



Tax Year 2014 Railroad Car Company Annual Reporting Form

MONTANA
RCC-1
Rev. 12-13

For Year Ending December 31, 2013

PO Box 7149
Helena, MT 59604-7149

Company Information

Full Name of Company _____

Company Description _____

FEIN/SSN: _____

NAICS Code: _____

Principal Office Address

Street _____

Street 2 _____

Unit Type Unit City

State Zip Code Country

Contact Information

Contact Person or Agent for this Report to whom all correspondence will be sent.

Name _____

Company or Agency _____

Mailing Address

Street _____

Street 2 _____

Unit Type Unit City

State Zip Code Country

Phone _____ Fax _____

E-mail Address _____

Declaration

I, the undersigned, declare under penalties of false swearing that I have examined this reporting form, that I am authorized to sign the form on behalf of the company, and that the information contained herein is, to the best of my knowledge and belief, true, correct, and complete.

<i>Department of Revenue Use Only</i>	
Date Received	
Postmarked Date	
Remarks	

Signature _____ Date _____

Name (please print) _____

Title _____

Montana Private Railroad Car Annual Reporting Form

Instructions

Under Montana law (15-23-212, MCA), all railroad car companies owning, leasing or using railroad cars and/or locomotives that operate over railroad tracks in Montana are subject to central assessment and are required to complete and file an annual report with the Montana Department of Revenue.

The annual report must be filed with the Business Tax and Valuation Bureau of the Montana Department of Revenue, postmarked on or before April 15 of each year. If the filing date falls on the weekend or holiday, the report is due the following business day.

Effective the 2013 Tax Year: The department upgraded its computer systems and related software for railroad car reporting. As a result, the format and method of reporting company railroad car information to the department also changed. Therefore, Railroad Car Annual Reports must be filed using the most current reporting form. Versions of the Railroad Car Annual Reporting Forms prior to 2013 will not be accepted. Reports submitted using older versions of the RCC-1, RCC-2 and RCC-3 will be returned, and will not be accepted as timely. Reports filed untimely will be subject to late filing penalties and interest.

Reporting options

Standard Mail:

Montana Department of Revenue
BITD-BTV: Railcar
PO BOX 7149
Helena, MT 59604-7149

Electronic Filing:

Electronic filing is highly encouraged, and the Montana Railroad Car Annual Reporting forms are available upon request in electronic format with templates for Fleet data and Allocation data available in Microsoft Excel 2010 (.xlsx) format. E-mail Steve Creigh at stcreigh@mt.gov to have these forms emailed to you.

The forms are also available in non-fillable PDF Format through the official Montana website. You may either use this link to the forms page:

<http://revenue.mt.gov/formsandresources/downloadable-forms/centrally-assessed.mcp>

...or you may navigate from the Department of Revenue website. Go to www.revenue.mt.gov. In the section labeled 'For Business,' click on the link for Centrally Assessed and Industrial Property...then click on the link for Centrally Assessed and Industrial forms.

While it is acceptable to email the PDF versions of the form, the department encourages companies wishing to file electronically to request and use the Excel forms, and use the PDF versions for traditional (mailed) reports only. Mailed reports will require a signature and date in the signature block of the RCC-1 (Cover Page). Electronically filed reports are considered valid without a signature in the signature block; a PDF of a signed cover page is no longer necessary.

Completed reports may be emailed to Steve Creigh at stcreigh@mt.gov.

Extensions

Extensions may be granted for good cause only. All extension requests must be filed prior to the reporting deadline.

Reductions for inactivity / idle cars / 'non-operating assets'

Requests for reductions in assessed value for inactivity, idle cars, and/or 'non-operating assets' will be declined. The equations used by Montana to assess railroad car companies are dictated by Administrative Rules, and were developed using a negotiated rule-making process with the railroad car industry. The rules and equations do not contain an idle car provision.

Montana's appraisal of railroad cars is based upon unitary valuation. In the case of railroad cars, the "Unit" is the company's railroad car fleet . Taxes are apportioned based upon the total number of actual miles traveled by the fleet in Montana, a methodology which directly reflects the activity or inactivity of the fleet.

Completion

All schedules (RCC-1, RCC-2, and RCC-3) must be completed. Additional pages may be attached if more space is needed, provided the additions retain the required fields and format. The annual report is not intended to in any way limit the information a company may wish to submit; rather it provides the minimum information needed by the department.

Reporting as Agent

When reporting as agent for multiple companies, each represented company must be reported individually as a stand-alone report. The company for whom the report is being made will be reported in the Company Information section of the RCC-1. The reporting agent and/or agency will be identified in the Contact Information section.

NOTICE

If any person fails to file a report within the time established in 15-23-103 MCA, or by such a later date as the Department may approve, the Department shall estimate the value of the property to have been reported on the basis of the best available information as prescribed in 15-1-303 MCA. Further, Department shall assess and collect a late-filing penalty of \$50 or the amount of the tax, whichever is less, and for each month or part of a month a report is delinquent, the Department shall also assess a penalty of 12% annually on the unpaid tax, per 15-1-216 MCA.

RCC-2 Instructions

For reporting purposes, you only need to report those cars for which your company is responsible for paying taxes. If full fleet data is reported and includes cars being used by, or leased to, other entities, and if these users / lessees are responsible for paying taxes, please be sure to clearly identify these cars as such on the RCC-2, to avoid confusion and double taxation issues.

Reporting Leased Cars:

If your report includes cars your company has leased from someone else, DO NOT use lease payment information on the RCC-2. The RCC-2 MUST show the Reporting Code, Year Acquired, Acquisition Cost, and any Betterment Costs. This information is obtainable from the Lessor. Lease payments include ancillary administrative costs and fees that are not subject to taxation under Montana statute, and therefore cannot be used for the purposes of valuation. Reports submitted using lease payment information in place of the required data will not be accepted, nor will they be considered timely if the required information is not reported prior to the April 15 deadline for Annual Reports.

Column Data:

Reporting Code: EFFECTIVE TAX YEAR 2013: Due to the upgrade to the department's computer system and software for railcar reporting, all previous reporting methods have been replaced, and will no longer be accepted for reporting purposes. This column will require the use of the Reporting Codes as can be found in the table: "Railroad Car Reporting Codes for Montana RCC-2 & RCC-3", included in this report.

The specific Reporting Code IS required. GENERAL DESCRIPTIONS ("Hopper", "Gondola", "Flat", "Fast Rate Cars", "Slow Rate Cars", etc.) WILL NO LONGER BE SUFFICIENT.

You will find the Montana reporting codes closely relate to the AAR Car Type Codes used to report to the railroads. The department's system uses the Reporting Codes to correctly compute allocation percentages for specific car types. Annual reports submitted without the Reporting Codes will be considered incomplete and will not be accepted as timely.

Car Mark: Please list the company car marks associated with each Reporting Code. Car Marks and Reporting Codes in the report will be used to validate reported mileage against the reports from the railroads.

Year Acquired: The year the cars were purchased by the reporting company. For cars acquired within 25 years of the year of the annual report, list each acquisition year on a separate line. For cars acquired more than 25 years prior to the year of the report, these may be grouped into a single line entry, within each Reporting Code.

The department uses the Year Acquired to compute depreciation. Using the Total Cost (Column G on the RCC-2), the department computes depreciation at 4% per year using a half-year convention, down to a minimum depreciated value of \$2,000 per car. *IMPORTANT: Do not compute or report depreciated or 'book values' on the RCC-2; report the original cost. The department's system will compute the depreciation which will be reflected upon the assessment sent out on or before August 15.*

Number of cars: Total number of cars for that Reporting Code and year they were acquired.

(continued next page)

RCC-2 Instructions (continued)

Acquired cost and Betterments Costs: List the *original* acquired cost and the costs for all betterments for the cars. Do not use depreciated costs or book value, as the Department computes depreciation as part of the valuation process. The Betterment Cost cannot be a negative value. Do not deduct AAR mandated repairs or upgrades from the betterment costs. AAR-required maintenance or upgrades (such as those required for hauling Hazmat) do not increase or decrease the value of the car; they are company operational costs and should be reflected on the company's corporate tax return.

For cost figures in Canadian Dollars: Prior to entering the cost data into our system, the department will convert all costs reported in Canadian Dollars to U.S Dollars using historical exchange rates as of December 31 of the year in question (or the latest exchange rate report date closest to December 31). For example, for cars acquired in 1997, the conversion will be based upon the latest historical exchange rate on (or as close as possible to, but not later than) December 31, 1997.

Total Cost: The sum of the Acquired Costs and Betterment Costs for that line entry.

Fleet/Page Totals: The sum of all values for that column. If more than one sheet is used, page totals can be used, or left blank in favor of a final fleet total on the last page.

Example RCC-2

Montana Reporting Code	Car Mark	Year Acquired	Number of Cars	Acquired Cost	Betterment Costs	Total Cost E+F
A	B	C	D	E	F	G
F	AAAX	2004	144	\$12,240,000	\$16,887	\$12,256,887
P	AAAX	2004	58	\$3,625,000	\$0	\$3,625,000
C	AABX	2004	84	\$3,150,000	\$28,650	\$3,178,650
P	AACX, AABX	2003	148	\$4,092,200	\$85,500	\$4,177,700
H	AABX	2010	26	\$936,000	\$0	\$936,000
P	AACX, AABX	2011	310	\$8,835,000	\$25,000	\$8,860,000
T	AACX	2009	150	\$2,250,000	\$0	\$2,250,000
						\$0
						\$0
						\$0
Fleet/Page Total			920	\$35,128,200	\$156,037	\$35,284,237

The cars can be reported in any order, or can be grouped by Reporting Code (and then by Year Aquired), or by Year Aquired (and then by Reporting Code). When complete, the RCC-2 should represent an inventory listing of the company's fleet as of December 31 of the year immediately preceding the Report Year. For example, for a 2013 Annual Report, the RCC-2 will reflect the company's fleet as of December 31, 2012.

IMPORTANT: Even if they share the same default allocation rates, grouping of multiple types of cars within an Acquired Year will no longer be accepted. Cars must be broken out and reported by Reporting Code for input into the department's system.

RCC-3 Instructions

This form is for the reporting of all miles traveled, both System-wide and in Montana, by all cars bearing the rail marks encompassed by the annual report (and listed on the RCC-2).

Just as on the RCC-2, mileages will need to be reported by Reporting Codes.

If mileage is reported on the RCC-3 for a given Reporting Code, there MUST be a corresponding Reporting Code reported on the RCC-2.

Additionally, especially for those companies who are reporting electronically, the Railroad Code must be used to identify the Railroad. This is a requirement in order to facilitate the upload of the data into the system.

When possible, please group reported mileages for a given Railroad together, as shown in the example, as this simplifies the reconciliation process between the annual report and the reports the department receives from the railroads.

Important : Mileage reports are available to the company from the railroads upon request. It is the company's responsibility to secure this information from the railroads prior to filling out the Montana Annual Report. The department will verify mileages reported on the RCC-3, but is not equipped or staffed to be a resource to provide railroad mileage information to companies.

Railroad Code List	
Railroad Code	Full Name
BNSF	Burlington Northern Santa Fe
CMRR	Central Montana Rail
DMVWRR	DMVWRR (Soo/Canadian)
GLOBAL	Global Rail
MMRR	Mission Mountain Railroad
MRL	Montana Rail Link
OTHERRR	All Other RRs Mileage
RARUS	RARUS Railway
TRR	Tongue River Railroad
UPRR	Union Pacific
MWRR	Montana Western RR
YVRR	Yellowstone Valley Railroad

Railroad Car Reporting Codes for Montana

Reporting Code <i>For use on RCC-2 & RCC-3</i>	Description	Montana Default Allocation Rate	AAR Car Type Code As Shown on Railroad Mileage Reports **
A	Equipped box cars	450	Axxx
B	Unequipped box cars	450	Bxxx
C	Covered hopper cars	250	Cxxx
E	Equipped gondola	450	Exxx
F	Flat cars (general)	450	Fxxx
G	Unequipped gondola	450	Gxxx
H	Unequipped Hopper	250	Hxxx
J	Gondola car	450	Jxxx
K	Equipped hopper cars	250	Kxxx
L	Special type cars	250	Lxxx
D	Locomotive	250	Dxxx
M	M-O-W, Scale, Passenger, Caboose, and End-of-train	250	Mxxx
N	Cabooses	250	Nxxx
P	Conventional intermodal cars (flat)	450	Pxxx
PA	Passenger Car	250	Paxx
PB	Passenger Car, baggage	250	PBxx
PD	Passenger Car, dining	250	PDxx
PS	Passenger Car, service	250	PSxx
Q	Lighter weight, Low-profile intermodal cars	450	Qxxx
R	Refrigerator cars	250	Rxxx
S	Stack / well cars (flat)	450	Sxxx
STK	Stock Cars	250	STKx
T	Tank Cars, pressurized	250	T3xx, T4xx, T5xx, T6xx, T7xx, T83x-T89x, T9xx
T	Tank Cars, non-pressurized	250	T0xx, T1xx, T80xx, T81xx
UNSPEC250	Cars not elsewhere classified (Non-Intermodal)	250	
UNSPEC450	Cars not elsewhere classified (Intermodal)	450	
V	Vehicular flat cars	450	Vxxx
X	Boxcars	450	Xxxx
U	Containers	250	Uxxx
Z	Trailers	250	Zxxx

** An 'x' in this field represents a numeral 0 through 9