

EMPLOYER STATUS DETERMINATION Blasingame Brothers, Inc.

This is the decision of the Railroad Retirement Board regarding the continued status of Blasingame Brothers, Inc., 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).

Blasingame was held to be an employer under the Acts effective May 3, 1985, (B.A. Number 5577). Blasingame ceased operations as of December 31, 2002. Information about Blasingame's cessation of operations was provided by Cristi Blasingame. The rail assets operated by Blasingame were owned by Huntsville-Madison County Railroad Authority for which Blasingame operated a rail line. Blasingame last compensated employees on December 31, 2002. Blasingame was dissolved on or about September 30, 2003.

Section 202.11 of the Board's regulations provides that:

The employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status.

Through the termination of its rail operations, Blasingame has lost the characteristics essential to the existence of an employer status. Accordingly, the Board holds that Blasingame ceased to be an employer under the Railroad Retirement and Railroad Unemployment Insurance Acts effective with the close of business on December 31, 2002, the date as of which it ceased operations and last paid compensation. Cf. Rev. Ruling 82-99, 1982-1 C.B. 154, wherein the Internal Revenue Service ruled that a railroad ceases to be an employer 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.

Original signed by:

Michael S. Schwartz

V. M. Speakman, Jr.

Jerome F. Kever