

Appendix K

RECOMMENDATIONS OF RAILROAD PASSENGER TRAIN DEFICIT

306 I.C.C. 417 (1959)

1. That the 10-percent Federal excise tax on passenger fares be repealed.
2. That Federal tax laws be amended to encourage local and State tax relief, at least to the extent of disregarding State and local provided "pre-tax net income" for Federal tax purposes.
3. That State and local governments take such steps as may be required to effect a greater degree of equity with respect to tax burden on railroad property in relation to taxpayers generally and consistent with the desire of their communities for retention of commuter and other passenger train service.
4. That where the railroads are unable to operate a particular local or commuting service at a profit, and where such service is essential to the community or communities served, that steps be taken by State and local authorities, or both, to provide the service paying the carrier the cost plus a reasonable profit.
5. That the executive departments of the Federal Government consider the implications of the national transportation policy in connection with the procurement of passenger-train services by the Post Office Department, Department of Defense, and other agencies of the Government.
6. That railroad management take steps to eliminate duplicate passenger trains, terminals, and other facilities insofar as will be consistent with the law and the public interest.
7. That experimentation by the railroads with new types of coaches, sleeping cars, dining and other facilities be continued.
8. That railroad management should continue its efforts to improve the attractiveness of railroad passenger service as a means of stimulating more adequate volume of traffic.
9. That railroad management make studies of the elasticity of demand (effect of price on volume of traffic) for railroad passenger service so as to provide a basis for adjustment of fares, adjustment of schedules for convenience of prospective passengers, and systematic, continuous, and higher quality advertising and promotion generally designed to improve public acceptance of rail travel. Every possibility of developing additional patronage should be fully and continually explored.