

MEMORANDUM

TO: All Freight Line & Equipment Companies in Alabama

FROM: James R. Moores
Public Utility Supervisor
Property Tax Division
(334)242-1525;(334)242-0145 Fax

RE: Alabama Freight Line & Equipment Company Tax
on privately owned railroad cars

During previous years railroads in Alabama have reported mileage made by your company s cars in Alabama. Under Alabama Law, Section 40-21-52 (copy enclosed), your company is required to pay a license tax for the privilege of operating in Alabama. The amount of this tax is based on the value of your cars allocated to Alabama by state mileage divided by total mileage.

Enclosed are forms needed to report information for this tax. The filing due date for each year (October - September) is the first day of March the following year. If information covering this time period is not available, calendar year information will be accepted.

After determining the value of your railroad cars, and computing the amount of tax due, we will send an assessment. Generally, assessment notices are mailed out in September. If you have any questions, please feel free to contact our office.

PLEASE RETURN COMPLETED FORM TO:

Public Utility Section
Property Tax Division
Alabama Department of Revenue
Post Office Box 327210
Montgomery, AL 36132-7210

Enclosures(3): (2)Form #ADV:U3-1
(1) 40-21-52 (copy of law)

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