettlement, Administration for Children and Families Department of Health and Human Services (Parts 400—499)
- V Foreign Claims Settlement Commission of the United States, Department of Justice (Parts 500—599)
- VI National Science Foundation (Parts 600—699)
- VII Commission on Civil Rights (Parts 700—799)
- VIII Office of Personnel Management (Parts 800—899)
- X Office of Community Services, Administration for Children and Families, Department of Health and Human Services (Parts 1000—1099)
- XI National Foundation on the Arts and the Humanities (Parts 1100—1199)
- XII ACTION (Parts 1200—1299)
- XIII Office of Human Development Services, Department of Health and Human Services (Parts 1300—1399)
- XVI Legal Services Corporation (Parts 1600—1699)
- XVII National Commission on Libraries and Information Science (Parts 1700—1799)
- XVIII Harry S. Truman Scholarship Foundation (Parts 1800—1899)
- XXI Commission on Fine Arts (Parts 2100—2199)
- XXII Christopher Columbus Quincentenary Jubilee Commission (Parts 2200—2299)
- XXIII Arctic Research Commission (Part 2301)

Title 45—Public Welfare—Continued

Chap.	
XXIV	James Madison Memorial Fellowship Foundation (Parts 2400—2499)
XXV	Corporation for National and Community Service (Parts 2500—2599)

Title 46—Shipping

I	Coast Guard, Department of Transportation (Parts 1—199)
II	Maritime Administration, Department of Transportation (Parts 200—399)
III	Saint Lawrence Seaway Development Corporation (Great Lakes Pilotage), Department of Transportation (Parts 400—499)
IV	Federal Maritime Commission (Parts 500—599)

Title 47—Telecommunication

I	Federal Communications Commission (Parts 0—199)
II	Office of Science and Technology Policy and National Security Council (Parts 200—299)
III	National Telecommunications and Information Administration, Department of Commerce (Parts 300—399)

Title 48—Federal Acquisition Regulations System

1	Federal Acquisition Regulation (Parts 1—99)
2	Department of Defense (Parts 200—299)
3	Department of Health and Human Services (Parts 300—399)
4	Department of Agriculture (Parts 400—499)
5	General Services Administration (Parts 500—599)
6	Department of State (Parts 600—699)
7	Agency for International Development (Parts 700—799)
8	Department of Veterans Affairs (Parts 800—899)
9	Department of Energy (Parts 900—999)
10	Department of the Treasury (Parts 1000—1099)
12	Department of Transportation (Parts 1200—1299)
13	Department of Commerce (Parts 1300—1399)
14	Department of the Interior (Parts 1400—1499)
15	Environmental Protection Agency (Parts 1500—1599)
16	Office of Personnel Management Federal Employees Health Benefits Acquisition Regulation (Parts 1600—1699)
17	Office of Personnel Management (Parts 1700—1799)
18	National Aeronautics and Space Administration (Parts 1800—1899)
19	United States Information Agency (Parts 1900—1999)
20	Nuclear Regulatory Commission (Parts 2000—2099)
21	Office of Personnel Management, Federal Employees Group Life Insurance Federal Acquisition Regulation (Parts 2100—2199)
23	Social Security Administration (Parts 2300—2399)

Title 48—Federal Acquisition Regulations System—Continued

Chap.

- 24 Department of Housing and Urban Development (Parts 2400—2499)
- 25 National Science Foundation (Parts 2500—2599)
- 28 Department of Justice (Parts 2800—2899)
- 29 Department of Labor (Parts 2900—2999)
- 34 Department of Education Acquisition Regulation (Parts 3400—3499)
- 35 Panama Canal Commission (Parts 3500—3599)
- 44 Federal Emergency Management Agency (Parts 4400—4499)
- 51 Department of the Army Acquisition Regulations (Parts 5100—5199)
- 52 Department of the Navy Acquisition Regulations (Parts 5200—5299)
- 53 Department of the Air Force Federal Acquisition Regulation Supplement (Parts 5300—5399)
- 54 Defense Logistics Agency, Department of Defense (Part 5452)
- 57 African Development Foundation (Parts 5700—5799)
- 61 General Services Administration Board of Contract Appeals (Parts 6100—6199)
- 63 Department of Transportation Board of Contract Appeals (Parts 6300—6399)
- 99 Cost Accounting Standards Board, Office of Federal Procurement Policy, Office of Management and Budget (Parts 9900—9999)

Title 49—Transportation

SUBTITLE A—Office of the Secretary of Transportation (Parts 1—99)

SUBTITLE B—Other Regulations Relating to Transportation

- I Research and Special Programs Administration, Department of Transportation (Parts 100—199)
- II Federal Railroad Administration, Department of Transportation (Parts 200—299)
- III Federal Highway Administration, Department of Transportation (Parts 300—399)
- IV Coast Guard, Department of Transportation (Parts 400—499)
- V National Highway Traffic Safety Administration, Department of Transportation (Parts 500—599)
- VI Federal Transit Administration, Department of Transportation (Parts 600—699)
- VII National Railroad Passenger Corporation (AMTRAK) (Parts 700—799)
- VIII National Transportation Safety Board (Parts 800—999)
- X Surface Transportation Board, Department of Transportation (Parts 1000—1399)

Title 50—Wildlife and Fisheries

Chap.

- I United States Fish and Wildlife Service, Department of the Interior (Parts 1—199)
- II National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce (Parts 200—299)
- III International Regulatory Agencies (Fishing and Whaling) (Parts 300—399)
- IV Joint Regulations (United States Fish and Wildlife Service, Department of the Interior and National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce); Endangered Species Committee Regulations (Parts 400—499)
- V Marine Mammal Commission (Parts 500—599)
- VI Fishery Conservation and Management, National Oceanic and Atmospheric Administration, Department of Commerce (Parts 600—699)

CFR Index and Finding Aids

Subject/Agency Index

List of Agency Prepared Indexes

Parallel Tables of Statutory Authorities and Rules

Acts Requiring Publication in the Federal Register

List of CFR Titles, Chapters, Subchapters, and Parts

Alphabetical List of Agencies Appearing in the CFR

Alphabetical List of Agencies Appearing in the CFR

(Revised as of September 30, 1996)

Agency	CFR Title, Subtitle or Chapter
ACTION	45, XII
Administrative Committee of the Federal Register	1, I
Advanced Research Projects Agency	32, I
Advisory Commission on Intergovernmental Relations	5, VII
Advisory Committee on Federal Pay	5, IV
Advisory Council on Historic Preservation	36, VIII
African Development Foundation	22, XV
Federal Acquisition Regulation	48, 57
Agency for International Development	22, II
Federal Acquisition Regulation	48, 7
Agricultural Marketing Service	7, I, IX, X, XI
Agricultural Research Service	7, V
Agriculture Department	
Agricultural Marketing Service	7, I, IX, X, XI
Agricultural Research Service	7, V
Animal and Plant Health Inspection Service	7, III; 9, I
Commodity Credit Corporation	7, XIV
Cooperative State Research, Education, and Extension Service	7, XXXIV
Economic Analysis Staff	7, XXXIX
Economic Research Service	7, XXXVII
Economics Management Staff	7, XL
Energy, Office of	7, XXIX
Environmental Quality, Office of	7, XXXI
Farm Service Agency	7, VII, XVIII
Federal Acquisition Regulation	48, 4
Federal Crop Insurance Corporation	7, IV
Finance and Management, Office of	7, XXX
Food and Consumer Service	7, II
Food Safety and Inspection Service	9, III
Foreign Agricultural Service	7, XV
Forest Service	36, II
Grain Inspection, Packers and Stockyards Administration	7, VIII; 9, II
Information Resources Management, Office of	7, XXVII
Inspector General, Office of	7, XXVI
National Agricultural Library	7, XLI
National Agricultural Statistics Service	7, XXXVI
Natural Resources Conservation Service	7, VI
Operations, Office of	7, XXVIII
Rural Business-Cooperative Service	7, XVIII, XLII
Rural Development Administration	7, XLII
Rural Housing Service	7, XVIII
Rural Telephone Bank	7, XVI
Rural Utilities Service	7, XVII, XVIII, XLII
Secretary of Agriculture, Office of	7, Subtitle A
Transportation, Office of	7, XXXIII
World Agricultural Outlook Board	7, XXXVIII
Air Force Department	32, VII
Federal Acquisition Regulation Supplement	48, 53
Alaska Natural Gas Transportation System, Office of the Federal Inspector	10, XV
Alcohol, Tobacco and Firearms, Bureau of	27, I
AMTRAK	49, VII

Agency	CFR Title, Subtitle or Chapter
American Battle Monuments Commission	36, IV
Animal and Plant Health Inspection Service	7, III; 9, I
Appalachian Regional Commission	5, IX
Architectural and Transportation Barriers Compliance Board	36, XI
Arctic Research Commission	45, XXIII
Arms Control and Disarmament Agency, United States	22, VI
Army Department	32, V
Engineers, Corps of	33, II; 36, III
Federal Acquisition Regulation	48, 51
Assassination Records Review Board	36, XIV
Benefits Review Board	20, VII
Bilingual Education and Minority Languages Affairs, Office of	34, V
Blind or Severely Disabled, Committee for Purchase From People Who Are	41, 51
Board for International Broadcasting	22, XIII
Census Bureau	15, I
Central Intelligence Agency	32, XIX
Child Support Enforcement, Office of	45, III
Children and Families, Administration for	45, II, III, IV, X
Christopher Columbus Quincentenary Jubilee Commission	45, XXII
Civil Rights, Commission on	45, VII
Civil Rights, Office for	34, I
Coast Guard	33, I; 46, I; 49, IV
Commerce Department	44, IV
Census Bureau	15, I'
Economic Affairs, Under Secretary	37, V
Economic Analysis, Bureau of	15, VIII
Economic Development Administration	13, III
Emergency Management and Assistance	44, IV
Export Administration, Bureau of	15, VII
Federal Acquisition Regulation	48, 13
Fishery Conservation and Management	50, VI
Foreign-Trade Zones Board	15, IV
International Trade Administration	15, III; 19, III
National Institute of Standards and Technology	15, II
National Marine Fisheries Service	50, II, IV
National Oceanic and Atmospheric Administration	15, IX; 50, II, III, IV, VI
National Telecommunications and Information Administration	15, XXIII; 47, III
National Weather Service	15, IX
Patent and Trademark Office	37, I
Productivity, Technology and Innovation, Assistant Secretary for	37, IV
Secretary of Commerce, Office of	15, Subtitle A
Technology, Under Secretary for	37, V
Technology Administration	15, XI
Technology Policy, Assistant Secretary for	37, IV
Commercial Space Transportation	14, III
Commodity Credit Corporation	7, XIV
Commodity Futures Trading Commission	5, XLI; 17, I
Community Planning and Development, Office of Assistant Secretary for	24, V, VI
Community Services, Office of	45, X
Comptroller of the Currency	12, I
Construction Industry Collective Bargaining Commission	29, IX
Consumer Product Safety Commission	16, II
Cooperative State Research, Education, and Extension Service	7, XXXIV
Copyright Office	37, II
Cost Accounting Standards Board	48, 99
Council on Environmental Quality	40, V
Customs Service, United States	19, I
Defense Contract Audit Agency	32, I
Defense Department	5, XXVI; 32, Subtitle A
Advanced Research Projects Agency	32, I
Air Force Department	32, VII
Army Department	32, V; 33, II; 36, III, 48, 51

Agency	CFR Title, Subtitle or Chapter
Defense Intelligence Agency	32, I
Defense Logistics Agency	32, I, XII; 48, 54
Defense Mapping Agency	32, I
Engineers, Corps of	33, II; 36, III
Federal Acquisition Regulation	48, 2
Navy Department	32, VI; 48, 52
Secretary of Defense, Office of	32, I
Defense Contract Audit Agency	32, I
Defense Intelligence Agency	32, I
Defense Logistics Agency	32, XII; 48, 54
Defense Mapping Agency	32, I
Defense Nuclear Facilities Safety Board	10, XVII
Delaware River Basin Commission	18, III
Drug Enforcement Administration	21, II
East-West Foreign Trade Board	15, XIII
Economic Affairs, Under Secretary	37, V
Economic Analysis, Bureau of	15, VIII
Economic Analysis Staff	7, XXXIX
Economic Development Administration	13, III
Economics Management Staff	7, XL
Economic Research Service	7, XXXVII
Education, Department of	5, LIII
Bilingual Education and Minority Languages Affairs, Office of	34, V
Civil Rights, Office for	34, I
Educational Research and Improvement, Office of	34, VII
Elementary and Secondary Education, Office of	34, II
Federal Acquisition Regulation	48, 34
Postsecondary Education, Office of	34, VI
Secretary of Education, Office of	34, Subtitle A
Special Education and Rehabilitative Services, Office of	34, III
Vocational and Adult Education, Office of	34, IV
Educational Research and Improvement, Office of	34, VII
Elementary and Secondary Education, Office of	34, II
Employees' Compensation Appeals Board	20, IV
Employees Loyalty Board	5, V
Employment and Training Administration	20, V
Employment Standards Administration	20, VI
Endangered Species Committee	50, IV
Energy, Department of	5, XXIII; 10, II, III, X
Federal Acquisition Regulation	48, 9
Federal Energy Regulatory Commission	5, XXIV; 18, I
Property Management Regulations	41, 109
Energy, Office of	7, XXIX
Engineers, Corps of	33, II; 36, III
Engraving and Printing, Bureau of	31, VI
Enrichment Corporation, United States	10, XI
Environmental Protection Agency	5, LIV; 40, I
Federal Acquisition Regulation	48, 15
Property Management Regulations	41, 115
Environmental Quality, Office of	7, XXXI
Equal Employment Opportunity Commission	5, LXII; 29, XIV
Equal Opportunity, Office of Assistant Secretary for	24, I
Executive Office of the President	3, I
Administration, Office of	5, XV
Environmental Quality, Council on	40, V
Management and Budget, Office of	25, III, LXXVII; 48, 99
National Drug Control Policy, Office of	21, III
National Security Council	32, XXI; 47, 2
Presidential Documents	3
Science and Technology Policy, Office of	32, XXIV; 47, II
Trade Representative, Office of the United States	15, XX
Export Administration, Bureau of	15, VII
Export-Import Bank of the United States	5, LII; 12, IV
Family Assistance, Office of	45, II
Farm Credit Administration	5, XXXI; 12, VI
Farm Credit System Insurance Corporation	5, XXX; 12, XIV

Agency	CFR Title, Subtitle or Chapter
Farm Service Agency	7, VII, XVIII
Farmers Home Administration	7, XVIII
Federal Acquisition Regulation	48, 1
Federal Aviation Administration	14, I
Commercial Space Transportation	14, III
Federal Claims Collection Standards	4, II
Federal Communications Commission	47, I
Federal Contract Compliance Programs, Office of	41, 60
Federal Crop Insurance Corporation	7, IV
Federal Deposit Insurance Corporation	5, XXII; 12, III
Federal Election Commission	11, I
Federal Emergency Management Agency	44, I
Federal Acquisition Regulation	48, 44
Federal Employees Group Life Insurance Federal Acquisition Regulation	48, 21
Federal Employees Health Benefits Acquisition Regulation	48, 16
Federal Energy Regulatory Commission	5, XXIV; 18, I
Federal Financial Institutions Examination Council	12, XI
Federal Financing Bank	12, VIII
Federal Highway Administration	23, I, II; 49, III
Federal Home Loan Mortgage Corporation	1, IV
Federal Housing Enterprise Oversight Office	12, XVII
Federal Housing Finance Board	12, IX
Federal Inspector for the Alaska Natural Gas Transportation System, Office of	10, XV
Federal Labor Relations Authority, and General Counsel of the Federal Labor Relations Authority	5, XIV; 22, XIV
Federal Law Enforcement Training Center	31, VII
Federal Maritime Commission	46, IV
Federal Mediation and Conciliation Service	29, XII
Federal Mine Safety and Health Review Commission	5, LXXIV; 29, XXVII
Federal Pay, Advisory Committee on	5, IV
Federal Prison Industries, Inc.	28, III
Federal Procurement Policy Office	48, 99
Federal Property Management Regulations	41, 101
Federal Property Management Regulations System	41, Subtitle C
Federal Railroad Administration	49, II
Federal Register, Administrative Committee of	1, I
Federal Register, Office of	1, II
Federal Reserve System	12, II
Federal Retirement Thrift Investment Board	5, VI, LXXVI
Federal Service Impasses Panel	5, XIV
Federal Trade Commission	5, XLVII; 16, I
Federal Transit Administration	49, VI
Federal Travel Regulation System	41, Subtitle F
Finance and Management, Office of	7, XXX
Fine Arts, Commission on	45, XXI
Fiscal Service	31, II
Fish and Wildlife Service, United States	50, I, IV
Fishery Conservation and Management	50, VI
Fishing and Whaling, International Regulatory Agencies	50, III
Food and Drug Administration	21, I
Food and Consumer Service	7, II
Food Safety and Inspection Service	9, III
Foreign Agricultural Service	7, XV
Foreign Assets Control, Office of	31, V
Foreign Claims Settlement Commission of the United States	45, V
Foreign Service Grievance Board	22, IX
Foreign Service Impasse Disputes Panel	22, XIV
Foreign Service Labor Relations Board	22, XIV
Foreign-Trade Zones Board	15, IV
Forest Service	36, II
General Accounting Office	4, I, II
General Services Administration	
Contract Appeals, Board of	48, 61
Federal Acquisition Regulation	48, 5
Federal Property Management Regulations System	41, 101, 105

Agency	CFR Title, Subtitle or Chapter
Federal Travel Regulation System	41, Subtitle F
Payment From a Non-Federal Source for Travel Expenses	41, 304
Payment of Expenses Connected With the Death of Certain Employees	41, 303
Relocation Allowances	41, 302
Travel Allowances	41, 301
Geological Survey	30, IV
Government Ethics, Office of	5, XVI
Government National Mortgage Association	24, III
Grain Inspection, Packers and Stockyards Administration	7, VIII; 9, II
Great Lakes Pilotage	46, III
Harry S. Truman Scholarship Foundation	45, XVIII
Health and Human Services, Department of	5, XLV; 45, Subtitle A
Child Support Enforcement, Office of	45, III
Children and Families, Administration for	45, II, III, IV, X
Community Services, Office of	45, X
Family Assistance, Office of	45, II
Federal Acquisition Regulation	48, 3
Food and Drug Administration	21, I
Health Care Financing Administration	42, IV
Human Development Services, Office of	45, XIII
Indian Health Service	25, V
Inspector General (Health Care), Office of	42, V
Public Health Service	42, I
Refugee Resettlement, Office of	45, IV
Health Care Financing Administration	42, IV
Housing and Urban Development, Department of	5, LXV; 24, Subtitle B
Community Planning and Development, Office of Assistant Secretary for	24, V, VI
Equal Opportunity, Office of Assistant Secretary for	24, I
Federal Acquisition Regulation	48, 24
Federal Housing Enterprise Oversight, Office of	12, XVII
Government National Mortgage Association	24, III
Housing—Federal Housing Commissioner, Office of Assistant Secretary for	24, II, VIII, X, XX
Inspector General, Office of	24, XII
Public and Indian Housing, Office of Assistant Secretary for	24, IX
Secretary, Office of	24, Subtitle A, VII
Housing—Federal Housing Commissioner, Office of Assistant Secretary for	24, II, VIII, X, XX
Human Development Services, Office of	45, XIII
Immigration and Naturalization Service	8, I
Independent Counsel, Office of	28, VII
Indian Affairs, Bureau of	25, I, V
Indian Affairs, Office of the Assistant Secretary	25, VI
Indian Arts and Crafts Board	25, II
Indian Health Service	25, V
Information Agency, United States	22, V
Federal Acquisition Regulation	48, 19
Information Resources Management, Office of	7, XXVII
Information Security Oversight Office, National Archives and Records Administration	32, XX
Inspector General	
Agriculture Department	7, XXVI
Health and Human Services Department	42, V
Housing and Urban Development Department	24, XII
Institute of Peace, United States	22, XVII
Inter-American Foundation	5, LXIII; 22, X
Intergovernmental Relations, Advisory Commission on	5, VII
Interior Department	
Endangered Species Committee	50, IV
Federal Acquisition Regulation	48, 14
Federal Property Management Regulations System	41, 114
Fish and Wildlife Service, United States	50, I, IV
Geological Survey	30, IV
Indian Affairs, Bureau of	25, I, V
Indian Affairs, Office of the Assistant Secretary	25, VI

Agency	CFR Title, Subtitle or Chapter
Indian Arts and Crafts Board	25, II
Land Management, Bureau of	43, II
Minerals Management Service	30, II
Mines, Bureau of	30, VI
National Indian Gaming Commission	25, III
National Park Service	36, I
Reclamation, Bureau of	43, I
Secretary of the Interior, Office of	43, Subtitle A
Surface Mining and Reclamation Appeals, Board of	30, III
Surface Mining Reclamation and Enforcement, Office of	30, VII
Internal Revenue Service	26, I
International Boundary and Water Commission, United States and Mexico, United States Section	22, XI
International Development, Agency for	22, II
Federal Acquisition Regulation	48, 7
International Development Cooperation Agency, United States	22, XII
International Development, Agency for	22, II; 48, 7
Overseas Private Investment Corporation	5, XXXIII; 22, VII
International Investment, Office of	31, VIII
International Joint Commission, United States and Canada	22, IV
International Organizations Employees Loyalty Board	5, V
International Regulatory Agencies (Fishing and Whaling)	50, III
International Trade Administration	15, III; 19, III
International Trade Commission, United States	19, II
Interstate Commerce Commission	5, XL
James Madison Memorial Fellowship Foundation	45, XXIV
Japan–United States Friendship Commission	22, XVI
Joint Board for the Enrollment of Actuaries	20, VIII
Justice Department	28, I
Drug Enforcement Administration	21, II
Federal Acquisition Regulation	48, 28
Federal Claims Collection Standards	4, II
Federal Prison Industries, Inc.	28, III
Foreign Claims Settlement Commission of the United States	45, V
Immigration and Naturalization Service	8, I
Offices of Independent Counsel	28, VI
Prisons, Bureau of	28, V
Property Management Regulations	41, 128
Labor Department	
Benefits Review Board	20, VII
Employees' Compensation Appeals Board	20, IV
Employment and Training Administration	20, V
Employment Standards Administration	20, VI
Federal Acquisition Regulation	48, 29
Federal Contract Compliance Programs, Office of	41, 60
Federal Procurement Regulations System	41, 50
Labor-Management Relations and Cooperative Programs, Bureau of	29, II
Labor-Management Programs, Office of	29, IV
Mine Safety and Health Administration	30, I
Occupational Safety and Health Administration	29, XVII
Pension and Welfare Benefits Administration	29, XXV
Public Contracts	41, 50
Secretary of Labor, Office of	29, Subtitle A
Veterans' Employment and Training, Office of the Assistant Secretary for	41, 61; 20, IX
Wage and Hour Division	29, V
Workers' Compensation Programs, Office of	20, I
Labor-Management Relations and Cooperative Programs, Bureau of	29, II
Labor-Management Programs, Office of	29, IV
Land Management, Bureau of	43, II
Legal Services Corporation	45, XVI
Library of Congress	36, VII
Copyright Office	37, II

Agency	CFR Title, Subtitle or Chapter
Management and Budget, Office of	5, III, LXXVII; 48, 99
Marine Mammal Commission	50, V
Maritime Administration	46, II
Merit Systems Protection Board	5, II
Micronesia Status Negotiations, Office for	32, XXVII
Mine Safety and Health Administration	30, I
Minerals Management Service	30, II
Mines, Bureau of	30, VI
Minority Business Development Agency	15, XIV
Miscellaneous Agencies	1, IV
Monetary Offices	31, I
National Aeronautics and Space Administration	5, LIX; 14, V
Federal Acquisition Regulation	48, 18
National Agricultural Library	7, XLI
National Agricultural Statistics Service	7, XXXVI
National Archives and Records Administration	5, LXVI; 36, XII
Information Security Oversight Office	32, XX
National Bureau of Standards	15, II
National Capital Planning Commission	1, IV
National Commission for Employment Policy	1, IV
National Commission on Libraries and Information Science	45, XVII
National and Community Service, Corporation for	45, XXV
National Council on Disability	34, XII
National Credit Union Administration	12, VII
National Drug Control Policy, Office of	21, III
National Foundation on the Arts and the Humanities	45, XI
National Highway Traffic Safety Administration	23, II, III; 49, V
National Indian Gaming Commission	25, III
National Institute for Literacy	34, XI
National Institute of Standards and Technology	15, II
National Labor Relations Board	29, I
National Marine Fisheries Service	50, II, IV
National Mediation Board	29, X
National Oceanic and Atmospheric Administration	15, IX; 50, II, III, IV, VI
National Park Service	36, I
National Railroad Adjustment Board	29, III
National Railroad Passenger Corporation (AMTRAK)	49, VII
National Science Foundation	45, VI
Federal Acquisition Regulation	48, 25
National Security Council	32, XXI
National Security Council and Office of Science and Technology Policy	47, II
National Telecommunications and Information Administration	15, XXIII; 47, III
National Transportation Safety Board	49, VIII
National Weather Service	15, IX
Natural Resources Conservation Service	7, VI
Navajo and Hopi Indian Relocation, Office of	25, IV
Navy Department	32, VI
Federal Acquisition Regulation	48, 52
Neighborhood Reinvestment Corporation	24, XXV
Nuclear Regulatory Commission	5, XLVIII; 10, I
Federal Acquisition Regulation	48, 20
Occupational Safety and Health Administration	29, XVII
Occupational Safety and Health Review Commission	29, XX
Offices of Independent Counsel	28, VI
Operations Office	7, XXVIII
Overseas Private Investment Corporation	5, XXXIII; 22, VII
Panama Canal Commission	48, 35
Panama Canal Regulations	35, I
Patent and Trademark Office	37, I
Payment From a Non-Federal Source for Travel Expenses	41, 304
Payment of Expenses Connected With the Death of Certain Employees	41, 303
Peace Corps	22, III
Pennsylvania Avenue Development Corporation	36, IX
Pension and Welfare Benefits Administration	29, XXV

Agency	CFR Title, Subtitle or Chapter
Pension Benefit Guaranty Corporation	29, XL
Personnel Management, Office of	5, I; 45, VIII
Federal Acquisition Regulation	48, 17
Federal Employees Group Life Insurance Federal Acquisition Regulation	48, 21
Federal Employees Health Benefits Acquisition Regulation	48, 16
Postal Rate Commission	5, XLVI; 39, III
Postal Service, United States	5, LX; 39, I
Postsecondary Education, Office of	34, VI
President's Commission on White House Fellowships	1, IV
Presidential Commission on the Assignment of Women in the Armed Forces	32, XXIX
Presidential Documents	3
Prisons, Bureau of	28, V
Productivity, Technology and Innovation, Assistant Secretary	37, IV
Public Contracts, Department of Labor	41, 50
Public and Indian Housing, Office of Assistant Secretary for	24, IX
Public Health Service	42, I
Railroad Retirement Board	20, II
Reclamation, Bureau of	43, I
Refugee Resettlement, Office of	45, IV
Regional Action Planning Commissions	13, V
Relocation Allowances	41, 302
Research and Special Programs Administration	49, I
Rural Business-Cooperative Service	7, XVIII, XLII
Rural Development Administration	7, XLII
Rural Housing Service	7, XVIII
Rural Telephone Bank	7, XVI
Rural Utilities Service	7, XVII, XVIII, XLII
Saint Lawrence Seaway Development Corporation	33, IV; 46, III
Science and Technology Policy, Office of	32, XXIV
Science and Technology Policy, Office of, and National Security Council	47, II
Secret Service	31, IV
Securities and Exchange Commission	17, II
Selective Service System	32, XVI
Small Business Administration	13, I
Smithsonian Institution	36, V
Social Security Administration	20, III; 48, 23
Soldiers' and Airmen's Home, United States	5, XI
Special Counsel, Office of	5, VIII
Special Education and Rehabilitative Services, Office of	34, III
State Department	22, I
Federal Acquisition Regulation	48, 6
Surface Mining and Reclamation Appeals, Board of	30, III
Surface Mining Reclamation and Enforcement, Office of	30, VII
Surface Transportation Board	49, X
Susquehanna River Basin Commission	18, VIII
Technology Administration	15, XI
Technology Policy, Assistant Secretary for	37, IV
Technology, Under Secretary for	37, V
Tennessee Valley Authority	5, LXIX; 18, XIII
Thrift Depositor Protection Oversight Board	12, XV
Thrift Supervision Office, Department of the Treasury	12, V
Trade Representative, United States, Office of	15, XX
Transportation, Department of	5, L
Coast Guard	33, I; 46, I; 49, IV
Commercial Space Transportation	14, III
Contract Appeals, Board of	48, 63
Emergency Management and Assistance	44, IV
Federal Acquisition Regulation	48, 12
Federal Aviation Administration	14, I
Federal Highway Administration	23, I, II; 49, III
Federal Railroad Administration	49, II
Federal Transit Administration	49, VI
Maritime Administration	46, II

Agency	CFR Title, Subtitle or Chapter
National Highway Traffic Safety Administration	23, II, III; 49, V
Research and Special Programs Administration	49, I
Saint Lawrence Seaway Development Corporation	33, IV; 46, III
Secretary of Transportation, Office of	14, II; 49, Subtitle A
Surface Transportation Board	49, X
Transportation, Office of	7, XXXIII
Travel Allowances	41, 301
Treasury Department	5, XXI; 17, IV
Alcohol, Tobacco and Firearms, Bureau of	27, I
Community Development Financial Institutions Fund	12, XVIII
Comptroller of the Currency	12, I
Customs Service, United States	19, I
Engraving and Printing, Bureau of	31, VI
Federal Acquisition Regulation	48, 10
Federal Law Enforcement Training Center	31, VII
Fiscal Service	31, II
Foreign Assets Control, Office of	31, V
Internal Revenue Service	26, I
International Investment, Office of	31, VIII
Monetary Offices	31, I
Secret Service	31, IV
Secretary of the Treasury, Office of	31, Subtitle A
Thrift Supervision, Office of	12, V
Truman, Harry S. Scholarship Foundation	45, XVIII
United States and Canada, International Joint Commission	22, IV
United States and Mexico, International Boundary and Water Commission, United States Section	22, XI
United States Enrichment Corporation	10, XI
Utah Reclamation Mitigation and Conservation Commission	43, III
Veterans Affairs Department	38, I
Federal Acquisition Regulation	48, 8
Veterans' Employment and Training, Office of the Assistant Secretary for	41, 61; 20, IX
Vice President of the United States, Office of	32, XXVIII
Vocational and Adult Education, Office of	34, IV
Wage and Hour Division	29, V
Water Resources Council	18, VI
Workers' Compensation Programs, Office of	20, I
World Agricultural Outlook Board	7, XXXVIII

Redesignation Table

At 51 FR 45899, Dec. 23, 1986, Part 1039 was amended, § 1312.41 was removed, and Part 1313 was added. In order to enable readers to check the completeness and accuracy of these parts, the following Redesignation and Derivation Tables are set out as follows.

Old section	New section	New section	Old section ¹
Part 1309	Part 1313	Part 1313:	
1039.1	1313.1	1313.1	1039.1
1039.2	1313.3(a)	1313.2(a)	1039.2(d)
1039.2(a)	1313.3(a)	1313.2(b)	1039.3(f)
1039.2(b)	1313.6(c)	1313.2(c)	1039.3(e), (e) (1) and (2)
1039.2(c)	1313.2(c)	1313.2(d)	1039.2(c)
1039.2(d)	1313.2(a)	1313.3(a)	1039.2, (2)(a); 1312.41(f)
1039.2(e)	1313.3(b)	1313.3(b)	1039.2(e)
1039.3(a)	1313.7(a)	1313.3(c)	1039.19
1039.3(b)–(c)	1313.17	1313.3(d)	1312.41(g)
1039.3(d)	1313.16	1313.4 (a) and (b)	1039.4
1039.3(e)	1313.17	1313.4(c)	1039.3(g)
1039.3(e), (e)(1) and (2)	1313.2(d)	1313.5	1039.5
1039.3(f)	1313.2(b)	1313.6 (a) and (b)	1039.6
1039.3(g)	1313.4(c)	1313.6(c)	1039.2(b)
1039.4	1313.4(a)	1313.6(d)	1039.6
1039.5	1313.5	1313.7(a)	1039.3(a); 1312.41(a)(1)
1039.6	1313.6 (a), (b), and (d)	1313.7(b)	1300.311(b); 1312.41(b)
1039.19	1313.3(c)	1313.7(c)	1312.41(c)
Part 1300: ¹		1313.8(a)	1312.41(a)(2)–(4)
1300.310(b)(1)	1313.8(b)(1) and 1313.15(a)	1313.8(b)	1300.310(b)(1); 1312.41(e)
1300.310(b)(2)	1313.15(a)	1313.9(a)	1312.41(d)(4)
1300.310(b)(3)	1313.16	1313.9(b)	New
1300.310(b)(4)	1313.16(a)	1313.10	1312.41(d)
1300.311(b)	1313.7(b)	1313.11	1312.41(d)
Part 1312.41:		1313.12	1312.41(d)
1312.41(a)(1)	1313.7(a)	1313.13	1312.41(d)
1312.41(a)(2)–(4)	1313.8	1313.14	New
1312.41(b)	1313.7(b)	1313.15	1300.310(b) (1) and (2)
1312.41(c)	1313.7(c)	1313.16	1039.3(d); 1300.310 (b)(3) and (b)(4)
1312.41(d)	1313.10–1313.13	1313.17	1039.3 (b)–(c) and (e)
1312.41(d)(4)	1313.9(a)		
1312.41(e)	1313.8(b)(1)		
1312.41(f)	1313.3		
1312.41(g)	1313.3(d)		

¹ Appendix to July 13, 1984 decision (49 FR 28718–28720) and not recodified at § 1312.41.

¹ Appendix to July 13, 1984 decision (49 FR 28718–28720) and not recodified at § 1312.41.

1986

51 FR
Page

Chapter X	
1220	Revision eff. 10–18–85.....22083
1220.0	Amended.....44297
1220.6	Table amended.....22083
1241	Annual report certification clarification.....19844
1312	Authority citation revised.....27046, 33753
1312.1	(b)(6) and (15) amended.....44297
1312.4	(e)(1)(ii)(A) revised; (e)(1)(ii)(C) added 9814
	(b)(7)(ii), (iii), (iv), and (vi) revised; eff. 10–23–86.....33753
	(b)(7)(i), (iii), (iv), and (v) and (e)(1)(ii)(B) amended.....44297
1312.8	(c)(2) amended.....44297
1312.11	Heading amended 44297
1312.14	(j) amended.....44297
1312.15	Heading amended 44297
1312.17	(k)(3) added.....37035
	(k)(3) correctly added 40171
1312.32	Introductory text amended.....44297
1312.37	(b), (c), and (d) revised.....3071
	(c)(1) revised.....27046
	(a) amended 44297
1312.39	(f) revised; (i) added 9814
	(h) amended.....44297
1312.41	(a)(1)(i) revised.....3340
	Removed (regulations transferred to Part 1313); interim 45899

51 FR
Page

Chapter X—Continued

1313	Added (regulations transferred from Part 1039 and Section 1312.41); interim	45899
1320	Heading amended	44297
1320.1	(a) amended	44297
1330.1	Amended	44297
1331.1	(c) amended	44297

52 FR
Page

Chapter X

1201 (Subpart A) Authority citation revised.....	4321
1201 Amended.....	4321
1206 Authority citation revised; definitions, instructions, and account explanations authority citations removed	20400
0–1 removed; existing text designated as 1206.2.....	20400
1206.1 Added	20400
1206.2 Heading added; text designated from existing Part 1206.....	20400
1207 Authority citation revised; definitions, instructions, and account explanations authority citations removed	10382
Existing text designated as 1207.2.....	10382
Authority citation corrected.....	33418
1207.1 Added	10383

49 CFR (10–1–96 Edition)

49 CFR—Continued

	52 FR Page
Chapter X —Continued	
1207.2 Designated from Part 1207 text	10382
1244 Authority citation re- vised.....	12416
Authority citation corrected.....	33418
1244.8 Added	12416
1249 Authority citation re- vised.....	10383
Technical correction	33419
1249.1 Revised	10383
1249.2 Revised	10383
1249.3 Removed.....	10383
Added	20400
1249.4 Revised	20400
1249.5 Added	10383
1249.12 Removed	10383
1312 Authority citation re- vised	537, 4627, 15949, 39536
1312.4 (e)(1)(i)(E) added	537
1312.12 (e)(1) amended.....	4627
1312.14 (a)(1) amended.....	4627
1312.17 (e) amended; interim.....	15726
1312.30 (c)(5) revised.....	39536
(c)(5) introductory text cor- rected	41560
1312.39 (h) heading revised; (h)(2) amended.....	537
(h)(6) revised; interim.....	15726
(h)(4) revised.....	15949
1312.41 Added	3664
1313 Comment time extended	7278
Authority citation revised	25228
Authority citation corrected.....	33419
1313.2 (a) text designated as (a)(1); (a)(2) added	25228
1313.10 (b)(4)(i) suspended	3664
1313.11 (b)(3)(i) suspended	3664

1988

49 CFR

	53 FR Page
Chapter X	
1201 Amended	46620
1206.2 Amended	4028
1207.1 Removed; new 1207.1 redес- ignated from 1207.2.....	40428
1207.2 Redesignated as 1207.1	40428
1249.1 Revised	40428
1249.3 Revised	4029
1312.30 (c)(5) revised	5983
1312.41 Removed.....	5380
1313 Revised.....	5380
1320.2 (g) redesignated as (h); new (g) added	6991

49 CFR—Continued

	53 FR Page
Chapter X —Continued	
1320.3 (c) amended	6991
1331 Authority citation re- vised.....	10097
1331.3 (b) amended	10097, 19303

1989

49 CFR

	54 FR Page
Chapter X	
1207.1 Amended.....	33555
1249.2 (b)(1) revised	33556
1280.5 (d) amended	38998
1312 Removed.....	6404
Effective date deferred	10533
Partial lifting of stay	42959
1312.13 (h)(1) and (i) through (v) redesignated as (h) introduc- tory text and (1) through (5).....	38998
1314 Added	6404
Effective date deferred	10533
Partial lifting of stay	42959
1314.5 (b) table corrected	9053
1314.6 (b) corrected	9053
1314.8 (b) Example (2) correctly revised.....	9053
1320.2 (g)(2)(v) amended; (g)(2)(vi) added; eff. 10–22–89.....	30748
1320.3 (c) revised; eff. 10–22– 89.....	30748

1990

49 CFR

	55 FR Page
Chapter X	
1201 Amended	42016
1312.39 (j) added; interim eff. to 2–26–90.....	1035
1313.7 (d) added	157
1331 Revised	11206

1991

49 CFR

	56 FR Page
Chapter X	
1220.3 (a) and (b) revised; (c), (d) and (e) removed; (f) and (g) re- designated as (c) and (d); new (c) revised; new (d) amend- ed	30874
1313.7 (d) redesignated as (e); new (d) added; heading and new (e)(1) revised.....	58320

List of CFR Sections Affected

49 CFR—Continued

56 FR
Page

Chapter X —Continued	
1330 Authority citation re-	
vised	8722
1330.1 Revised	8722

1992

49 CFR

57 FR
Page

Chapter X	
1201 Amended	27185
Corrected	31754
1313.2 (b) revised; eff. 10-5-92	40621
1313.3 (a) introductory text, (b)	
and (c)(1) revised; eff. 10-5-	
92	40621
(a) and (b) corrected; eff. 10-5-	
92	43291
1313.7 (b)(1)(iv) revised; eff. 10-5-	
92	40622
1313.10 (b)(5)(iii) revised; eff. 10-	
5-92	40622
1313.11 (b)(4)(iii) revised; eff. 10-	
5-92	40622
1321 Added	40857
Technical correction	43059
Effective date delayed to 10-8-	
92	43925
1321.1 Amended	54189
1321.5 Introductory text amend-	
ed	54189
1332.2 Added	23539
1332.3 Revised	23539

1993

49 CFR

58 FR
Page

Chapter X	
1312 Regulation at 58 FR 7748	
stayed	17788
Regulation at 58 FR 7748 eff. 10-	
1-93	52027
1312.4 (b)(2) redesignated as	
(b)(2)(i); (b)(2)(ii) added	7756
(b)(2)(ii)(D) corrected	11099
1313 Regulation at 58 FR 7748	
stayed	17788
Regulation at 58 FR 7748 eff. 10-	
1-93	52027
1313.7 (a)(6) existing text amend-	
ed; (a)(6)(i) through (iv)	
added	7756
1314 Regulation at 58 FR 7748	
stayed	17788
Regulation at 58 FR 7748 eff.	
10-1-93	52027

49 CFR—Continued

58 FR
Page

Chapter X —Continued	
1314.4 (a) existing text amended;	
(a)(1) through (4) added	7756
1321 Removed	40601

1994

49 CFR

59 FR
Page

Chapter X	
1207 Removed	5110
1249.1 Revised	5110
1249.2 (a), (b)(1), (a) and (c) re-	
vised; (b)(5) added	5111
(a) corrected	49848
1312 Authority citation re-	
vised	2304, 4844
Technical correction	11557
Interpretation	14570
1312.14 (a)(4) added	2304
Heading revised	4844
Regulation at 59 FR 2304 eff.	
date delayed to 4-2-94	6221
1312.20 (h)(1) revised	10305
1312.41 Added	4844

1994

49 CFR

59 FR
Page

Chapter X	
1249.11 Corrected; CFR correc-	
tion	52099

1995

49 CFR

60 FR
Page

Chapter X	
1312 Regulation at 54 FR 6404	
withdrawn; heading re-	
vised	13077
1314 Regulation at 54 FR 6404 eff.	
11-8-89; heading revised	13077
Authority citation revised	13077

1996

(Regulations published from January 1, 1996, through October 1, 1996)

49 CFR

61 FR
Page

1201 Authority citation amend-	
ed	9113
Amended	9113
1262 Removed	9113
1300-1332 (Subchapter D) Head-	
ing revised	35140

49 CFR (10-1-96 Edition)

49 CFR—Continued

61 FR
Page

1300—1319 Undesignated center heading removed	35140
1300 Added	35141
1305 Added	35141
1311 Removed	21388
1312 Authority citation revised	19860, 30182
1312.6 (b)(2) revised	30182

49 CFR—Continued

61 FR
Page

1312.14 (a)(4) removed	19860
1314 Removed	7429
1320—1329 Undesignated center heading removed	35140
1330—1339 Undesignated center heading removed	35140
1330 Removed	24722

