

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2004

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 1-4949

CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES
(Full title of the plan)

CUMMINS INC.
500 Jackson Street
P. O. Box 3005
Columbus, IN 47202-3005
(Name of Issuer of Securities Held Pursuant to the Plan and
the Address of its Principal Executive Office)

CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES

FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

DECEMBER 31, 2004 AND 2003

CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING EMPLOYEES

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* As the Plan is a member of the Cummins Inc. and Affiliates Retirement and Savings Plans Master Trust ("Master Trust"), the schedules of assets (held at end of year), at December 31, 2004 and of reportable transactions for the year ended December 31, 2004 of the Master Trust have been certified by the Master Trustee and have been separately filed with the Department of Labor. Other Supplemental Schedules not filed herewith are omitted because of the absence of the conditions under which they are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Benefits Policy Committee and Participants of the Cummins Inc. and Affiliates Retirement and Savings Plan for Salaried and Non-Bargaining Hourly Employees
Columbus, Indiana

We have audited the accompanying statements of net assets available for benefits of the Cummins Inc. and Affiliates Retirement and Savings Plan for Salaried and Non-Bargaining Hourly Employees (the "Plan") as of December 31, 2004 and 2003, and the related statement of changes in net assets available for benefits for the year ended December 31, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the year ended December 31, 2004, in conformity with accounting principles generally accepted in the United States of America,

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental allocation information in the statements of net assets available for benefits and the statement of changes in net assets available for benefits is presented for the purpose of additional analysis of the basic financial statements rather than to present information regarding the net assets available for benefits and changes in net assets available for benefits as allocated and is not a required part of the basic financial statements. This supplemental allocation information is the responsibility of the Plan's management. Such supplemental allocation information has been

subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, line 4i - Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental information is the responsibility of the Plan's management. The supplemental information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Blue & Co., LLC

June 10, 2005

**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2004 AND 2003

	2004			2003		
	Supplemental Information		Total	Supplemental Information		Total
	Allocated	Unallocated		Allocated	Unallocated	
Assets						
Investments:						
Investment in Cummins Inc. and Affiliates Retirement and Savings Plans Master Trust, at fair value:						
Cummins Inc. common stock - ESOP fund	\$ 50,135,914	\$ 58,280,526	\$ 108,416,440	\$ 37,921,360	\$ 37,453,461	\$ 75,374,821
Other investments	<u>568,177,844</u>	<u>-0-</u>	<u>568,177,844</u>	<u>481,216,992</u>	<u>-0-</u>	<u>481,216,992</u>
	618,313,758	58,280,526	676,594,284	519,138,352	37,453,461	556,591,813
Participant loans	<u>6,235,069</u>	<u>-0-</u>	<u>6,235,069</u>	<u>6,295,837</u>	<u>-0-</u>	<u>6,295,837</u>
Total investments	624,548,827	58,280,526	682,829,353	525,434,189	37,453,461	562,887,650
Receivables:						
Employer contributions	3,312,642	-0-	3,312,642	2,363,325	-0-	2,363,325
Employee contributions	<u>745,546</u>	<u>-0-</u>	<u>745,546</u>	<u>759,021</u>	<u>-0-</u>	<u>759,021</u>
Total receivables	<u>4,058,188</u>	<u>-0-</u>	<u>4,058,188</u>	<u>3,122,346</u>	<u>-0-</u>	<u>3,122,346</u>
Total assets	628,607,015	58,280,526	686,887,541	528,556,535	37,453,461	566,009,996

Liabilities

Note payable - ESOP (Note 4)	-0-	41,250,000	41,250,000	-0-	46,450,000	46,450,000
Interest payable	-0-	<u>1,060,641</u>	<u>1,060,641</u>	-0-	<u>1,194,346</u>	<u>1,194,346</u>
Net assets (deficit) available for benefits	\$ <u>628,607,015</u>	\$ <u>15,969,885</u>	\$ <u>644,576,900</u>	\$ <u>528,556,535</u>	\$ <u>(10,190,885)</u>	\$ <u>518,365,650</u>

See accompanying notes to financial statements.

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**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2004

	<u>Supplemental Information</u>		<u>Total</u>
	<u>Allocated</u>	<u>Unallocated</u>	
Additions			
Contributions:			
Employer	\$ 10,928,515	\$ 6,584,117	\$ 17,512,632
Employee	30,108,399	-0-	30,108,399
Allocation of 62,948 shares of Cummins Inc. common stock, at market	3,080,675	-0-	3,080,675
Plan interest in Cummins Inc. and Affiliates Retirement and Savings Plans Master Trust investment income	96,996,657	24,983,608	121,980,265
Interest income	<u>306,899</u>	<u>-0-</u>	<u>306,899</u>
Total additions	141,421,145	31,567,725	172,988,870
Deductions			
Benefits paid to participants	42,823,822	-0-	42,823,822
Interest expense	-0-	2,326,280	2,326,280
Allocation of 62,948 shares of Cummins Inc. common stock, at market	<u>-0-</u>	<u>3,080,675</u>	<u>3,080,675</u>
Total deductions	42,823,822	5,406,955	48,230,777
Fund transfer from Nelson Profit Sharing Plan	<u>1,453,157</u>	<u>-0-</u>	<u>1,453,157</u>
Net increase in net assets (deficit) available for benefits	100,050,480	26,160,770	126,211,250
Net assets (deficit) available for benefits, beginning of year	<u>528,556,535</u>	<u>(10,190,885)</u>	<u>518,365,650</u>
Net assets available for benefits, end of year	\$ <u>628,607,015</u>	\$ <u>15,969,885</u>	\$ <u>644,576,900</u>

See accompanying notes to financial statements.

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**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES**

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003

1. DESCRIPTION OF THE PLAN

The following description of the Cummins Inc. and Affiliates Retirement and Savings Plan for Salaried and Non-Bargaining Hourly Employees (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan designed to provide participants with a systematic method of savings and at the same time enable such participants to benefit from contributions made to the Plan by Cummins Inc. and Affiliates (collectively, the "Company"). Eligible employees are salaried and non-bargaining hourly employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Master Trust

The Cummins Inc. and Affiliates Retirement and Savings Plans Master Trust ("Master Trust") holds the assets of the Plan and the following Company-sponsored plans:

- Cummins Inc. and Affiliates Retirement and Savings Plan for Bargaining Unit Employees;
- Cummins Inc. and Affiliates Retirement and Savings Plan for ONAN Corporation Employees;
- Cummins Inc. and Affiliates Retirement and Savings Plan for Lubricant Consultants, Inc. Employees;
- Cummins Inc and Affiliates Retirement and Savings Plan for Consolidated Diesel Company, Inc. Employees; and
- Nelson Retirement and Savings Plan

The trustee for the Master Trust is The Vanguard Group.

Contributions

Participants may contribute up to 50% of their eligible pay through a combination of pre-tax and after-tax contributions. Participants may direct their contributions in any of thirteen investment options, including Cummins Inc. common stock.

**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003

Matching Contribution

The Company matches participant contributions in amounts ranging from 50% of the first \$900 of participant wages contributed to 50% of the first 6%, or 50% of the first 2% of participant wages contributed, based on the participant's employing company, as defined. The matching contribution is made in the form of cash or Company stock, based on the participant's employing company, as defined. Prior to May 1, 2002, Company matching contributions in the form of Company stock could not be reinvested into other investment options until the participant is 55 years of age. On May 1, 2002, the Company started removing restrictions on the reinvestment of stock received as a Company match. At December 31, 2002, 80% of stock received as a Company match was available for diversification. Subsequent to February 1, 2003, the entire amount of Company stock received as a match is available for diversification.

Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's contributions and an allocation of Plan earnings. Allocations of Plan earnings are made daily and are based upon the participant's weighted average account balance for the day, as described in the Plan document

Vesting

Participants are fully vested in all employee and employer contributions and earnings thereon at all times.

Benefit Payments

Upon termination of employment or retirement, account balances are paid either as a lump-sum distribution or annual installments not to exceed the lesser of 15 years or the life expectancy of the participant and/or joint life expectancy of the participant and beneficiary, and commence no later than the participant reaching age 70-1/2. The Plan also permits hardship withdrawals from participant pre-tax contributions and actual earnings thereon. Participants may also withdraw their after-tax contributions.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the Company shares allocated to his or her account. The Trustee shall vote all Company shares for which no voting instructions were received in the same manner and proportion as the shares for which voting instructions were received.

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**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES**

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003

Participant Loans

A participant can obtain a loan up to a maximum of the lesser of \$50,000 or 50% of the participant's account balance. Loans are secured by the participant's account balance and bear interest at the prime rate plus one percent, and mature no later than 4 1/2 years from the date of the loan.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan have been prepared on an accrual basis of accounting.

Investments

The Plan's investment in the Master Trust is stated at fair value based on the fair value of the underlying investments of the Master Trust, determined primarily by quoted market prices, except for the fixed income fund. The fixed income fund consists primarily of insurance contracts and bank investment contracts with various companies. The investment contracts are carried at fair value. Fair value approximates contract value, which represents contributions made plus interest accrued at the contract rate, less withdrawals. Insurance contracts and bank contracts are nontransferable, but provide for benefit-responsive withdrawals by plan participants at contract value. Alternative investment contracts consist of investments together with contracts under which a bank or other institution provides for benefit-responsive withdrawals by plan participants at contract value. Fair value is determined by considering such factors as the benefit-responsiveness of the investment contracts, the ability of the parties to perform in accordance with the terms of the contracts, and the likelihood that plan-directed withdrawals would cause payment to plan participants to be at amounts other than contract value. There are no limitations on liquidity guarantees and no valuation reserves are being recorded to adjust contract amounts.

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values by approximately \$1,050,000 at December 31, 2004.

Investments that represent 5% or more of the Master Trust's assets are separately identified as follows:

	<u>2004</u>	<u>2003</u>
Vanguard Wellington Fund	\$ 195,017,499	\$ 172,362,635
Cummins Inc. common stock	212,496,863	159,155,029
Vanguard Institutional Index Fund	171,875,842	142,720,301
Vanguard US Growth Fund	69,382,677	68,300,899
Vanguard Explorer Fund	58,726,095	44,930,828
Vanguard LifeStrategy Moderate Growth Fund	69,239,828	5,383,590
Other	<u>443,849,598</u>	<u>381,741,168</u>
 Total	 <u>\$ 1,220,588,402</u>	 <u>\$ 974,594,450</u>

**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES**

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003

Investment income for the Master Trust for the year ended December 31, 2004 is as follows:

Net appreciation in fair value of investments:	
Cummins Inc. common stock	\$ 48,423,156
Cummins Inc. common stock - ESOP fund (non-participant directed)	54,312,538
Registered investment companies	60,363,322
 Interest	 13,019,957
Dividends	1,567,367
Dividends from Cummins Inc. common stock - ESOP Fund (non-participant directed)	1,862,890

Additional information about the changes in net assets of the Master Trust for the year ended December 31, 2004 relating to non-participant directed investments is as follows:

Contributions	\$11,979,089
Benefits paid to participants	4,997,378
Transfers to participant-directed investments	31,927,478

4. ESOP FUND

The Master Trust established an Employee Stock Ownership Plan ("ESOP") Trust account in July 1989 to purchase 2,362,206 shares of the Company's common stock in exchange for a \$75,000,000 note secured by the shares. The note payable was repaid in November 2002 by the Company and the Company concurrently entered into a \$50,950,000 note with the ESOP Trust. This note is secured by the remaining unallocated shares in the ESOP Trust. The interest rate on the note is 5.61% with a maturity date of January 2010. Loan principal payments for the next five years and thereafter are as follows:

2005	\$	5,900,000
2006		6,700,000
2007		7,500,000
2008		8,500,000
2009		9,500,000
Thereafter		<u>3,150,000</u>
	\$	<u>41,250,000</u>

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**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
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NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003

The following is the Master Trust's investment in Cummins Inc. common stock - ESOP Fund (including cash) at December 31:

	<u>2004</u>		<u>2003</u>	
	<u>Allocated</u>	<u>Unallocated</u>	<u>Allocated</u>	<u>Unallocated</u>
Number of shares	<u>598,352</u>	<u>693,057</u>	<u>774,562</u>	<u>756,028</u>
Cost	<u>\$24,424,277</u>	<u>\$ 22,004,560</u>	<u>\$ 36,840,168</u>	<u>\$ 24,003,889</u>
Market	<u>\$50,135,914</u>	<u>\$58,280,526</u>	<u>\$37,921,360</u>	<u>\$37,453,461</u>

5. FUND TRANSFER

On June 18, 2004, the Nelson Profit Sharing Plan was terminated and \$95,534,675 was transferred into the Master Trust, of which this Plan received \$1,453,157 for employees transferred into this Plan.

6. TAX STATUS

The Plan received a favorable determination letter dated July 19, 2002 in which the Internal Revenue Service ("IRS") stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (the "Code"). The Plan has been amended since receiving that determination letter. The Company and its counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

7. RELATED PARTY TRANSACTIONS

Certain Master Trust investments are shares of mutual funds managed by The Vanguard Group, and shares of Cummins Inc. The Vanguard Group is the trustee of the Master Trust and Cummins Inc. is the Plan Sponsor; therefore, transactions with these parties qualify as party-in-interest transactions.

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**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES**

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2004 AND 2003

8. IRS SETTLEMENT

The Plan has settled with the IRS relating to an audit of the Plan. As part of the settlement the Company paid \$1,101,643 into the accounts of non-highly compensated employees of the Retirement Savings Plans on February 25, 2005. Of that amount, \$814,724 was allocated to this Plan and accrued in employer contributions receivable at December 31, 2004.

SUPPLEMENTARY INFORMATION

**CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING HOURLY EMPLOYEES**

SCHEDULE H, LINE 4i -SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
DECEMBER 31, 2004

EIN 35-0257090
Plan Number: 020

(a)	(b)	(c)	(d)	(e)
Identity of Issue	Description of Investment	Cost	Current Value	
Participant Loans	1- 4 1/2 year maturity 5.0% to 10.5%	\$ -0-	\$ 6,235,069	

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

CUMMINS INC. AND AFFILIATES
RETIREMENT AND SAVINGS PLAN
FOR SALARIED AND NON-BARGAINING UNIT HOURLY EMPLOYEES

By: Benefits Policy Committee of Cummins Inc.

Date: June 28, 2005

By: /s/ DAVID C. WRIGHT _____

David C. Wright
Secretary

INDEPENDENT AUDITOR'S CONSENT

We consent to the incorporation by reference in the Registration Statement No. 033-46097 on Form S-8 of Cummins, Inc. of our report dated June 10, 2005, with respect to the statements of net assets available for benefits of Cummins Inc. and Affiliates Retirement and Savings Plan for Salaried and Non-Bargaining Hourly Employees as of December 31, 2004 and 2003, the related statements of changes in net assets available for benefits for the year ended December 31, 2004, and the related supplemental schedule of Schedule H, line 4i-schedule of assets (held at end of year) as of December 31, 2004, which report appears in the December 31, 2004 on Form 11-K of Cummins Inc. and Affiliates Retirement and Savings Plan for Salaried and Non-Bargaining Hourly Employees.

/s/ BLUE & CO., LLC

BLUE & CO., LLC
Seymour, Indiana
June 27, 2005