B.C.D. 03-65

AUG 0 8 2003

EMPLOYER STATUS DETERMINATION
Ashley, Drew & Northern Railway Company

This is the determination of the Railroad Retirement Board concerning the continuing status of the Ashley, Drew & Northern Railway Company (ADNR) (B.A. No. 2803) as an employer under the Railroad Retirement Act (45 U.S.C. § 231, et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) (RUIA). ADNR has been an employer under the RRA and RUIA with service creditable from August 23, 1912.

ADNR filed a petition with the Interstate Commerce Commission (ICC) on August 25, 1995 requesting permission for the abandonment of all track owned by ADNR, as set forth in ICC Finance Docket No. AB455X. The ICC granted that petition August 31, 1995. Pursuant to the labor protective conditions accepted therein by ADNR, labor agreements between ADNR and the unions[1] provided for payments to former ADNR employees from the date of cessation and abandonment of operations on August 31, 1995 through July 1, 2002. This latter date was confirmed by Mr. Tim Covington, attorney for Georgia-Pacific Corporation. The last day on which former employees of ADNR were compensated was July 1, 2002.

Based on the information set forth above, it is the determination of the Railroad Retirement Board that the Ashley, Drew & Northern Railway Company ceased being an employer under the Railroad Retirement Act and Railroad Unemployment Insurance Act on July 1, 2002, the date on which it last compensated its employees. Cf. Rev. Ruling 82-99, 1982-1 C.B. 154, wherein the IRS held that a railroad ceases to be an employer

[1] ADNR employees were represented by the United Transportation Union, the Brotherhood of Maintenance of Way Employees, and the Transportation Communications Union.

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subject to taxes under the Railroad Retirement Tax Act when the railroad's employees stop performing services in connection with the railroad's carrier activities and not on the effective date of the ICC's approval of the railroad's abandonment of its operations.

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