



ALABAMA DEPARTMENT OF REVENUE Application for Rail Credit

APPLICATION PERIOD: Beginning Date: January 1, 20____ Ending Date: December 31, 20____

This form is to be submitted by an eligible rail carrier with an estimate of the qualified railroad rehabilitation expenditure under the rehabilitation plan. Under Chapter 11C, Title 40, Code of Alabama 1975, a rail carrier that owns or leases railroad infrastructure in Alabama and is classified by the United States Surface Transportation Board as a Class II or Class III railroad is eligible to apply for a tax credit against the state income tax levied by Section 40-18-2, Code of Alabama, 1975, as amended (the "Rail Credit").

SECTION 1. RAIL CARRIER INFORMATION

NAME OF ELIGIBLE RAIL CARRIER		DBA: (IF APPLICABLE)	
FEIN		UNITED STATES SURFACE TRANSPORTATION BOARD CLASSIFICATION: <input type="checkbox"/> CLASS II <input type="checkbox"/> CLASS III	
NAME OF PARENT/REGARDED ENTITY: (IF ELIGIBLE CARRIER IS A DISREGARDED ENTITY)		FEIN OF PARENT/REGARDED ENTITY: (IF APPLICABLE)	
PHYSICAL ADDRESS OF RAIL CARRIER:	CITY:	STATE:	ZIP CODE:
MAILING ADDRESS OF RAIL CARRIER:	CITY:	STATE:	ZIP CODE:
NAME OF AUTHORIZED CONTACT:	EMAIL ADDRESS:	TELEPHONE NUMBER: ()	

SECTION 2. RAILROAD REHABILITATION INFORMATION

Please provide information about the availability of additional public or private funding for this project:

Please describe the anticipated impact on usage of the railroad infrastructure:

SECTION 3. RAILROAD ALLOCATION CALCULATION

The Rail Credit shall be equal to the **lesser** of:

- a. 50 percent (50%) of an eligible rail carrier's qualified railroad rehabilitation expenditure; **or**
- b. Four thousand one hundred dollars (\$4,100) multiplied by the number of railroad track miles owned or leased within the state by the eligible rail carrier as of December 31st of the application year.

"Qualified Railroad Rehabilitation Expenditures" are expenditures for the maintenance, deductible maintenance of way expenses, reconstruction, or replacement of railroad infrastructure within the state that is owned or leased by an eligible rail carrier. The term includes new construction of industrial leads, switches, spurs, sidings, and extensions of existing sidings by an eligible rail carrier. The term does not include expenditures for which an Alabama state income tax deduction has been claimed. Deductible maintenance of way expenses for federal income tax purposes are acceptable. Only expenditures incurred during the calendar year during which the application is submitted shall be eligible.

1. Estimated Qualified Railroad Rehabilitation Expenditures	\$
2. Multiply Line 1 by 50%	\$
3. Miles of Railroad Track Owned or Leased Within the State by the Eligible Rail Carrier.....	
4. Multiply Line 3 by \$4,100.	\$
5. Rail Credit Allocation: Enter the Lesser of Lines 2 or 4.	\$

SECTION 4. RAIL CREDIT APPLICATION FEE CALCULATION

Submitted with each Rail Credit Application shall be a non-refundable application fee made payable to the Alabama Department of Revenue in an amount equal to the **lesser** of:

- a. One percent (1%) of the qualified railroad rehabilitation expenditures; **or**
- b. Ten thousand dollars (\$10,000)

1. Estimated Qualified Railroad Rehabilitation Expenditures	\$
2. Multiply Line 1 by 1%	\$
3. Application Fee (Enter the lesser of Line 2 or \$10,000).....	\$

SECTION 5. REQUIRED ATTACHMENTS

The following items must be submitted with all rail credit applications to be considered as complete.

- A. Rehabilitation Plan.** Detailed construction plans and specifications for the proposed rehabilitation of railroad infrastructure.
- B. Estimated Qualified Railroad Rehabilitation Expenditures under the Rehabilitation Plan.** At its own risk, the rail carrier may include incurred qualified railroad rehabilitation expenditures made in the six-month period prior to the submission of this application.
- C. E-Verify proof of enrollment.** Documentation must be submitted to show that the rail carrier is enrolled in the E-Verify Program. For more information, please visit <https://www.e-verify.gov/>.
- D. Application fee** must be remitted via mail to Alabama Department of Revenue, Office of Economic Development, P.O. Box 327001, Montgomery, AL 36132-7001.

SECTION 6. CREDIT RESERVATION DETERMINATION

If the Department of Revenue determines that the application and rehabilitation plan are complete, the department shall reserve a Rail Credit allocation based on the information contained in this Rail Credit Application. The maximum amount of Rail Credit an eligible rail carrier may claim is limited to the Rail Credit reservation amount approved by the Department of Revenue. The reservation of a Rail Credit does **not** entitle the rail carrier to an issuance of a Rail Credit until the rail carrier is in compliance with all other requirements of the Act.

Any Rail Credit Application disapproved by the department shall be removed from the review process. A disapproved application may be resubmitted but shall be deemed to be a new submission and may be charged a new application fee.

A Rail Credit Application received without the application fee, or the required attachments as provided in Section 5 of the application will be discarded as incomplete. The completed application must be mailed to Alabama Department of Revenue, Office of Economic Development, P.O. Box 327001, Montgomery, AL 36132-7001 or emailed electronically to incentives@revenue.alabama.gov.

SECTION 7. COMPANY CERTIFICATION

The undersigned hereby affirms that, to the best of my knowledge and belief, the information contained in this application and any accompanying statement, schedules and other information is true, correct, and complete and that the undersigned is duly authorized to submit this information on behalf of the eligible rail carrier.

Signature of Signatory: _____

Printed Name of Signatory: _____

Title of Signatory: _____

Date: _____