

Office of Chief Counsel
Internal Revenue Service
Memorandum

Number: **200546042**

Release Date: 11/18/2005

CC:TEGE:EOEG:ET1

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UILC: 3231.01-00

date: August 5, 2005

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

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

subject: Railroad Retirement Tax Act Status

In accordance with the coordination procedure established between the Service and the Railroad Retirement Board (RRB), the RRB has provided us with its opinion that the following business is an employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act as of _____ :

We have reviewed the opinion of the RRB and, based upon the information submitted to us by the RRB, we also conclude that _____ is an employer under the Railroad Retirement Tax Act as of _____ .

_____ has advised the RRB that _____ will have its direct operating employees (i.e., engineers, switchmen, track maintenance crew, locomotive and car maintenance crew) provided by outside contractors. The RRB notes that prior decisions by the agency have held that services performed by individuals operating a railroad are covered services under the Acts. Please take the appropriate action regarding this business.

Janine Cook

cc: