Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2005

Open to Public Inspection

A For the 2005 calendar year, or tax year beginning , 2005, and ending , 20

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: Mountain State Railroad & Logging Historical Assoc., Inc.

Number and street (or P.O. box if mail is not delivered to street address): 6304 Kaybro St. Room/suite:

City or town, state or country, and ZIP + 4: Laurel, MD 20707-2621

D Employer identification number 55 : 0623984

E Telephone number (301) 725-5877

F Accounting method: ☑ Cash ☐ Accrual ☐ Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No (If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☐ No

I Group Exemption Number ▶ n/a

G Website: ▶ www.msrlha.org

J Organization type (check only one) ▶ ☑ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

K Check here ▶ ☐ if the organization's gross receipts are normally not more than $25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

M Check ▶ ☑ if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 94,297

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances *(See the instructions.)*

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support	1a 14,197		
	b	Indirect public support	1b 0		
	c	Government contributions (grants)	1c 0		
	d	**Total** (add lines 1a through 1c) (cash $ 14,197 noncash $ 0)		1d	14,197
	2	Program service revenue including government fees and contracts (from Part VII, line 93)		2	12,566
	3	Membership dues and assessments		3	10,569
	4	Interest on savings and temporary cash investments		4	3,597
	5	Dividends and interest from securities		5	0
	6a	Gross rents	6a 0		
	b	Less: rental expenses	6b 0		
	c	Net rental income or (loss) (subtract line 6b from line 6a)		6c	0
	7	Other investment income (describe ▶ n/a)		7	0
	8a	Gross amount from sales of assets other than inventory	(A) Securities 0 / 8a (B) Other 1,199		
	b	Less: cost or other basis and sales expenses	0 / 8b 0		
	c	Gain or (loss) (attach schedule)	0 / 8c 1,199		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))		8d	1,199
	9	Special events and activities (attach schedule). If any amount is from **gaming,** check here ▶ ☐			
	a	Gross revenue (not including $ 0 of contributions reported on line 1a)	9a 47,640		
	b	Less: direct expenses other than fundraising expenses	9b 35,944		
	c	Net income or (loss) from special events (subtract line 9b from line 9a)		9c	11,696
	10a	Gross sales of inventory, less returns and allowances	10a 4,529		
	b	Less: cost of goods sold	10b 3,358		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)		10c	1,171
	11	Other revenue (from Part VII, line 103)		11	0
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)		12	54,955
Expenses	13	Program services (from line 44, column (B))		13	44,521
	14	Management and general (from line 44, column (C))		14	9,297
	15	Fundraising (from line 44, column (D))		15	0
	16	Payments to affiliates (attach schedule)		16	0
	17	**Total expenses** (add lines 16 and 44, column (A))		17	53,817
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)		18	1,177
	19	Net assets or fund balances at beginning of year (from line 73, column (A))		19	93,174
	20	Other changes in net assets or fund balances (attach explanation)		20	0
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)		21	94,352

Part II **Statement of Functional Expenses** All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. *(See the instructions.)*

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash $ 0 noncash $ 0) If this amount includes foreign grants, check here ▶ ☐	22	0	0		
23 Specific assistance to individuals (attach schedule)	23	0	0		
24 Benefits paid to or for members (attach schedule)	24	0	0		
25 Compensation of officers, directors, etc.	25	0	0	0	0
26 Other salaries and wages	26	11.973	11,973	0	0
27 Pension plan contributions	27	0	0	0	0
28 Other employee benefits	28	0	0	0	0
29 Payroll taxes	29	356	356	0	0
30 Professional fundraising fees	30	0	0	0	0
31 Accounting fees	31	425	425	0	0
32 Legal fees	32	0	0	0	0
33 Supplies	33	0	0	0	0
34 Telephone	34	557	0	557	0
35 Postage and shipping	35	83	0	83	0
36 Occupancy	36	591	0	591	0
37 Equipment rental and maintenance	37	0	0	0	0
38 Printing and publications	38	3451	3451	0	0
39 Travel	39	0	0	0	0
40 Conferences, conventions, and meetings	40	0	0	0	0
41 Interest	41	0	0	0	0
42 Depreciation, depletion, etc. (attach schedule)	42	0	0	0	0
43 Other expenses not covered above (itemize):					
a Liability & Officers Insurance	43a	5495	0	5495	0
b Volunteer accident insurance	43b	750	0	750	0
c Other mgmt. Expenses (see attached list)	43c	1,821	0	1,821	0
d Restoration of Climax locomotive	43d	19,666	19,666	0	0
e Preservation of Doctor's House in Cass	43e	2,938	2,938	0	0
f Logging Camp Exhibit Maintenance	43f	2,261	2,261	0	0
g Other Program Service Expenses (see list)	43g	3,451	3,451	0	0
44 **Total functional expenses.** Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13–15)	44	53,817	44,521	9,297	0

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ▶ ☐ **Yes** ☐ **No**

If "Yes," enter **(i)** the aggregate amount of these joint costs $ _____; **(ii)** the amount allocated to Program services $ _____; **(iii)** the amount allocated to Management and general $ _____; and **(iv)** the amount allocated to Fundraising $ _____

Part III Statement of Program Service Accomplishments *(See the instructions.)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ see attached statement All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a Restoration work on a Climax Geared locomotive owned by the Cass Scenic Railroad State Park. This is a complete mechanical restoration that will restore this historic steam locomotive to operational status by about 2008. After restoration it will be used by the Park to pull tourist trains. (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	19,666
b Payroll and related expenses for three summer interpreters to provide tours and interpretative services at the Cass Scenic Railroad State Park. Tours are given to the roughly 60,000 visitors to the Park each year. (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	12,820
c Publication and mailing of four issues of The Log Train, the Association's quarterly publication about the history of lumbering and logging railroads in West Virginia. The publication is mailed to over 500 Association members and about 60 complementary recipients. (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	3,451
d Purchased lumber and roofing material to allow the maintenance personnel at the Cass Scenic Railroad State Park to put a new roof on the historic Doctor's House in Cass. The house is a significant structure in this historic logging company town, one of the best preserved company towns in the country. (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	2,938
e Other program services (attach schedule) (Grants and allocations $ 0) If this amount includes foreign grants, check here ▶ ☐	5,646
f **Total of Program Service Expenses** (should equal line 44, column (B), Program services). . . . . ▶	44,521

Part IV Balance Sheets *(See the instructions.)*

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*

				(A) Beginning of year		(B) End of year
Assets	45	Cash—non-interest-bearing		19,823	45	12,564
	46	Savings and temporary cash investments		69,481	46	78,918
	47a	Accounts receivable	47a 0			
	b	Less: allowance for doubtful accounts	47b 0	0	47c	
	48a	Pledges receivable	48a 2,870			
	b	Less: allowance for doubtful accounts	48b 0	3,870	48c	2,870
	49	Grants receivable		0	49	0
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50	0
	51a	Other notes and loans receivable (attach schedule)	51a 0			
	b	Less: allowance for doubtful accounts	51b 0	0	51c	0
	52	Inventories for sale or use		0	52	0
	53	Prepaid expenses and deferred charges		0	53	0
	54	Investments—securities (attach schedule) ▶ ☐ Cost ☐ FMV		0	54	0
	55a	Investments—land, buildings, and equipment: basis	55a 0			
	b	Less: accumulated depreciation (attach schedule)	55b 0	0	55c	0
	56	Investments—other (attach schedule)		0	56	0
	57a	Land, buildings, and equipment: basis	57a 0			
	b	Less: accumulated depreciation (attach schedule)	57b 0	0	57c	0
	58	Other assets (describe ▶)		0	58	0
	59	**Total assets** (must equal line 74). Add lines 45 through 58.		93,174	59	94,352
Liabilities	60	Accounts payable and accrued expenses		0	60	0
	61	Grants payable		0	61	0
	62	Deferred revenue		0	62	0
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64a	Tax-exempt bond liabilities (attach schedule)		0	64a	0
	b	Mortgages and other notes payable (attach schedule)		0	64b	0
	65	Other liabilities (describe ▶ 0)		0	65	0
	66	**Total liabilities.** Add lines 60 through 65		0	66	0
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here** ▶ ☑ and complete lines 67 through 69 and lines 73 and 74.				
	67	Unrestricted		32,202	67	41,339
	68	Temporarily restricted		60,972	68	53,012
	69	Permanently restricted		0	69	0
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74.				
	70	Capital stock, trust principal, or current funds		n/a	70	n/a
	71	Paid-in or capital surplus, or land, building, and equipment fund		n/a	71	n/a
	72	Retained earnings, endowment, accumulated income, or other funds		n/a	72	n/a
	73	**Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72; column (A) **must** equal line 19; column (B) **must** equal line 21)		93,174	73	94,352
	74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73.		93,174	74	94,352

Part IV-A **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	n/a
b	Amounts included on line **a** but not on Part I, line 12:				
1	Net unrealized gains on investments	b1			
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify):	b4			
	Add lines **b1** through **b4**			b	n/a
c	Subtract line **b** from line **a**			c	n/a
d	Amounts included on Part I, line 12, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify):	d2			
	Add lines **d1** and **d2**			d	n/a
e	**Total revenue** (Part I, line 12). Add lines **c** and **d** ▶			e	n/a

Part IV-B **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

a	Total expenses and losses per audited financial statements			a	n/a
b	Amounts included on line **a** but not on Part I, line 17:				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify):	b4			
	Add lines **b1** through **b4**			b	n/a
c	Subtract line **b** from line **a**			c	n/a
d	Amounts included on Part I, line 17, but not on line **a:**				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify):	d2			
	Add lines **d1** and **d2**			d	n/a
e	**Total expenses** (Part I, line 17). Add lines **c** and **d** ▶			e	n/a

Part V-A **Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	**(B)** Title and average hours per week devoted to position	**(C)** Compensation **(If not paid, enter -0-.)**	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
See attached list of Officers & Directors				

Part V-A **Current Officers, Directors, Trustees, and Key Employees** *(continued)*

			Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 13			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b		✔
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? **Note**. Related organizations include section 509(a)(3) supporting organizations.	75c		✔
	If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.			
d	Does the organization have a written conflict of interest policy?	75d		✔

Part V-B **Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	**(B)** Loans and Advances	**(C)** Compensation	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
none				

Part VI **Other Information** *(See the instructions.)*

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		✔
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		✔
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		✔
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		✔
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		✔
b	If "Yes," enter the name of the organization ▶ n/a and check whether it is ☐ exempt **or** ☐ nonexempt			
81a	Enter direct and indirect political expenditures. (See line 81 instructions.) 81a n/a			
b	Did the organization file **Form 1120-POL** for this year?	81b		✔

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	✔	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b 400			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	✔	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	✔	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		✔
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members?	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		✔
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c			
d	Section 162(e) lobbying and political expenditures 85d			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	*501(c)(7) orgs.* Enter: **a** Initiation fees and capital contributions included on line 12 86a			
b	Gross receipts, included on line 12, for public use of club facilities 86b			
87	*501(c)(12) orgs.* Enter: **a** Gross income from members or shareholders 87a			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		✔
89a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		✔
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0			

90a List the states with which a copy of this return is filed ▶ none

b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.) 90b 0

91a The books are in care of ▶ Robert B. Hoke Telephone no. ▶ (301) 725-5877

Located at ▶ 6304 Kaybro St., Laurel MD ZIP + 4 ▶ 20707-2621

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts.	91b		✔
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶	91c		✔

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* ***Form 1041*****—**Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92

Part VII Analysis of Income-Producing Activities *(See the instructions.)*

Note: *Enter gross amounts unless otherwise indicated.*

		Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93	Program service revenue:					
a		0	0	0	0	0
b		0	0	0	0	0
c		0	0	0	0	0
d		0	0	0	0	0
e		0	0	0	0	0
f	Medicare/Medicaid payments	0	0	0	0	0
g	Fees and contracts from government agencies	0	0	0	0	12,566
94	Membership dues and assessments	0	0	0	0	10,569
95	Interest on savings and temporary cash investments	0	0	0	0	3,597
96	Dividends and interest from securities	0	0	0	0	0
97	Net rental income or (loss) from real estate:					
a	debt-financed property	0	0	0	0	0
b	not debt-financed property	0	0	0	0	0
98	Net rental income or (loss) from personal property	0	0	0	0	0
99	Other investment income	0	0	0	0	0
100	Gain or (loss) from sales of assets other than inventory	0	0	0	0	1,199
101	Net income or (loss) from special events	0	0	0	0	11,696
102	Gross profit or (loss) from sales of inventory	0	0	0	0	1,171
103	Other revenue: a	0	0	0	0	0
b		0	0	0	0	0
c		0	0	0	0	0
d		0	0	0	0	0
e		0	0	0	0	0
104	Subtotal (add columns (B), (D), and (E))		0		0	40,497
105	**Total** (add line 104, columns (B), (D), and (E)) ▶					

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions.)*

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	see attached statement

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities *(See the instructions.)*

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
n/a	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts *(See the instructions.)*

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☑ No

Note: *If "Yes" to* ***(b),*** *file Form 8870* ***and*** *Form 4720 (see instructions).*

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer | Date

Robert B. Hoke, Secretary & Assistant Treasurer

Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶	Date	Check if self-employed ▶ ☐	Preparer's SSN or PTIN (See Gen. Inst. W)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶		EIN ▶	
		Phone no. ▶ ( )	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No. 1545-0047

2005

Name of the organization: **Mountain State Railroad & Logging Historical Association, Inc.**

Employer identification number: **55 0623984**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	**(b)** Title and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans & deferred compensation	**(e)** Expense account and other allowances
None				
Total number of other employees paid over $50,000 ▶	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	**(b)** Type of service	**(c)** Compensation
None		
Total number of others receiving over $50,000 for professional services ▶ 0		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	**(b)** Type of service	**(c)** Compensation
None		
Total number of other contractors receiving over $50,000 for other services ▶ 0		

Part III Statements About Activities (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► $ _____ (Must equal amounts on line 38, Part VI-A, or line **i** of Part VI-B.)	1		✔
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing of property?	2a		✔
b	Lending of money or other extension of credit?	2b		✔
c	Furnishing of goods, services, or facilities?	2c		✔
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d		✔
e	Transfer of any part of its income or assets?	2e		✔
3a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a		✔
b	Do you have a section 403(b) annuity plan for your employees?	3b		✔
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c		✔
4a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a		✔
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b		✔

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).

9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ►

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

11a ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

12 ☐ An organization that normally receives: **(1) more than 33⅓%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and **(2) no more than 33⅓%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: ► ☐ Type 1 ☐ Type 2 ☐ Type 3

Provide the following information about the supported organizations. (See page 6 of the instructions.)

(a) Name(s) of supported organization(s)	**(b)** Line number from above

14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) ***Use cash method of accounting.***

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	30,423	19,513	14,566	14,993	79,495
16 Membership fees received	9,728	9,892	9,199	8,605	37,424
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	60,056	51,631	46,571	38,450	196,708
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	2,626	2,185	2,282	2,576	9,669
19 Net income from unrelated business activities not included in line 18	0	0	0	0	0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0	0	0	0	0
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge	0	0	0	0	0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	0	0	0	0	0
23 Total of lines 15 through 22	102,833	83,221	72,618	64,624	323,296
24 Line 23 minus line 17	42,777	31,590	26,047	26,174	126,588
25 Enter 1% of line 23	1,028	832	726	646	

26 **Organizations described on lines 10 or 11:** **a** Enter 2% of amount in column (e), line 24 ▶	26a	2,532
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶	26b	12,288
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶	26c	126,588
d Add: Amounts from column (e) for lines: 18 9,669 19 0 22 0 26b 12,288 ▶	26d	21,957
e Public support (line 26c minus line 26d total) ▶	26e	104,631
f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶	26f	82.7 %

27 **Organizations described on line 12:** **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2004) n/a (2003) n/a (2002) n/a (2001) n/a

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2),** enter the sum of these differences (the excess amounts) for each year:

(2004) (2003) (2002) (2001)

c Add: Amounts from column (e) for lines: 15 16 17 20 21 ▶	27c	n/a
d Add: Line 27a total. and line 27b total ▶	27d	n/a
e Public support (line 27c total minus line 27d total) ▶	27e	n/a
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶ 27f		
g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶	27g	n/a %
h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶	27h	n/a %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

Part V **Private School Questionnaire** (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ▶ **a** ☐ if the organization belongs to an affiliated group. Check ▶ **b** ☐ if you checked **"a"** and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	**36**		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	**37**		
38 Total lobbying expenditures (add lines 36 and 37)	**38**		
39 Other exempt purpose expenditures	**39**		
40 Total exempt purpose expenditures (add lines 38 and 39)	**40**		
41 Lobbying nontaxable amount. Enter the amount from the following table—			
If the amount on line 40 is— / **The lobbying nontaxable amount is—**			
Not over $500,000 — 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000	**41**		
Over $1,500,000 but not over $17,000,000 — $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 — $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	**42**		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	**43**		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	**44**		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2005	**(b)** 2004	**(c)** 2003	**(d)** 2002	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers		✔	
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)		✔	
c Media advertisements		✔	
d Mailings to members, legislators, or the public		✔	
e Publications, or published or broadcast statements		✔	
f Grants to other organizations for lobbying purposes		✔	
g Direct contact with legislators, their staffs, government officials, or a legislative body		✔	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		✔	
i Total lobbying expenditures (Add lines **c** through **h.**)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		✔
(ii) Other assets	a(ii)		✔
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		✔
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		✔
(iii) Rental of facilities, equipment, or other assets	b(iii)		✔
(iv) Reimbursement arrangements	b(iv)		✔
(v) Loans or loan guarantees	b(v)		✔
(vi) Performance of services or membership or fundraising solicitations	b(vi)		✔
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		✔

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
n/a	n/a	n/a	n/a

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☑ No

b If "Yes," complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship
n/a	n/a	n/a

Attachment to 2005 Form 990
for the
Mountain State Railroad & Logging Historical Association, Inc.
EIN 55-0623984

PART I:

Line 2: The Association received 25 cents for each ticket sold to ride the trains at the Cass Scenic Railroad State Park in West Virginia during the year. This money is placed in a Restricted Fund to be solely for preservation and interpretation projects that are approved by the Park management. One major use of the Fund is the employment of summer interns to provide historic interpretation and tours at the Park's reconstructed logging camp, the locomotive shop, and the historic town of Cass. The Fund is also used to maintain the logging camp exhibit and to improve interpretive exhibits and services in the Park.

Line 9: The Association operated two charter steam train trips in 2005. Trip "A" was the Association's annual "Railfan Weekend", which provides a train ride for railroad and history enthusiasts at the Cass Scenic Railroad State Park in Cass, West Virginia. Trip "B" was a "Railfan Photo Special" steam train excursion at Cass that provided another opportunity to photograph the Cass logging railroad equipment in a realistic historic setting.

Special Events:	**Trip A**	**Trip B**	**Total**
Gross Receipts:	41,970	5,670	47,640
Less: Contributions:	0	0	0
	---	---	---
Gross Revenue:	41,970	5,670	47,640
Less: Direct Expenses:	31,434	4,510	35,944
	---	---	---
Net Income:	10,536	1,160	11,696

Line 10c: The Association sells back issues of its quarterly newsletter, selected books, and selected logging railroad memorabilia to its members.

Line 43d **(**Additional Management and General Expenses)

a. Membership services	355
b. Meeting food	461
c. Dues to outside organizations	195
d. Photography contest award	100
e. Misc. Administrative expenses	710

TOTAL	1,821

Line 43e: (Additional Program Service Expenses)

a. Repairs and stabilization of the historic Terry House in Cass	802
b. Restoration Building utilities & improvements	651
c. Design & publish brochures for the Cass Scenic RR State Park	475
d. Maintenance of PA system on Cass trains	304
e. Property insurance & supplies for the Cass Historic Museum	322
f. Purchase of portable PA system for seasonal interpreters	831
g. Training material for seasonal interpreters	67

TOTAL	3,451

PART III (General): Purpose of the Corporation: The primary purpose of the Mountain State Railroad & Logging Historical Association is to preserve the history of the lumber and logging railroad industries in West Virginia. The state of West Virginia has also designated the Association as the Foundation of Record for the Cass Scenic Railroad State Park. The Association's mission includes the preservation and interpretation of the West Virginia timber industry with emphasis on operations, equipment, and the people who worked in the industry. The programs of the Association serve not only it's membership, but a diverse general public audience represented by over 60,000 annual visitors to the Cass Scenic Railroad State Park

PART III (Additional Program Service Accomplishments):

Exempt Purpose Achievements (There were no grants or allocations)	Program Service Expenses
a. Maintenance and supplies for the Association's reconstructed logging camp exhibit at Whittaker Station in the Cass Scenic Railroad State Park.	2,261
b. Maintenance, enhancements, and utilities for the Restoration Building owned by the Cass Scenic Railroad State Park and used by the Association for restoration of the Climax geared locomotive	651
c. Design and publish 10,000 *Cass Visitor Guide* brochures	475
d. Repairs and maintenance work in the historic Terry House in the Cass Scenic Railroad State Park.	802
e. Purchase supplies to repair PA systems on Cass trains	304
f. Property insurance and supplies for the Cass Historical Museum	322
g. Purchase portable PA system for interpreters to use during tours	831
Total Program Service Expenses listed above	**5,646**

PART V (Officers and Directors):

Name and Address	Title & Average hours/week	Compensation	Contributions to Emp. Benefits	Expense acct & other allowances
Grady Smith 1405 Glendale Rd, Marietta OH 45750	President 5	0	0	0
George Collins 50 Smoky View Dr., Greeneville TN 37745	Executive Director 25	0	0	0
Perry Queener PO Box 2550, Westover WV 26502	Vice President 10	0	0	0
William McNeel 810 Second Ave., Marlinton WV 24954	Treasurer 5	0	0	0
Robert Hoke 6304 Kaybro St, Laurel MD 20707	Secretary & Asst. Treasurer 20	0	0	0
Chad Thompson 4571 Marwood Way, Virginia Beach VA 26432	Principal Director 5	0	0	0
William Besselman 2300 Buena Vista, Wickliffe OH 44092	Principal Director 5	0	0	0
Joseph Gonzalez	Principal Director	0	0	0

Rt 2 Box 197-C, Jane Lew WV 26378	10			
Michael Ryan 79 Hammond Ln, Centereach NY 11720	Director 5	0	0	0
Arthur Dameron 56 Bedford Pl, Yardley PA 19067	Director 10	0	0	0
George Deike PO Box 108, Cass WV 24927	Director 5	0	0	0
Richard Scott 200 Dodge Ave, Williamstown WV 26187	Director 5	0	0	0
Richard Sparks 7005 Davis St, Alexandria VA 22306	Director 5	0	0	0
Lou Aprile 1303 Deblin Dr., Milford OH 45150	Director 5	0	0	0

PART VIII (Relationship of Activities to Accomplishment of Exempt Purposes)

Line No.	Discussion
93g	The State of West Virginia gives the Association 25 cents per adult train ticket sold in the Cass Scenic Railroad State Park. The money is used to pay stipends for summer interns at the Park's logging camp exhibit and to provide other preservation, restoration, and interpretative services for Park visitors. One of the Association's goals is to increase the Park visitor's awareness of the historical aspects of logging railroads in West Virginia and of the Park itself.
94	The Association has over 500 paid members. They receive a quarterly publication, *The Log Train*, that contains articles chronicling the history of lumbering and logging railroads in West Virginia. This publication is the only periodical that disseminates this specialized information.
95	This is interest income on the Association's bank accounts and CDs
100	The Association sold a donated lathe that was no longer needed and a motorized track car that was donated over 10 years ago.
101	The Association operated two charter train trips on the Cass Scenic Railroad in 2005. Both provided special narration and handouts describing the historical aspects of the trip. Both trips were oriented to giving the riders a better perspective of the role of the logging railroads in West Virginia history, and emphasized the Cass Railroad's significance as a historical site and a repository for much unique logging and railroad equipment. There were a total of approximately 400 riders on the trains.
102	The Association sells a few specialized books and back issues of its quarterly newsletter to members. The vast majority of sales are back issues that members purchase for research or to fill gaps in their collections. Availability of the back issues facilitates research into Logging and railroad history in West Virginia.

-- end of attachment --