

**B.C.D. 15-05**

**March 26, 2015**

**EMPLOYER STATUS DETERMINATION**

**Mississippi Rail Group, Inc.**

**d/b/a Kosciusko & Southwestern Railway  
(MRGI)**

This is a determination of the Railroad Retirement Board concerning the continuing status of Mississippi Rail Group, Inc. d/b/a Kosciusko & Southwestern Railway (MRGI) as an employer under the Railroad Retirement Act (45 U.S.C. §231 et seq.) and the Railroad Unemployment Insurance Act (45 U.S.C. §351 et seq.) (collectively, the “Acts”).

MRGI (B.A. # 5576) has been an employer under the Railroad Retirement Act and Railroad Unemployment Insurance Act since May 1, 2000, the date from which MRGI was found to have first commenced freight railroad operations as found in Board Notice 00-28 dated July 13, 2000.

The latest coverage information in the file for MRGI was provided by Don Brown, the retired President and majority stockholder for MRGI. He served a letter dated April 8, 2014, on the Board’s Audit and Compliance Division which provided details and documentation of MRGI’s sale of all assets and indicated that at that time the company had not yet been dissolved. Information in the file indicates that MRGI operated over a 21.4 mile line of track leased from the state of Mississippi. According to information from Mr. Brown, MRGI last operated a train over the line of track on August 19, 2008 and employees were last compensated in July of 2011. MRGI filed Articles of Dissolution with the State of Mississippi effective with the date of filing, September 5, 2014.

Section 202.11 (20 CFR 202.11) of the Board’s regulations states 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.

Information in our coverage files indicates that MRGI was formed to operate approximately 21.4 miles of track from Aberdeen, Mississippi to Kosciusko, Mississippi. MRGI began freight rail operations on May 1, 2000. The evidence of record establishes that MRGI has not operated as a railroad carrier and does not retain the ability to do so since the sale of assets and the

subsequent filing of the Articles of Dissolution on September 5, 2014. MRGI has not functioned as a rail carrier since that date and no longer possesses the characteristics of a railroad carrier employer.

The Board therefore finds that effective September 5, 2014, the date that MRGI was dissolved as a corporation in the State of Mississippi, Mississippi Rail Group, Inc. d/b/a Kosciusko & Southwestern Railway ceased being a covered employer under the Railroad Retirement and Railroad Unemployment Insurance Acts.

Original signed by:

FOR THE BOARD

Martha P. Rico

Secretary to the Board