

PRECISION DRILLING TRUST
Form 6-K
January 18, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
Pursuant to Section 13a-16 or 15d-16 of the
Securities Exchange Act of 1934**

January 18, 2007

Commission File Number: 001-14534

Precision Drilling Trust
(Exact name of registrant as specified in its charter)

4200, 150 - 6th Avenue S.W.
Calgary, Alberta
Canada T2P 3Y7
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ___ Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1).

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82- N/A

Edgar Filing: PRECISION DRILLING TRUST - Form 6-K

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PRECISION DRILLING TRUST
By its Administrator **PRECISION DRILLING CORPORATION**

Dated: January 18, 2007

By: /s/ Darren Ruhr

Name: Darren Ruhr
Title: Corporate Secretary

Exhibit

Title

1 Press Release - Precision Drilling Trust Announces United States Federal income tax information for 2006

NEWS RELEASE

**Precision Drilling Trust Announces
United States Federal income tax information for 2006**

Calgary, Alberta, Canada - January 18, 2007

Precision Drilling Trust ("Precision") announced today the United States ("U.S.") federal income tax treatment of cash distributions paid by Precision to individual U.S. resident unitholders in 2006.

Based on advice from Precision's U.S. tax advisors, the issued and outstanding trust units of Precision will be classified as equity rather than as debt for U.S. federal income tax purposes. Precision believes that the cash distributions paid in 2006 to individual U.S. resident unitholders out of its current and accumulated earnings and profits should be treated as qualified dividend income for U.S. federal income tax purposes eligible for the reduced maximum rate of tax to individuals of generally 15%. More detailed United States tax information regarding the distributions paid in 2006 by Precision are provided on www.precisiondrilling.com.

United States resident unitholders are advised to consult their own tax advisers as to the specific U.S. federal and state income tax consequences of having received a cash distribution in 2006 from Precision.

Precision is Canada's largest energy services trust and the leading provider of energy services to the Canadian oil and gas industry. Precision provides customers with access to an extensive fleet of contract drilling rigs, service rigs, camps, snubbing units, wastewater treatment units and rental equipment backed by a comprehensive mix of technical support services and skilled, experienced personnel.

Precision Drilling Trust is listed on the Toronto Stock Exchange under the trading symbol "PD.UN" and on the New York Stock Exchange under the trading symbol "PDS".

For further information please contact Wane Stickland, Vice President Finance of Precision Drilling Corporation, Administrator of Precision Drilling Trust, 4200, 150 - 6th Avenue S.W., Calgary, Alberta T2P 3Y7, Telephone (403) 716-4500, Fax (403) 264-0251; website: www.precisiondrilling.com.

4200, 150 - 6th Avenue S.W.
Calgary, Alberta, Canada T2P 3Y7
Telephone: 403.716.4500
Facsimile: 403.264.0251
www.precisiondrilling.com