

FOR VOTE AT THE 2022 ANNUAL IFTA BUSINESS MEETING



**IFTA BALLOT PROPOSAL
01-2022**

Sponsor

IFTA, Inc. Board of Trustees

Date Submitted

May 10, 2022

Proposed Effective Date

This ballot takes effect upon passage and first applies to votes taken immediately after passage.

Manual Sections to be Amended

(January 1996 Version, Effective July 1, 1998, as revised)

Articles of Agreement

Section R1600

Subject

Voting

History/Digest

Throughout the history of the Ballot Process in IFTA, many ballots that may have been beneficial to the IFTA Community have failed. Not because they have not been supported, but because in many instances, jurisdictions have failed to vote. In the current language, if a jurisdiction fails to vote, it is considered a negative vote. After discussing this potential ballot during the most recent Quarterly Regional Board update, there was a general opinion that the membership would support this ballot. As a reminder, no other organization or general election considers a “non-vote” as a “no vote”.

Intent

The intent of this ballot is to prevent a non-vote from counting as a (no vote) and to remind jurisdictions of the important responsibility of voting, whether it be in favor or opposed. The Ballot Process has changed which makes it more imperative that the commissioners stay in tune with needed changes to the living documents within IFTA.

Interlining Indicates Deletion; Underlining Indicates Addition

1 ***R1600 AMENDMENT**

2
3 ***[Sections R1605 through R1625 remain unchanged]***

4
5 **R1630 ACCEPTANCE OF AMENDMENTS**

6
7 **.100** Votes on amendments or interpretations must be cast by the commissioner or a delegate
8 named in writing by the commissioner.

9
10 **.200** An affirmative vote in writing of three-fourths of the total **eligible** member jurisdictions **who**
11 **voted** is required to amend the Articles of Agreement, Procedures Manual, or Audit
12 Manual. For purposes of this section, a vote submitted electronically through a
13 mechanism provided by the International Fuel Tax Association, Inc. is deemed a vote
14 in writing.

15
16 ~~**.300** Eligible member jurisdictions may abstain from voting, but a final ballot proposal may still~~
17 ~~not be adopted without the affirmative vote of three-fourths of the total member~~
18 ~~jurisdictions.~~

19
20 ~~**.400** Eligible member jurisdictions that do not vote on an amendment within the required time~~
21 ~~limits are considered to have voted in the negative, except as provided in IFTA Articles~~
22 ~~of Agreement Section R1655.~~

23
24 **R1635 EFFECTIVE DATE OF AMENDMENTS**

25
26 The effective date of all amendments, unless otherwise specified, is the first day of
27 January or July, whichever occurs first, following the completion of 12 complete months
28 following the close of the voting period. An alternate effective date may be allowed if it
29 receives the support of three-fourths of the total eligible member jurisdictions **who voted**.
30 If an alternate effective date is requested, it must be voted separately from the
31 amendment. ~~Eligible jurisdictions that do not vote on an alternate effective date within~~
32 ~~the required time limits are considered to have voted in the negative.~~

33
34 **R1640 WITHDRAWAL OF AMENDMENT PROPOSALS**

35
36 An amendment proposal may be withdrawn by the sponsoring jurisdiction or committee at
37 any time during the amendment process.

38
39 ***[Sections R1645 through R1660 remain unchanged]***

40
41

<p style="text-align: center;">Revisions Following the Comment Period</p> <p>Effective Date - This Ballot takes effect <u>upon passage</u> and first applies to votes taken immediately after passage</p>

Ballot #1-2022
Comment Period Ending June 24, 2022

Support: 30
Oppose: 1
Undecided: 3

ALABAMA

Support

ALBERTA

Support

Alberta is generally supportive but shares the concern expressed by other jurisdictions that there should be a minimum number of jurisdictions voting or a quorum to pass an amendment.

It is also not clear if this will apply to the other 2022 ballots.

ARKANSAS

Support

BRITISH COLUMBIA

Support

CONNECTICUT

Support

GEORGIA

Support

IDAHO

Support

ILLINOIS

Undecided

Illinois conditionally agrees with the ballot objective, which is to eliminate the counting of a “non-vote” as a “no vote”.

An affirmative vote of three-fourths of the total eligible member jurisdictions *who vote* is required to amend the Articles of Agreement, Procedures Manual, or Audit Manual.

Since member jurisdictions who abstain from voting will no longer be included in a vote tally, an amendment could be passed/defeated without a majority of eligible members voting. Ballot #1, as it is currently written, is deficient without any required quorum of eligible member jurisdictions who must vote. Illinois would agree with this ballot initiative if such a quorum is established.

INDIANA

Support

Indiana supports this ballot that a non-vote does not count as a "No", but we also wonder about a minimum number of votes to pass if voting activity is light as has been mentioned in other comments. In addition, the effective date is upon passage, does that mean if the ballots are voted on in order, that this approved ballot is effective for all subsequent ballot votes within the same session?

KANSAS

Support

KENTUCKY

Support

MANITOBA

Undecided

Manitoba agrees with the comments made by Illinois. With no minimum quorum set, an amendment could pass with few jurisdictions voting.

MARYLAND

Support

MICHIGAN

Support

MINNESOTA

Support

MN Supports this ballot as written

MISSOURI

Support

NEBRASKA

Support

Nebraska supports the ballot, but agrees that adding quorum language would be preferable.

NEW BRUNSWICK

Support

NEW HAMPSHIRE

Support

NORTH CAROLINA

Oppose

North Carolina has multiple concerns with this ballot. First, because the ballot is proposing the effective change be upon passage, it becomes unclear whether the other seven (7) ballots will be affected by this change. This should be made clear to the jurisdictions when a vote is made on whether to make it effective immediately.

Second, a minimum number of votes casts or a quorum should be required to change the Articles of Agreement, Procedures Manual, or Audit Manual. It is possible, although unlikely, that a handful of votes could fundamentally change how IFTA functions and how it regulates the activities of motor carriers.

Comparisons to legislation, parliamentary procedures, and other voting procedures have been brought up as justification for this change. However, they are not apt comparisons because of the lack of a quorum requirement. For organizations (see e.g., IFTA Inc. Bylaws) and legislatures (see e.g., U.S. Const. art. I, § 5, cl. 1) quorums are required before action can be taken. Moving forward, although many ballots will be voted upon at the ABM, this will not apply in all circumstances.

Third, the voting procedure should maintain the ability for a jurisdiction to abstain from voting. This is a strategic decision that should not be removed, and it maintains the ballot's purpose of encouraging voting. There are legitimate reasons to allow a jurisdiction a vote to abstain. For example, there may be a conflict of interest for a particular member jurisdiction and that jurisdiction may feel that it is in the best interests of the jurisdiction or the organization to abstain from voting. The ability to abstain serves an important function in allowing a jurisdiction to tell the IFTA community that it has abstained. Also, as a practical matter, when votes are submitted at the ABM, not allowing an abstention will unnecessarily complicate the process if a jurisdiction is ready, willing, and able to submit a vote but chooses not to.

As shown in North Carolina's suggested language, a quorum would be required. When a ballot is cast when not at a meeting, an abstention will count to determine whether there is a quorum but will not affect the outcome of the vote. North Carolina is open whether a quorum is a majority of the total eligible member jurisdictions or 2/3 of the total eligible member jurisdictions. However, 2/3 would be consistent with the IFTA Inc. bylaws.

North Carolina would support this ballot if a quorum requirement was added.

Please see the following link for our suggested changes: [Click Here](#)

NORTH DAKOTA

Support

ONTARIO

Support

OREGON

Support

PENNSYLVANIA

Support

PA recognizes there are both positive aspects and negative concerns to this ballot. Our opinion is that the original voting thresholds were in place for good reason; that the agreement should not be adjusted without an overwhelming majority in support of change; however, we realize the purpose of this ballot is to gain compliance, voting participation, and make the IFTA voting process more sensible based on historical and logistical voting trends, availability to vote, and any other situations that may arise that could impede the jurisdictions' voting processes; therefore, we support this ballot overall...

PRINCE EDWARD ISLAND

Undecided

PEI Agrees with Illinois' comments.

QUEBEC

Support

SASKATCHEWAN

Support

SOUTH CAROLINA

Support

SOUTH DAKOTA

Support

TENNESSEE

Support

VIRGINIA

Support

WASHINGTON

Support

WEST VIRGINIA

Support

WYOMING

Support

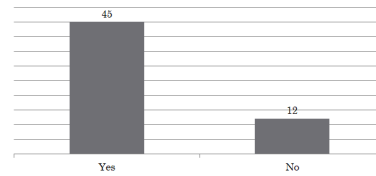
Total Responses: 57 45 Yes – 12 No Ballot 1-2022 Passed

Ballot 1-2022

The intent of this ballot is to prevent a non-vote from counting as a (no vote) and to remind jurisdictions of the important responsibility of voting, whether it be in favor or opposed. The Ballot Process has changed which makes it more imperative that the commissioners stay in tune with needed changes to the living documents within IFTA.

- 1. Yes
- 2. No

**RESULTS
Ballot 1-2022**



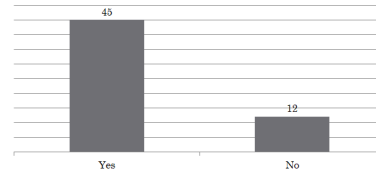
Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
British Columbia 5	Yes
California 6	Yes
Colorado 7	No
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	No
Indiana 14	Yes
Iowa 15	No
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	Yes
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	No

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	No
New Jersey 33	Yes
New Mexico 34	No
New York 35	No
North Carolina 36	No
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	No
Oklahoma 40	Yes
Ontario 41	Yes
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	No
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	45 Yes 12 No

Total Responses: 57 45 Yes – 12 No Ballot 1-2022 Effective Date Passed

Ballot 1-2022 – Effective Date
UPON PASSAGE
1 Yes
2 No

RESULTS
Ballot 1-2022
Effective Date – Upon Passage



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
British Columbia 5	Yes
California 6	Yes
Colorado 7	No
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	No
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	Yes
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	No
New Jersey 33	Yes
New Mexico 34	No
New York 35	No
North Carolina 36	No
North Dakota 37	Yes
Nova Scotia 38	No
Ohio 39	Yes
Oklahoma 40	Yes
Ontario 41	Yes
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	No
Virginia 54	No
Washington 55	Yes
West Virginia 56	No
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	45 Yes 12 No

FOR VOTE AT THE ANNUAL IFTA BUSINESS MEETING



**IFTA BALLOT PROPOSAL
2-2022**

Sponsor

IFTA Audit Committee

Date Submitted

April 5, 2022

Proposed Effective Date

January 1, 2024

Manual Sections to be Amended

(January 1996 Version, Effective July 1, 1998, as revised)

Procedures Manual

Section P540 Distance Records

Subject

Standardization of Electronic Audit Records

History/Digest

The Board of Trustees approved a GPS Standardization Working Group in October 2019. The charges for this working group were outlined as follows:

- (1) Survey membership on level of experience with various GPS or other electronic auditing and how they engage in such audits, including any issues encountered conducting GPS audits, types of GPS systems audited, and the mileage software used to conduct the audit;
- (2) Survey the IAC to gain a better understanding of the obstacles faced to comply with the Plan and difficulties found in the audit process;
- (3) Review the format for the electronic data and provide recommendations for a standard format;
- (4) Analyze the electronic recordkeeping requirements in both the Plan and the Agreement with the results from the survey and make recommendations; and
- (5) Provide progress updates at upcoming Board meetings and a report to both Boards with a final recommendation by the Fourth Quarter 2020.

The Board of Trustees issued a new charge on December 1, 2020 as follows:

The IFTA AC should work together with the IRP AC to develop a ballot that works for both organizations. Your ballot proposal should take into consideration the research that was completed and presented to the Board in October 2020 from the GPS Standardization Working Group.

- (6) A ballot, FTPBP#4 2021, was submitted on March 23, 2021, and distributed for comment. The Audit Committee provided multiple opportunities for discussion at the 2021 Audit Workshop the committee also reviewed the online comments. After much deliberation, the Audit Committee withdrew the ballot.

Intent

To tightly define what data elements would be required and what formats would be acceptable (IE XLS, CSV, etc) and not acceptable (IE static images from Word, PDF, etc). The intent is not to exclude future or current technologies that would sufficiently capture distance accrued and allow for the verification of distance. An example of such a technology would include geofencing.

Commentary:

Geofencing technology creates geographic boundaries, such as jurisdiction, enabling software to respond when a vehicle leaves and enters a particular boundary. If certain data was provided from geofencing technology, it could allow for the verification of distance

Interlining Indicates Deletion; Underlining Indicates Addition

1 PROCEDURES MANUAL
2 P500 Recordkeeping
3 *P540 Distance Records
4

5 *[SECTION P540.100 and P540.300 REMAIN UNCHANGED]*
6

7 .200 ~~Distance records produced wholly or partly by a vehicle tracking system, including a~~
8 ~~system based on a global positioning system (GPS):~~ Distance records produced by a vehicle
9 tracking system that utilizes latitudes and longitudes, a record must be created and maintained at
10 a minimum every 15 minutes when the vehicle's engine is on and contain the following data
11 elements:
12

13 .005 ~~the original GPS or other location data for the vehicle to which the records pertain~~
14 ~~.010~~ .005 the date and time of each GPS or other system reading, at intervals sufficient to
15 validate the total distance traveled in each jurisdiction
16

17 ~~.015~~ .010 the location of each GPS or other system reading the latitude and longitude to
18 include a minimum of 4 decimal places (0.0001) of each system reading
19

20 ~~.020~~ .015 the beginning and ending reading from the odometer, hubodometer, engine
21 control module (ECM), or any similar device for the period to which the records pertain
22 the odometer reading from the engine control module (ECM) of each system reading. If
23 no ECM odometer is available a beginning and ending dashboard odometer or hubodometer for
24 the trip will be acceptable.
25

26 ~~.025~~ the calculated distance between each GPS or other system reading
27

28 ~~.030~~ the route of the vehicle's travel
29

30 ~~.035~~ the total distance traveled by the vehicle
31

32 ~~.040~~ the distance traveled in each jurisdiction
33

34 ~~.045-.020~~ the vehicle identification number or vehicle unit number
35

36 This data must be accessible in an electronic spreadsheet format such as XLS, XLSX, CSV or delimited
37 text file. Formats from a vehicle tracking system that provides a static image such as PDF, JPEG, PNG,
38 or Word are not accessible.
39

No revisions following the Comment Period

•

Ballot #2-2022
Comment Period Ending June 24, 2022

Support: 20
Oppose: 2
Undecided: 8

ALABAMA

Support

ALBERTA

Support

Alberta is supportive of the intent of this ballot. The suggested wording however makes it somewhat unclear. Alberta recommends using phrasing that is more consistent with P540.100 such as:

Distance records produced by a vehicle tracking system utilizing latitudes and longitudes which creates and maintains, at a minimum of every 15 minutes when the vehicle's engine is on, a record that contains the following elements shall be accepted by the base jurisdiction as adequate under this article:

- .005 the date and time of each system reading,
- .010 the latitude and longitude calculated to four decimal places of each system reading,
- .015 the engine control module (ECM) reading of each system reading or, if an vehicle is not equipped with an ECM, the beginning and ending dashboard odometer or hubodometer readings, and
- .020 the vehicle identification number or vehicle unit number.

ARKANSAS

Support

BRITISH COLUMBIA

Support

IDAHO

Support

ILLINOIS

Oppose

While the Intent of the Ballot Proposal includes the statement, "The intent is not to exclude future or current technologies that would sufficiently capture distance accrued and allow for the verification of distance," the actual crossed out wording in the Procedures appears to be narrowing the scope of electronic systems which are acceptable.

The ballot shows the removal of "other location data" (.005), "other system reading"(.010), and "the location of each GPS or other system reading" (.015) from the Procedures manual. Eliminating the possibility of using other system readings from vehicle tracking devices such as city, state, and zip code to only using longitude/latitude readings unfairly assumes that all the jurisdictions' audit systems are capable of reading longitude and latitude readings. Jurisdictions that accept and use data such as city, state, and zip code readings would be non-compliant.

Also, the ballot appears to be eliminating other forms of data captures like “the route of the vehicle’s travel” (.030), “the total distance traveled by the vehicle” (.035), and such. Removing data that can be used to verify raw data seems counterproductive.

Furthermore, eliminating “other location data” or “other system reading” creates a burden on taxpayers whose GPS providers do not provide longitude/latitude data to their customers without additional fees.

INDIANA

Support

IN supports the ballot, and the changes to the language. Ballot provides uniformity to carriers and for all jurisdictions.

KANSAS

Support

KENTUCKY

Support

MAINE

Undecided

Maine has concerns with the 15-minute interval and how this would be interpreted by system providers and suggest the following:

.200 Distance records produced by a vehicle tracking system that utilizes latitudes and longitudes, a record must be created and maintained at a minimum every *10 minutes* when the vehicle’s engine is on, *including when the engine is started and turned off*, and contain the following data elements:

.005 the date and time of each system reading,

.010 the latitude and longitude to include a minimum of 4 decimal places (0.0001) of each system reading

.015 the odometer reading from the engine control module (ECM) of each system reading. If no ECM odometer is available a beginning and ending dashboard odometer or hubodometer for the trip will be acceptable.

.020 the vehicle identification number or vehicle unit number

This data must be accessible in an electronic spreadsheet format such as XLS, XLSX, CSV or delimited text file. Formats from a vehicle tracking system that provides a static image such as PDF, JPEG, PNG, or Word are not accessible.

One of our other concerns is there appears to be a gap in record keeping requirements. P540.100 provides record keeping requirements for “other than vehicle-tracking systems” and the proposed change to P540.200 provides record keeping requirements for “vehicle tracking systems that utilizes latitudes and longitudes”. What about vehicle tracking systems that do not use latitudes and longitudes? Should we have a section that is a catch-all? Or should it refer back to P540.100? Or should

P540.100 be restated such as "For all records produced by a system that does not utilizes latitudes and longitudes"?

MANITOBA

Undecided

Manitoba does not want to force carriers to have specific systems due to the potential cost if the system they are currently using is compliant with what is currently required.

MICHIGAN

Support

MINNESOTA

Support

Minnesota is favorable to this ballot proposal. We would like to consider lowering the record to every ten minutes for alignment with IRP. We would like to understand the prohibition against static images as the proposal is not clear as to the reasoning for their removal

NEW BRUNSWICK

Support

NEW HAMPSHIRE

Undecided

New Hampshire agrees with Maine we would like to see 10 minutes instead of 15 minutes.

NORTH CAROLINA

Undecided

First, the ballot states that as it applies to "[d]istance records produced by a vehicle tracking system that utilizes latitudes and longitudes." In reference to Maine's comment and Illinois' comment, where P540 provides what records must be maintained, North Carolina reads the language to exclude vehicle-tracking systems not using latitudes and longitudes. There does not appear to be a clear 'third option' based on how this is written.

If this is the intent, it may be more clear to state that the "Distance records produced by a vehicle tracking system must use latitudes and longitudes . . ."

However, this is contrary to the intent of the ballot as noted by Illinois. Because the stated intent of the ballot is inconsistent with the language as drafted, North Carolina is undecided. North Carolina is open to working with the sponsor to ensure the intent of the ballot matches the language of the ballot.

Second, the requirements that data be in an accessible format is 'hanging' on its own. It would be better to incorporate it into the leading paragraph. Incorporating a few other tweaks and the fix above, it may be better for it to read as follows:

"Distance records produced by a vehicle tracking system must use latitudes and longitudes coordinates. This data must be accessible in an electronic spreadsheet format such as XLS, XLSX, CSV, or delimited text file. Formats from a vehicle tracking system that provides a static image such as PDF, JPEG, PNG, or Word are not accessible formats. A record must be created and maintained at a minimum every 15 minutes when the vehicle's engine is on and contain all of the following data elements: . . . "

Third, GPS coordinates can be noted by either by DD (decimal degrees) or DMS (degrees, minutes, seconds). It appears the ballot is referring to DD. Therefore, the following changes may make it more clear:

".010 the latitude and longitude in decimal degrees with a minimum of 4 decimal places (e.g., 0.0001) of for each system reading"

Finally, it appears that requirements for total distance traveled and distance traveled by jurisdiction were removed. It may be helpful in reviewing a motor carrier's records to quickly see the summary data. Therefore, the sponsor should consider re-including those requirements, specifically .035 and .040.

NORTH DAKOTA

Support

ONTARIO

Oppose

We support the data format requirements and where the latitude and longitude are provided the requirements listed are sufficient but we feel the requirements are too restrictive. Listing the data elements that must be created takes away a jurisdiction's discretion to accept alternate data elements that it considers adequate.

OREGON

Support

PENNSYLVANIA

Undecided

PRINCE EDWARD ISLAND

Support

QUEBEC

Support

SASKATCHEWAN

Undecided

Agree with the importance of removing the ability to provide static images versus formats that are compatible with Excel.
Concerns with removing the requirement to include route of travel, total distance traveled by vehicle,

and distance traveled in each jurisdiction since this information is important to allow jurisdictions to validate the raw data.

A daily summary that reflects the distance per jurisdiction for each vehicle is now missing from the proposal which would be an important piece for audit purposes.

The proposed amendment states that if no ECM odometer is available, a beginning and ending dashboard odometer or hubodometer for the trip will be acceptable. This would not be sufficient for IFTA audit purposes since the trip could cross multiple jurisdictions and would hinder the auditor's ability to verify jurisdictional distance.

Lastly, if the carrier has the ability to provide electronic records, they should be required to provide records electronically for audit purposes.

SOUTH CAROLINA

Support

SOUTH DAKOTA

Support

South Dakota supports this ballot. I applaud the work of both audit committees in IFTA and IRP and the time and effort they took to look at this subject. This ballot will give industry and jurisdictions a source to be able to audit effectively for all jurisdictions.

TENNESSEE

Support

VIRGINIA

Undecided

Agree with Manitoba. Also question if there is really a problem here that needs to be fixed.

WASHINGTON

Undecided

Reviewing to determine if restricting data formats to an electronic spreadsheet format, therefore excluding data that may be available by other means, would be problematic.

WEST VIRGINIA

Support

WYOMING

Support

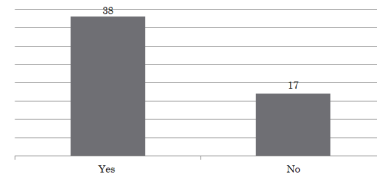
Total Responses: 55 38 Yes – 17 No Ballot 2022 Failed

Ballot 2-2022

The intent of this ballot is to tightly define what data elements would be required and what formats would be acceptable (IE XLS, CSV, etc.) and not acceptable (IE static images from Word, PDF, etc.). The intent is not to exclude future or current technologies that would sufficiently capture distance accrued and allow for the verification of distance. An example of such a technology would include geofencing.

- 1.Yes
- 2.No

**RESULTS
Ballot 2-2022**



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
British Columbia 5	Yes
California 6	Yes
Colorado 7	[No Response]
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	No
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	No
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	No
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	No
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	No

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	No
New Hampshire 32	No
New Jersey 33	Yes
New Mexico 34	[No Response]
New York 35	Yes
North Carolina 36	No
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	No
Oklahoma 40	Yes
Ontario 41	No
Oregon 42	Yes
Pennsylvania 43	No
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	No
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	No
Washington 55	No
West Virginia 56	No
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	38 Yes 17 No

FOR VOTE BY DECEMBER 5, 2022



**IFTA BALLOT PROPOSAL
2-2022**

Sponsor

IFTA Audit Committee

Date Submitted

August 23, 2022

Proposed Effective Date

January 1, 2024

Manual Sections to be Amended

(January 1996 Version, Effective July 1, 1998, as revised)

Procedures Manual

Section P540 Distance Records

Subject

Standardization of Electronic Audit Records

History/Digest

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- (3) Review the format for the electronic data and provide recommendations for a standard format;
- (4) Analyze the electronic recordkeeping requirements in both the Plan and the Agreement with the results from the survey and make recommendations; and
- (5) Provide progress updates at upcoming Board meetings and a report to both Boards with a final recommendation by the Fourth Quarter 2020.

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Commentary:

Geofencing technology creates geographic boundaries, such as jurisdiction, enabling software to respond when a vehicle leaves and enters a particular boundary. If certain data was provided from geofencing technology, it could allow for the verification of distance

Interlining Indicates Deletion; Underlining Indicates Addition

1 PROCEDURES MANUAL
2 P500 Recordkeeping
3 *P540 Distance Records
4

5 .100 Distance records produced by a means other than a vehicle-tracking system, **as set out in**
6 **P540.200**, that substantially document the fleet's operation and contain the following elements shall be
7 accepted by the base jurisdiction as adequate under this article:
8

9 *[SECTION P540.100.005 – P540.100.035 and P540.300 REMAIN UNCHANGED]*
10

11 .200 ~~Distance records produced wholly or partly by a vehicle-tracking system, including a~~
12 ~~system based on a global positioning system (GPS):~~ **Distance records produced by a vehicle**
13 **tracking system that utilizes latitudes and longitudes, a record must be created and maintained at**
14 **a minimum every 10 minutes when the vehicle's engine is on and contain the following data**
15 **elements:**
16

17 .005 ~~the original GPS or other location data for the vehicle to which the records pertain~~
18 ~~.010~~ **.005 the date and time of each GPS or other system reading, at intervals sufficient to**
19 **validate the total distance traveled in each jurisdiction**
20

21 ~~.015~~ **.010 the location of each GPS or other system reading the latitude and longitude to**
22 **include a minimum of 4 decimal places (0.0001) of each system reading**
23

24 ~~.020~~ **.015 the beginning and ending reading from the odometer, hubodometer, engine**
25 **control module (ECM), or any similar device for the period to which the records pertain**
26 **the odometer reading from the engine control module (ECM) of each system reading. If**
27 **no ECM odometer is available a beginning and ending dashboard odometer or hubodometer for**
28 **the trip will be acceptable.**
29

30 ~~.025 the calculated distance between each GPS or other system reading~~
31

32 ~~.030 the route of the vehicle's travel~~
33

34 ~~.035 the total distance traveled by the vehicle~~
35

36 ~~.040 the distance traveled in each jurisdiction~~
37

38 ~~.045~~ **.020 the vehicle identification number or vehicle unit number**
39

40 **This data must be accessible in an electronic spreadsheet format such as XLS, XLSX, CSV or delimited**
41 **text file. Formats from a vehicle tracking system that provides a static image such as PDF, JPEG, PNG,**
42 **or Word are not acceptable.**
43

No Revisions Following the Second Comment Period

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 2-2022
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
ALABAMA		1		1
ALBERTA		1		1
ARIZONA	1		1	
ARKANSAS	1		1	
BRITISH COLUMBIA		1		1
CALIFORNIA	1		1	
COLORADO				
CONNECTICUT	1		1	
DELAWARE		1		1
FLORIDA		1		1
GEORGIA	1		1	
IDAHO	1		1	
ILLINOIS		1		1
INDIANA	1		1	
IOWA	1		1	
KANSAS	1		1	
KENTUCKY	1		1	
LOUISIANA	1		1	
MAINE		1		1
MANITOBA		1		1
MARYLAND	1		1	
MASSACHUSETTS	1		1	
MICHIGAN	1		1	
MINNESOTA				
MISSISSIPPI	1		1	
MISSOURI		1		1
MONTANA	1		1	
NEBRASKA	1		1	
NEVADA	1		1	
NEW BRUNSWICK	1		1	
NEW HAMPSHIRE	1		1	
NEW JERSEY	1		1	
NEW MEXICO				
NEW YORK	1		1	
NEWFOUNDLAND		1		1
NORTH CAROLINA		1		1
NORTH DAKOTA	1		1	
NOVA SCOTIA	1		1	
OHIO	1		1	
OKLAHOMA	1		1	
ONTARIO		1		1
OREGON	1		1	
PENNSYLVANIA		1		1
PRINCE EDWARD ISLAND	1		1	
QUEBEC		1		1
RHODE ISLAND				
SASKATCHEWAN	1		1	

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 2-2022
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
SOUTH CAROLINA	1		1	
SOUTH DAKOTA	1		1	
TENNESSEE	1		1	
TEXAS	1		1	
UTAH	1		1	
VERMONT				
VIRGINIA		1		1
WASHINGTON		1		1
WEST VIRGINIA	1		1	
WISCONSIN	1		1	
WYOMING	1		1	
TOTALS	37	16	37	16

Bold font in the voting total columns and shading indicate that the jurisdiction did not vote.

Number of "YES" votes necessary to pass: *three-fourths of the total eligible member jurisdictions who voted (R1630.200)*

Effective Date:

LANGUAGE:

NUMBER OF "YES" VOTES RECEIVED: **37**
 NUMBER OF "NO" VOTES RECEIVED: **16**
 NUMBER OF ELIGIBLE JURISDICTIONS VOTING **53**
 NUMBER OF VOTES NOT RECEIVED: **3**
RESULT: **FAILED** **3/4 of 53 = 39.75**

ALTERNATIVE EFFECTIVE DATE:

NUMBER OF "YES" VOTES RECEIVED: **37**
 NUMBER OF "NO" VOTES RECEIVED: **16**
 NUMBER OF ELIGIBLE JURISDICTIONS VOTING **53**
 NUMBER OF VOTES NOT RECEIVED: **3**
RESULT: **FAILED** **3/4 of 53 = 39.75**

Ballot Intent:

To tightly define what data elements would be required and what formats would be acceptable (IE XLS, CSV, etc) and not acceptable (IE static images from Word, PDF, etc). The intent is not to exclude future or current technologies that would sufficiently capture distance accrued and allow for the verification of distance. An example of such a technology would include geofencing.

FOR VOTE AT THE 2022 ANNUAL IFTA BUSINESS MEETING



**IFTA FULL TRACK PRELIMINARY BALLOT PROPOSAL
3-2022**

Sponsor

IFTA, Inc. Board of Trustees

Date Submitted

February 24, 2022

Proposed Effective Date

Upon passage

Manual Sections to be Amended (January 1996 Version, Effective July 1, 1998, as revised)

Articles of Agreement *R1555.300

Subject

Dispute Resolution Process (DRP) - Expulsion Process Clean-up

History/Digest

In reviewing the process, a conflict was noted between the Articles of Agreement and the DRP Remedies number 3 and 4. This conflict has been in existence since the ratification of the prior DRP.

3. *If the Respondent fails to be in compliance after one year of its loss of voting power and membership dues being doubled the Respondent's membership dues for the next fiscal year will be tripled and a resolution for expulsion may be issued pursuant to the IFTA Articles of Agreement.*
4. *If the Respondent fails to be in compliance after one year of its membership dues being tripled, a resolution for expulsion will be issued pursuant to the IFTA Articles of Agreement.*

Intent

The intent is to align the Articles of Agreement with the expulsion provisions in the newly ratified DRP.

Interlining Indicates Deletion; Underlining Indicates Addition

1 ARTICLES OF AGREEMENT
2 *R1555 COMPLIANCE MATTERS

3
4 *[Sections R1555.100 and .200 remain unchanged]*

5
6 **.300 Expulsion Process**

7
8 **.005** The IFTA, Inc. Board of Trustees shall request a resolution to expel a member
9 jurisdiction which has failed to bring its IFTA program into compliance under the
10 provisions of the IFTA Dispute Resolution Process.

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No revisions following the Comment Period

-

Ballot #3-2022
Comment Period Ending June 24, 2022

Support: 32
Oppose: 0
Undecided: 1

ALABAMA

Support

ALBERTA

Support

As written it is not clear if the board is requesting a resolution under the provisions of the DRP, or if the jurisdiction has failed to bring its IFTA program into compliance under the provisions of the DRP.

The DRP remedies 3 and 4 imply that it is the resolution that is requested pursuant to the Articles. For clarity Alberta suggests that the wording of R1555.300.005 be amended as follows:

The IFTA, Inc. Board of Trustees may request, under the provisions of the IFTA Dispute Resolution Process, a resolution to expel a member jurisdiction which has failed to bring its IFTA program into compliance

ARKANSAS

Support

BRITISH COLUMBIA

Support

CONNECTICUT

Support

IDAHO

Support

ILLINOIS

Undecided

The issues discussed in Ballot #1, would have application here in that a Jurisdiction's expulsion could be accomplished with fewer than a majority of eligible members voting.

INDIANA

Support

KANSAS

Support

KENTUCKY

Support

MANITOBA

Support

MARYLAND

Support

MICHIGAN

Support

MINNESOTA

Support

MISSOURI

Support

NEBRASKA

Support

NEW BRUNSWICK

Support

NEW HAMPSHIRE

Support

NORTH CAROLINA

Support

NORTH DAKOTA

Support

ONTARIO

Support

Please use interlining and underlining to indicate deletion/addition.

OREGON

Support

PENNSYLVANIA

Support

PRINCE EDWARD ISLAND

Support

QUEBEC

Support

SASKATCHEWAN

Support

SOUTH CAROLINA

Support

SOUTH DAKOTA

Support

TENNESSEE

Support

VIRGINIA

Support

WASHINGTON

Support

WEST VIRGINIA

Support

WYOMING

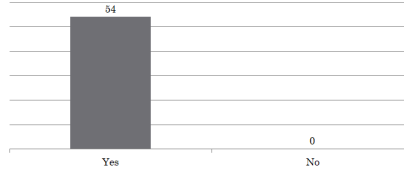
Support

Total Responses: 54 54 Yes – 0 No Ballot 3-2022 Passed

Ballot 3-2022
 The intent is to align the Articles of Agreement with the
 expulsion provisions in the newly ratified DRP.

- 1 Yes
- 2 No

RESULTS
Ballot 3-2022



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
Arizona 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	Yes
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	Yes
Michigan 23	[No Response]
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

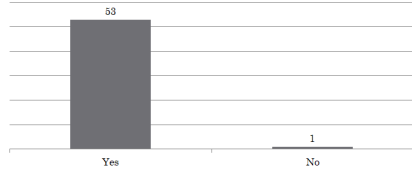
Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	Yes
New Jersey 33	Yes
New Mexico 34	[No Response]
New York 35	Yes
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	Yes
Ontario 41	Yes
Oregon 42	Yes
Pennsylvania 43	[No Response]
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	54 Yes – 0 No

Total Responses: 54 53 Yes – 1 No Effective Date Passed

Ballot 3-2022
Effective Date Upon Passage

- 1. Yes
- 2. No

Results Ballot 3-2022
Effective Date Upon Passage



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
Arizona 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	Yes
Michigan 23	[No Response]
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	Yes
New Jersey 33	Yes
New Mexico 34	[No Response]
New York 35	Yes
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	Yes
Ontario 41	Yes
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	[No Response]
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	53 Yes – 1 No

FOR VOTE AT THE 2022 ANNUAL IFTA BUSINESS MEETING



IFTA BALLOT 4-2022

Sponsor(s)

Canadian Provinces
IFTA Program Compliance Review Committee (PCRC)

Date Submitted

February 23, 2022

Proposed Effective Date

Upon Passage

Manual Sections to be Amended (January 1996 Version, Effective July 1, 1998, as revised)

Articles of Agreement Section *R1230.200

Subject

Canadian Interest Rate Calculation

History/Digest

The Canadian interest rate is based on the Canadian Federal Treasury Bill rate. There are multiple Canadian Federal Treasury Bill rates based on the length of the bill (1-month, 3-month, 6-month, and yearly). Each of these can have a different interest rate. Rates can adjust weekly. During the 2021 PCRC reviews of the Canadian Provinces the PCRC learned that the Canadian Jurisdictions used various methods and Canadian Federal Treasury Bill rates when calculating the Canadian interest rate, which could result in differing interest rates used by the Canadian Jurisdictions.

Full track ballot #02-2010 amended the U.S. interest rate, specifying the basis for the U.S. interest rate and directed the Repository to publish the annual rate jurisdictions are to assess.

A meeting invitation was extended to representatives of the 10 Canadian Provinces. Representatives from IFTA Inc., the PCRC, and NL, PE, ON, QC, SK, MB, and MB met via a Teams Meeting on 3/22/22. A draft ballot outlining quarterly interest rates, based on a Bank of Canada 3-month Canadian Federal Treasury Bill rate plus 2 percent rounded to the next whole number, was discussed. The Provincial representatives suggested using a Bank of Canada 1-year interest rate in the interest calculation with the first Bank of Canada 1-year Federal Treasury Bill rate published in November 2022 to be used in the calculation of the Canadian Interest Rate for 2023.

The PCRC recommends the use of the 1-year Bank of Canada Federal Treasury Bill rate in the Canadian interest calculation.

Furthermore, the PCRC recommends the Repository publish the Canadian interest rates similar to how the U.S. interest rates are published.

Intent

The intent of this ballot is to amend the IFTA Articles of Agreement so the Canadian interest rate will be consistent for all Canadian Jurisdictions.

1 **Interlining Indicates Deletion; Underlining Indicates Addition**

2
3 Articles of Agreement
4 R1230 Interest

5
6 *[Sections .100, .300, and .400 remain unchanged]*

7
8 **.200 Canadian Jurisdiction Interest Rate**

9
10 For a fleet based in a Canadian jurisdiction, interest shall accrue at a rate equal to the 1-year Canadian
11 Federal Treasury Bill rate, as published by the Bank of Canada on the first date that a rate is published in
12 November of the year prior to which the interest rate will apply, plus two percent rounded up to the next
13 whole percentage point and adjusted ~~every calendar quarter~~ annually. Interest shall accrue monthly at
14 1/12th of this annual rate. The Repository shall notify Jurisdictions by December 1.
15
16
17

No revisions following the Comment Period

•

Ballot #4-2022
Comment Period Ending June 24, 2022

Support: 31
Oppose: 0
Undecided: 0

ALABAMA

Support

ALBERTA

Support

ARKANSAS

Support

BRITISH COLUMBIA

Support

CONNECTICUT

Support

Even though this may not impact the states, we should all join with the Canadian provinces to support this ballot.

IDAHO

Support

ILLINOIS

Support

INDIANA

Support

KANSAS

Support

KENTUCKY

Support

MANITOBA

Support

MICHIGAN

Support

MINNESOTA

Support

MISSOURI

Support

NEBRASKA

Support

NEW BRUNSWICK

Support

NEW HAMPSHIRE

Support

NORTH CAROLINA

Support

NORTH DAKOTA

Support

ONTARIO

Support

OREGON

Support

PENNSYLVANIA

Support

PRINCE EDWARD ISLAND

Support

Support

QUEBEC

Support

SASKATCHEWAN

Support

SOUTH CAROLINA

Support

SOUTH DAKOTA

Support

South Dakota supports this ballot. This will allow Canadian Jurisdiction clarity in the interest rate and become more uniform.

TENNESSEE

Support

VIRGINIA

Support

WASHINGTON

Support

WYOMING

Support

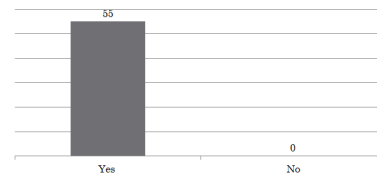
Total Responses: 55 55 Yes – 0 No Ballot 4-2022 Passed

Ballot 4-2022

The intent of this ballot is to amend the IFTA Articles of Agreement so the Canadian interest rate will be consistent for all Canadian Jurisdictions.

- 1. Yes
- 2. No

**RESULTS
Ballot 4-2022**



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
British Columbia 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	[No Response]
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	Yes
Michigan 23	Yes
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

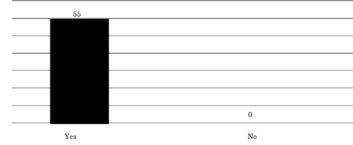
Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	[No Response]
New Jersey 33	Yes
New Mexico 34	Yes
New York 35	Yes
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	Yes
Ontario 41	Yes
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	55 Yes 0 No

Total Responses: 55 55 Yes – 0 No Effective Date Passed

RESULTS
Ballot 4-2022
Effective Date Upon Passage

- 1.Yes
- 2.No

Results
Ballot 4-2022
Effective Date Upon Passage



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
British Columbia 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	[No Response]
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	Yes
Michigan 23	Yes
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	[No Response]
New Jersey 33	Yes
New Mexico 34	Yes
New York 35	Yes
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	Yes
Ontario 41	Yes
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	55 Yes - 0 No

FOR VOTE AT THE 2022 ANNUAL IFTA BUSINESS MEETING



**IFTA BALLOT PROPOSAL
5-2022**

Sponsor

IFTA Clearinghouse Advisory Committee

Date Submitted

May 17, 2022

Proposed Effective Date

Upon Passage

Manual Sections to be Amended (January 1996 Version, Effective July 1, 1998, as revised)

Articles of Agreement	Section R2130
IFTA, Inc. Procedures Manual	Section P1040

Subject

Assessment of interest at the prevailing IFTA, Inc. interest rate on jurisdictions that fail to submit funds to the IFTA, Inc. Clearinghouse by the Funds Netting deadline.

History/Digest

When a member jurisdiction fails to transmit funds to the clearinghouse by the pre-determined date on the funding calendar, other member jurisdictions are negatively impacted in the following ways:

- Participating Members due funds from the Participating Member that failed to upload timely will receive their funds late.
- Participating Members that are either due funds from or owe funds to the Participating Member that failed to upload timely may be required to process incoming or outgoing paper checks to complete the funds netting process.

Late funding to the Clearinghouse has occurred three times since 2010; however, two of the three late funding instances occurred in 2021 (transmittal #7).

Intent

The intent of this ballot is to assess interest at the prevailing IFTA, Inc. interest rate per Articles of Agreement, Section R1230 on jurisdictions that fail to timely fund the IFTA Inc. Clearinghouse by the dates specified in the IFTA Inc. Funds Netting Calendar.

Interlining Indicates Deletion; Underlining Indicates Addition

1 ARTICLES OF AGREEMENT

2
3 R2130 INTEREST ASSESSED FOR UNTIMELY SUBMITTED TRANSMITTAL DATA

4
5 *[Section *R2120 remains unchanged]***Participating Members failing to timely fund the IFTA Inc.**
6 **Clearinghouse by the dates specified in the IFTA Inc. Funds Netting Calendar will be assessed**
7 **interest at the prevailing IFTA, Inc. interest rate per Articles of Agreement, Section R1230.**

8
9 **The participating members shall be required to pay interest to each jurisdiction where funds are**
10 **owed. Assessment of interest will begin the day following the funds netting deadline. A full**
11 **month's interest shall accrue for any portion of a month on which funds owed remain unpaid.**
12 **Participating members will be required to multiply funds due to each individual jurisdiction by the**
13 **prevailing IFTA, Inc. interest rate per month, and then multiply the product of the previous**
14 **calculation by the number of months late. A partial month (even one day) will be charged full**
15 **month of interest.**

16
17
18 PROCEDURES MANUAL

19
20 *P1040 Monthly Transmittals

21
22 Outgoing Transmittals

23 Each member jurisdiction shall forward transmittal data listings related to tax returns received during each
24 month. Transmittal data listings and related funds must be forwarded monthly in accordance with the
25 transmittal and funding calendar prepared by the Clearinghouse Advisory Committee and approved by
26 the IFTA, Inc. Board of Trustees. The funds and the supporting transmittal data listings may be sent
27 separately. A report of no activity is required for each member jurisdiction if no revenue was collected on
28 its behalf.

29
30 **Participating Members failing to timely fund the IFTA Inc. Clearinghouse by the dates specified in**
31 **the IFTA Inc. Funds Netting Calendar will be assessed interest at the prevailing IFTA, Inc. interest**
32 **rate per Articles of Agreement, Section R1230.**

33
34 **The participating members shall be required to pay interest to each jurisdiction where funds are**
35 **owed. Assessment of interest will begin the day following the funds netting deadline. A full**
36 **month's interest shall accrue for any portion of a month on which funds owed remain unpaid.**
37 **Participating members will be required to multiply funds due to each individual jurisdiction by the**
38 **prevailing IFTA, Inc. interest rate per month, and then multiply the product of the previous**
39 **calculation by the number of months late. A partial month (even one day) will be charged full**
40 **month of interest.**

41
42
43 Incoming Billing Transmittals

44 In the event a transmittal data listing to another jurisdiction results in money being owed to the base
45 jurisdiction, the jurisdiction being billed shall remit payment to the base jurisdiction in accordance with the
46 transmittal and funding calendar prepared by the Clearinghouse Advisory Committee and approved by
47 the IFTA, Inc. Board of Trustees.

48
49 **Participating Members failing to timely fund the IFTA Inc. Clearinghouse by the dates specified in**
50 **the IFTA Inc. Funds Netting Calendar will be assessed interest at the prevailing IFTA, Inc. interest**
51 **rate per Articles of Agreement, Section R1230.**

53 The participating members shall be required to pay interest to each jurisdiction where funds are
54 owed. Assessment of interest will begin the day following the funds netting deadline. A full
55 month's interest shall accrue for any portion of a month on which funds owed remain unpaid.
56 Participating members will be required to multiply funds due to each individual jurisdiction by the
57 prevailing IFTA, Inc. interest rate per month, and then multiply the product of the previous
58 calculation by the number of months late. A partial month (even one day) will be charged full
59 month of interest.

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61
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Revisions Following the Comment Period

- Intent was clarified.
- To better clarify the proposed language a new Section, R2130 was created.
- Lines 45 – 59, and lines 68-82: clarified the language to reflect that both uploading and funding are required per the Procedures Manual.
- Removed references to Penalty.

Ballot #5-2022
Comment Period Ending June 24, 2022

Support: 12
Oppose: 1
Undecided: 15

ALABAMA

Undecided

ALBERTA

Undecided

Alberta is not opposed to the concept but has concerns with the use of the word penalty as the ballot refers to "interest penalty". If the intent is to compensate jurisdictions for the time value of money lost on amounts being received late resulting from another jurisdiction not transmitting data to the clearinghouse on time then the word penalty should be removed.

Alberta also believes there should also be exceptions for extenuating circumstances and has concerns with the amount of extra work this could cause for small amounts.

BRITISH COLUMBIA

Support

CALIFORNIA

Support

In favor of the concept.

Would this be optional to the Jurisdictions to determine if they want to pursue the interest owed and also have the authority to consider de minimis and not cost effective to pursue?

Will it be a finding later during review if a jurisdiction decides to not pursue?

IDAHO

Undecided

Not opposed to the concept, but would like more information regarding exactly how this would work logistically.

INDIANA

Support

KANSAS

Undecided

There needs to be an out for extenuating circumstances?? Kansas has of yet to experiene any issues, but if we did, I assume it would be something completely out of our control. Side note:The phrase 'Interest Penalty' will take some getting used to, we tend not to use those 2 words together. 'Assessment' could be used alternatively. Overall, discussion at the ABM might be helpful.

KENTUCKY

Support

MAINE

Undecided

Maine finds the language in this ballot unclear as to the amount interest is to be calculated on. We also think it could conflict with current clearinghouse proration practices. Maine thinks the intent of this ballot could be better served as part of the clearinghouse access agreement.

MICHIGAN

Support

MINNESOTA

Undecided

The process as outlined seems rigid and could take up valuable resources that are better put to use elsewhere. Minnesota would like to better understand the need as it exists today and the impact this could potentially have on jurisdictions.

NEBRASKA

Undecided

Nebraska is unclear on the specifics and welcomes the discussion at the annual meeting.

NEW BRUNSWICK

Support

NEW HAMPSHIRE

Undecided

There may be extending circumstances when a jurisdiction may not be able to pay a transmittal on time. Would there be a provision for these types of circumstances?

NORTH CAROLINA

Support

North Carolina recommends that references to "penalties" be removed. North Carolina, and many other States, make a distinction between penalties and interest. Further, the Agreement also makes this distinction. See for example R1210.300 separating the categories between penalties and interest.

Further, it is not required (or best drafting practices) to place the identical proposed language in three places. Once in the Agreement or other document will suffice.

Finally, and structurally, it does not belong within R2120. Although it is related to timely upload transmittal data, the assessment of interest is a distinct concept. Therefore, it merits its own section.

As amended (with a few tweaks):

"R2130 INTEREST ASSESSED FOR UNTIMELY SUBMITTED TRANSMITTAL DATA

Participating Members failing to timely upload any Transmittal Data per the Funds Netting Calendar will be assessed an interest penalty at the prevailing IFTA, Inc. interest rate per in accordance with Articles of Agreement, Agreement Section R1230.

The participating members shall be required to pay interest to each jurisdiction"

Note - North Carolina would like to hear more from other jurisdictions about concerns they have with calculating the interest owed.

NORTH DAKOTA

Undecided

ONTARIO

Support

OREGON

Support

PENNSYLVANIA

Support

PRINCE EDWARD ISLAND

Support

QUEBEC

Undecided

The language of this ballot is not clear. Need more information.
We join Maine's comment.

SASKATCHEWAN

Undecided

Require more information on how interest would be distributed, proration of interest, interest due date, potential to waive interest due to unforeseen circumstances, and the current number and size of jurisdictions that are not compliant.

SOUTH CAROLINA

Support

TENNESSEE

Oppose

VIRGINIA

Undecided

Open to further discussion and consideration, but first impression is that this seems like a rigid solution to a rare problem, which could perhaps be better addressed (and include consideration of mitigating circumstances) under existing processes for program compliance and dispute resolution.

WASHINGTON

Undecided

Warrants further conversation with member jurisdictions.

WEST VIRGINIA

Undecided

Unsure

WYOMING

Undecided

We would like to hear discussion on this ballot before making a decision.

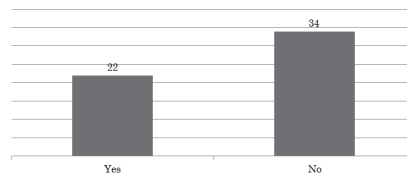
Total Responses: 56 22 Yes – 34 No Ballot 5-2022 Failed

Ballot 5-2022

The intent of this ballot is to assess interest at the prevailing IFTA, Inc. interest rate per Articles of Agreement, Section R1230 on jurisdictions that fail to timely fund the IFTA Inc. Clearinghouse by the dates specified in the IFTA Inc. Funds Netting Calendar.

- 1. Yes
- 2. No

**RESULTS
Ballot 5-2022**



Participant	Response
Alabama 1	No
Alberta 2	No
Arizona 3	No
Arkansas 4	Yes
Arizona 5	Yes
California 6	Yes
Colorado 7	No
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	No
Georgia 11	No
Idaho 12	No
Illinois 13	No
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	No
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	No
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	Yes
Minnesota 24	No
Mississippi 25	No
Missouri 26	Yes

Montana 27	Yes
Nebraska 28	No
Nevada 29	No
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	No
New Jersey 33	No
New Mexico 34	[No Response]
New York 35	No
North Carolina 36	Yes
North Dakota 37	No
Nova Scotia 38	No
Ohio 39	No
Oklahoma 40	No
Ontario 41	Yes
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	No
Quebec 45	No
Rhode Island 46	No
Saskatchewan 47	No
South Carolina 48	No
South Dakota 49	Yes
Tennessee 50	No
Texas 51	No
Utah 52	Yes
Vermont 53	Yes
Virginia 54	No
Washington 55	No
West Virginia 56	No
Wisconsin 57	Yes
Wyoming 58	No
TOTALS	22 Yes – 34 No

FOR VOTE BY DECEMBER 5, 2022



**IFTA BALLOT PROPOSAL
5-2022**

Sponsor

IFTA Clearinghouse Advisory Committee

Date Submitted

May 17, 2022

Proposed Effective Date

Upon Passage

Manual Sections to be Amended (January 1996 Version, Effective July 1, 1998, as revised)

Articles of Agreement	Section R2130
IFTA, Inc. Procedures Manual	Section P1040

Subject

Assessment of interest at the prevailing IFTA, Inc. interest rate on jurisdictions that fail to submit funds to the IFTA, Inc. Clearinghouse by the Funds Netting deadline.

History/Digest

When a member jurisdiction fails to transmit funds to the clearinghouse by the pre-determined date on the funding calendar, other member jurisdictions are negatively impacted in the following ways:

- Participating Members due funds from the Participating Member that failed to upload timely will receive their funds late.
- Participating Members that are either due funds from or owe funds to the Participating Member that failed to upload timely may be required to process incoming or outgoing paper checks to complete the funds netting process.

Late funding to the Clearinghouse has occurred three times since 2010; however, two of the three late funding instances occurred in 2021 (transmittal #7).

Intent

The intent of this ballot is to assess interest at the prevailing IFTA, Inc. interest rate per Articles of Agreement, Section R1230 on jurisdictions that fail to timely fund the IFTA Inc. Clearinghouse by the dates specified in the IFTA Inc. Funds Netting Calendar.

Interlining Indicates Deletion; Underlining Indicates Addition

1 ARTICLES OF AGREEMENT

2
3 **R2130 INTEREST ASSESSED FOR UNTIMELY SUBMITTED TRANSMITTAL DATA**

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5 *[Section *R2120 remains unchanged]*

6 **Participating Members failing to timely fund the IFTA Inc. Clearinghouse by the dates specified in**
7 **the IFTA Inc. Funds Netting Calendar will be assessed interest at the prevailing IFTA, Inc. interest**
8 **rate per Articles of Agreement, Section R1230.**

9
10 **The participating members shall be required to pay interest to each jurisdiction where funds are**
11 **owed. Assessment of interest will begin the day following the funds netting deadline. A full**
12 **month's interest shall accrue for any portion of a month on which funds owed remain unpaid.**
13 **Participating members will be required to multiply funds due to each individual jurisdiction by the**
14 **prevailing IFTA, Inc. interest rate per month, and then multiply the product of the previous**
15 **calculation by the number of months late. A partial month (even one day) will be charged full**
16 **month of interest.**

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19 PROCEDURES MANUAL

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21 *P1040 Monthly Transmittals

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23 Outgoing Transmittals

24 Each member jurisdiction shall forward transmittal data listings related to tax returns received during each
25 month. Transmittal data listings and related funds must be forwarded monthly in accordance with the
26 transmittal and funding calendar prepared by the Clearinghouse Advisory Committee and approved by
27 the IFTA, Inc. Board of Trustees. The funds and the supporting transmittal data listings may be sent
28 separately. A report of no activity is required for each member jurisdiction if no revenue was collected on
29 its behalf.

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31 **Participating Members failing to timely fund the IFTA Inc. Clearinghouse by the dates specified in**
32 **the IFTA Inc. Funds Netting Calendar will be assessed interest at the prevailing IFTA, Inc. interest**
33 **rate per Articles of Agreement, Section R1230.**

34
35 **The participating members shall be required to pay interest to each jurisdiction where funds are**
36 **owed. Assessment of interest will begin the day following the funds netting deadline. A full**
37 **month's interest shall accrue for any portion of a month on which funds owed remain unpaid.**
38 **Participating members will be required to multiply funds due to each individual jurisdiction by the**
39 **prevailing IFTA, Inc. interest rate per month, and then multiply the product of the previous**
40 **calculation by the number of months late. A partial month (even one day) will be charged full**
41 **month of interest.**

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44 Incoming Billing Transmittals

45 In the event a transmittal data listing to another jurisdiction results in money being owed to the base
46 jurisdiction, the jurisdiction being billed shall remit payment to the base jurisdiction in accordance with the
47 transmittal and funding calendar prepared by the Clearinghouse Advisory Committee and approved by
48 the IFTA, Inc. Board of Trustees.

49
50 **Participating Members failing to timely fund the IFTA Inc. Clearinghouse by the dates specified in**
51 **the IFTA Inc. Funds Netting Calendar will be assessed interest at the prevailing IFTA, Inc. interest**
52 **rate per Articles of Agreement, Section R1230.**

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The participating members shall be required to pay interest to each jurisdiction where funds are owed. Assessment of interest will begin the day following the funds netting deadline. A full month's interest shall accrue for any portion of a month on which funds owed remain unpaid. Participating members will be required to multiply funds due to each individual jurisdiction by the prevailing IFTA, Inc. interest rate per month, and then multiply the product of the previous calculation by the number of months late. A partial month (even one day) will be charged full month of interest.

No Revisions Following the Second Comment Period

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 5-2022
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
ALABAMA		1		1
ALBERTA		1		1
ARIZONA		1		1
ARKANSAS	1		1	
BRITISH COLUMBIA		1		1
CALIFORNIA	1		1	
COLORADO		1		1
CONNECTICUT		1		1
DELAWARE		1		1
FLORIDA		1		1
GEORGIA		1		1
IDAHO		1		1
ILLINOIS		1		1
INDIANA		1		1
IOWA		1		1
KANSAS		1		1
KENTUCKY	1		1	
LOUISIANA		1		1
MAINE		1		1
MANITOBA		1		1
MARYLAND	1		1	
MASSACHUSETTS		1		1
MICHIGAN	1		1	
MINNESOTA		1		1
MISSISSIPPI		1		1
MISSOURI	1		1	
MONTANA		1		1
NEBRASKA		1		1
NEVADA		1		1
NEW BRUNSWICK	1		1	
NEW HAMPSHIRE		1		1
NEW JERSEY		1		1
NEW MEXICO				
NEW YORK		1		1
NEWFOUNDLAND		1		1
NORTH CAROLINA	1		1	
NORTH DAKOTA		1		1
NOVA SCOTIA		1		1
OHIO		1		1
OKLAHOMA		1		1
ONTARIO		1		1
OREGON	1		1	
PENNSYLVANIA	1		1	
PRINCE EDWARD ISLAND	1		1	
QUEBEC		1		1
RHODE ISLAND				
SASKATCHEWAN		1		1

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 5-2022
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
SOUTH CAROLINA	1		1	
SOUTH DAKOTA		1		1
TENNESSEE		1		1
TEXAS		1		1
UTAH	1		1	
VERMONT				
VIRGINIA		1		1
WASHINGTON		1		1
WEST VIRGINIA		1		1
WISCONSIN	1		1	
WYOMING		1		1
TOTALS	14	41	14	41

Bold font in the voting total columns and shading indicate that the jurisdiction did not vote.

Number of "YES" votes necessary to pass: *three-fourths of the total eligible member jurisdictions who voted (R1630.200)*

Effective Date:

LANGUAGE:

NUMBER OF "YES" VOTES RECEIVED: **14**
 NUMBER OF "NO" VOTES RECEIVED: **41**
 NUMBER OF ELIGIBLE JURISDICTIONS VOTING **55**
 NUMBER OF VOTES NOT RECEIVED: **3**
RESULT: **FAILED** **3/4 of 55 = 41.25**

ALTERNATIVE EFFECTIVE DATE:

NUMBER OF "YES" VOTES RECEIVED: **14**
 NUMBER OF "NO" VOTES RECEIVED: **41**
 NUMBER OF ELIGIBLE JURISDICTIONS VOTING **55**
 NUMBER OF VOTES NOT RECEIVED: **3**
RESULT: **FAILED** **3/4 of 55 = 41.25**

Ballot Intent:

The intent of this ballot is to assess interest at the prevailing IFTA, Inc. interest rate per Articles of Agreement, Section R1230 on jurisdictions that fail to timely fund the IFTA Inc. Clearinghouse by the dates specified in the IFTA Inc. Funds Netting Calendar.

FOR VOTE AT THE 2022 ANNUAL IFTA BUSINESS MEETING



**IFTA BALLOT PROPOSAL
6-2022**

Sponsor

IFTA Clearinghouse Advisory Committee

Date Submitted

May 12, 2022

Proposed Effective Date:

Upon passage of the Ballot

Manual Sections to be Amended

IFTA Articles of Agreement (Effective January 2022)
IFTA Procedures Manual

Section R2120.200
Section P1040

Subject

IFTA Inc Clearinghouse Data Quality Plan

History/Digest

In any data management system, a high level of data quality is extremely important for analysis and planning. Data in the IFTA Clearinghouse can be used to analyze trends, plan for legislative and staffing changes, verify that the transmitted data reflects actual activity and that the funds netting between jurisdictions is accurate. IFTA Team members and jurisdiction teams have noted issues with data quality. In the past, these issues have been addressed by jurisdictions individually, if at all. The Clearinghouse Advisory Committee has created an action plan (IFTA, Inc. Clearinghouse Data Quality Plan) to promote consistent procedural validations in member jurisdictions. This consistency will lead to increased data quality and more useful data within the Clearinghouse. The Clearinghouse Advisory Committee and IFTA, Inc. feel that the value this provides to IFTA Membership is well worth the effort involved in implementing this plan.

Intent

- Ensure that the data sent to Clearinghouse is valid and accurate.
- Hold Jurisdictions accountable to review and correct data before sending data to Clearinghouse.
- Where advisories are identified in the transmittal data, ensure that jurisdictions are following up to ensure that the data is accurate and valid.

Interlining Indicates Deletion; Underlining Indicates Addition

IFTA Articles of Agreement:

R2120.200 Transmittal Data

When the exchange of a transmittal data listing is required among the participating members by the IFTA Articles of Agreement and the IFTA Procedures Manual, such requirements shall be deemed satisfied by the successful and timely transmission of the data to the clearinghouse.

The participating members shall be required to provide a transmittal data listing to all other member jurisdictions as required by the IFTA Procedures Manual Section P1040.

- .100 All jurisdictions are required to perform data quality/validation checks on the transmittal data that is sent to the IFTA Clearinghouse as outlined in the IFTA Procedures Manual Section P1040
- .200 Where the monthly transmittal data from a jurisdiction contains data that produces data validation errors under P1040.800.001 through .005, the IFTA Clearinghouse can reject the entire transmittal file from that jurisdiction until the data validation errors are corrected.
- .300 Jurisdictions will have multiple opportunities to correct and re-transmit their data prior to the transmittal due date outlined in the IFTA Funds Netting Calendar.
- .400 Where the monthly transmittal data of a jurisdiction creates data validation warnings under P1040.800.006 through .008 of the Procedures Manual, the transmittal file will be accepted by the IFTA Clearinghouse. However, jurisdictions may be required to identify the steps taken to verify the accuracy of the data producing the data validation warnings during their Program Compliance Review.
- 500. Where a jurisdiction has conducted a review of data that has produced a data validation error and is satisfied that the data is true and accurate, the jurisdiction may request that the Clearinghouse accept their transmittal file despite the data validation error(s). The IFTA Clearinghouse will review the situation and determine the acceptability of the transmittal file.

IFTA Procedures Manual:

***P1040 MONTHLY TRANSMITTALS**

Outgoing Transmittals

Each member jurisdiction shall forward transmittal data listings related to tax returns received during each month. Transmittal data listings and related funds must be forwarded monthly in accordance with the transmittal and funding calendar prepared by the Clearinghouse Advisory Committee and approved by the IFTA, Inc. Board of Trustees. The funds and the supporting transmittal data listings may be sent separately. A report of no activity is required for each member jurisdiction if no revenue was collected on its behalf.

Incoming Billing Transmittals

In the event a transmittal data listing to another jurisdiction results in money being owed to the base jurisdiction, the jurisdiction being billed shall remit payment to the base jurisdiction in accordance with the transmittal and funding calendar prepared by the Clearinghouse Advisory Committee and approved by the IFTA, Inc. Board of Trustees.

- 53
- 54 The transmittal data listing shall contain, but not be limited to, the following information:
- 55
- 56 **.050** The base jurisdiction's name;
- 57
- 58 **.100** The reporting period that the transmittal data listing is for;
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- 60 **.150** The account number of each licensee being reported;
- 61
- 62 **.200** The total miles or kilometers reported for each licensee for that jurisdiction;
- 63
- 64 **.250** The total taxable miles or kilometers reported for each licensee for that jurisdiction;
- 65
- 66 **.300** The reported fleet fuel consumption factor for each licensee;
- 67
- 68 **.350** The reported taxable gallons or liters for each licensee for that jurisdiction;
- 69
- 70 **.400** The reported tax paid gallons or liters for each licensee for that jurisdiction;
- 71
- 72 **.450** The net taxable gallons or liters for each licensee for that jurisdiction;
- 73
- 74 **.500** The tax due for each licensee for that jurisdiction;
- 75
- 76 **.550** The interest due for each licensee for that jurisdiction;
- 77
- 78 **.600** The total due for each licensee for that jurisdiction;
- 79
- 80 **.650** The amount deficient from partial payment for each licensee for that jurisdiction; and
- 81
- 82 **.700** The summary totals of items listed in IFTA Procedures Manual Sections P1040.200,
- 83 P1040.250, and P1040.350 through P1040.650.
- 84
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- 86 **.750** Evidence of data validation checks meeting the requirements of P1045.001 through .007

P1045 DATA VALIDATION STEPS

All IFTA jurisdictions must perform the following data validation checks on all 'OR' (original 88 return) rows in the transmittal detail file.

.001 All Carrier IDs included in the monthly transmittal file must be properly formatted with 9 digits. If the Carrier ID in any row of the transmittal file is not formatted correctly, the entire transmittal will be rejected by the IFTA Clearinghouse.

.002 The fuel type specified on each row of the transmittal file must be formatted as a recognized IFTA fuel type as specified in the IFTA, Inc. Clearinghouse Data Quality Plan. If the fuel type in any row of the transmittal file is not formatted correctly, the entire transmittal file will be rejected by the IFTA Clearinghouse.

.003 Each non-base jurisdictional OR row in the transmittal file must have sufficient data to allow for the proper calculation of the tax due and interest owing. If any non-base jurisdictional OR transmittal row is showing a tax due, and the total miles, or total kilometers, are zero, or Null, the entire transmittal file will be rejected by the IFTA Clearinghouse. This clause does not apply to OR surcharge rows in the transmittal file.

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.004 For US jurisdictions, if the MPG value for a non-base jurisdictional row in the transmittal file exceeds the maximum allowable MPG value specified in the IFTA, Inc. Clearinghouse Data Quality Plan, and the total miles travelled for the carrier's Quarterly return is above the specified distance criteria, and the total tax due for the non-base jurisdictional row is greater than the upper dollar criteria, or less than the lower dollar criteria, the entire file will be rejected by the IFTA Clearinghouse.

Similarly, for Canadian jurisdictions, if the KPL value for a non-base jurisdictional row in the transmittal file exceeds the maximum allowable KPL value specified in the IFTA, Inc. Clearinghouse Data Quality Plan, and the total kilometers travelled for the carrier's Quarterly return is above the specified distance criteria, and the total tax due is greater than the upper dollar criteria, or less than the lower dollar criteria, the entire transmittal file will be rejected by the IFTA Clearinghouse.

.005 For US jurisdictions, if the MPG value for a non-base jurisdictional row in the transmittal file is below the minimum allowable MPG value as specified in the IFTA, Inc. Clearinghouse Data Quality Plan, and the tax due amount of that row results in a refund in excess of refund dollar limit, the entire transmittal file will be rejected by the IFTA Clearinghouse.

Similarly, for Canadian jurisdictions, if the KPL value for a non-base jurisdictional row in the transmittal file is below the minimum allowable KPL value as specified in the IFTA, Inc. Clearinghouse Data Quality Plan, and the tax due amount of that row results in a refund in excess of the refund dollar limit, the entire transmittal file will be rejected by the IFTA Clearinghouse.

.006 For US jurisdictions, if a jurisdictional transmittal file has more than one non-base jurisdictional row per quarterly return where the tax paid gallons equals the taxable gallons (i.e. Net Gallons equal to zero), the jurisdiction will receive an advisory email from the IFTA Clearinghouse alerting the jurisdiction to the presence of multiple net zero lines in their transmittal file. The transmittal file will not be rejected by the IFTA Clearinghouse based on the net-zero advisories, but each occurrence will be available during the Program Compliance Review for that jurisdiction, and jurisdictions may be asked to substantiate their follow up activities to ensure that the transmittal data is accurate.

Similarly For Canadian jurisdictions, if a jurisdictional transmittal file has more than one non-base jurisdictional row per quarterly return where the tax paid litres equals the taxable litres (i.e. Net Litres equal to zero), the jurisdiction will receive an advisory email from the IFTA Clearinghouse alerting the jurisdiction to the presence of multiple net zero lines in their transmittal file. The transmittal file will not be rejected by the IFTA Clearinghouse based on the net-zero advisories, but each occurrence will be available during the Program Compliance Review for that jurisdiction, and jurisdictions may be asked to substantiate their follow up activities to ensure that the transmittal data is accurate.

.007 For US jurisdictions, if a jurisdictional transmittal file contains a non-base jurisdictional row where both the Net Taxable Gallons and the Tax Rate are non-zero, and the Tax Due is zero, the jurisdiction will receive an advisory email from the IFTA Clearinghouse alerting the jurisdiction to the presence of row data that meet these criteria. The transmittal file will not be rejected by the IFTA Clearinghouse based on these advisories, but each occurrence will be available during the Program Compliance Review for that jurisdiction, and the jurisdiction may be asked to substantiate their follow up activities to ensure that the transmittal data is accurate.

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Similarly, for Canadian jurisdictions, if a jurisdictional transmittal file contains a non-base jurisdictional row where both the Net Taxable Litres and the Tax Rate are non-zero, and the Tax Due is zero, the jurisdiction will receive an advisory email from the IFTA Clearinghouse alerting the jurisdiction to the presence of row data that meet these criteria. The transmittal file will not be rejected by the IFTA Clearinghouse based on these advisories, but each occurrence will be available during the Program Compliance Review for that jurisdiction, and the jurisdiction may be asked to substantiate their follow up activities to ensure that the transmittal data is accurate.

Revisions following the Comment Period

- Made changes suggested by the IFTA AAC
 - Deleted lines 33-36
 - Deleted lines 87 and 88.
 - Substituted line 89 for lines 87 and 88
- Also made another numbering change to line 89
- Changed .800 to .750 to be consistent with the with numbering naming convention with P1040.

Ballot #6-2022
Comment Period Ending June 24, 2022

Support: 17
Oppose: 1
Undecided: 9

ALABAMA

Undecided

ALBERTA

Support

BRITISH COLUMBIA

Support

IDAHO

Undecided

INDIANA

Undecided

More discussion required.

KANSAS

Support

KENTUCKY

Support

MAINE

Undecided

Maine is not sure if it is a good idea to codify the clearinghouse data quality plan as any changes in data parameters would need to go through the ballot process before changes to the plan could be made.

MANITOBA

Support

MICHIGAN

Support

MINNESOTA

Support

NEBRASKA

Undecided

Nebraska welcomes discussion of this ballot in conjunction with the Data Quality Plan discussion both scheduled at the ABM.

NEW BRUNSWICK

Support

NORTH CAROLINA

Support

North Carolina recommends that references to "penalties" be removed. North Carolina, and many other States, make a distinction between penalties and interest. Further, the Agreement also makes this distinction. See for example R1210.300 separating the categories between penalties and interest.

Further, it is not required (or best drafting practices) to place the identical proposed language in three places. Once in the Agreement or other document will suffice.

Finally, and structurally, it does not belong within R2120. Although it is related to timely upload transmittal data, the assessment of interest is a distinct concept. Therefore, it merits its own section.

As amended (with a few tweaks):

"R2130 INTEREST ASSESSED FOR UNTIMELY SUBMITTED TRANSMITTAL DATA

Participating Members failing to timely upload any Transmittal Data per the Funds Netting Calendar will be assessed interest at the prevailing IFTA, Inc. interest rate in accordance with Articles of Agreement Section R1230.

The participating members shall be required to pay interest to each jurisdiction"

ONTARIO

Undecided

Ontario understands and supports the concept of quality data and the necessity for consistency across all IFTA jurisdictions. However, as written the intent and workings are unclear in some instances. We recommend editing the ballot for clarity and consistency. Some suggested edits are as follows:

- Ensure all groups mentioned are named correctly, e.g., committee names and IFTA Team – does this refer to IFTA, Inc.?
- Clarify what is meant by "advisories".
- Modify language in the addition to R2120.200 for clarity:
 - .100 – how will the data quality/validation checks be demonstrated to IFTA, Inc.?
 - .200 – the IFTA Clearinghouse "can" reject the file or "must" reject the file. If a decision is being made, how will it be made?
 - .300 – how/when will these corrections occur?
- Ensure all related provision in the Agreement & Procedures Manual are aligned.

OREGON

Support

PENNSYLVANIA

Support

PRINCE EDWARD ISLAND

Undecided

QUEBEC

Support

SASKATCHEWAN

Support

SOUTH CAROLINA

Support

SOUTH DAKOTA

Support

TENNESSEE

Support

VIRGINIA

Support

WASHINGTON

Undecided

Warrants further discussion with member jurisdictions.

WEST VIRGINIA

Oppose

If this could happen automatically for us within our systems we would possibly consider it. It would be a task to get it set up for automation if it was required. There is no way that we could manually test the data. We do not have enough staff in IT take on this task. Additionally, it would be a large undertaking for our IT to get an automatic testing program or connect created given the reduced work force.

WYOMING

Undecided

We would like to hear discussion on this ballot before making a decision.

Total Responses: 56 49 Yes – 7 No Ballot 6-2022 Passed

Ballot 6-2022

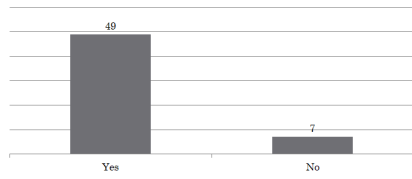
Ensure that the data sent to Clearinghouse is valid and accurate.

Hold Jurisdictions accountable to review and correct data before sending data to Clearinghouse.

Where advisories are identified in the transmittal data, ensure that jurisdictions are following up to ensure that the data is accurate and valid.

- 1 Yes
- 2 No

**RESULTS
Ballot 6-2022**



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	No
Arkansas 4	Yes
Arizona 5	Yes
California 6	Yes
Colorado 7	No
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	Yes
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

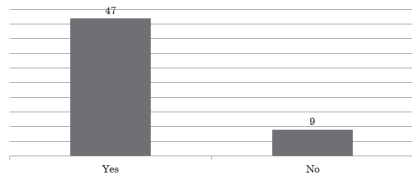
Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	Yes
New Jersey 33	Yes
New Mexico 34	[No Response]
New York 35	Yes
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	No
Ontario 41	No
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	No
TOTALS	49 Yes – 7 No

Total Responses: 56 47 Yes – 9 No Effective Date Passed

Ballot 6-2022
Effective Date Upon Passage

- 1:Yes
- 2:No

Results Ballot 6-2022
Effective Date Upon Passage



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	No
Arkansas 4	Yes
Arizona 5	Yes
California 6	Yes
Colorado 7	No
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	Yes
Minnesota 24	No
Mississippi 25	Yes
Missouri 26	Yes

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	No
New Hampshire 32	Yes
New Jersey 33	Yes
New Mexico 34	[No Response]
New York 35	Yes
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	No
Ontario 41	No
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	No
TOTALS	47 Yes – 9 No

FOR VOTE AT THE 2022 ANNUAL IFTA BUSINESS MEETING



IFTA BALLOT PROPOSAL 7-2022

Sponsor

Jurisdictions of AZ, CA, ND, NH, and SD

Date Submitted

May 10, 2022

Proposed Effective Date

January 1, 2023

Manual Sections to be Amended (January 1996 Version, Effective July 1, 1998, as revised)

IFTA Articles of Agreement
IFTA Audit Manual
Procedures Manual

Section R200 Definitions
Section A250 Selection of Audits
Section P1100 Base Jurisdiction Reporting

Subject

This ballot proposal would provide jurisdictions a means of implementing a Licensee education program that would both enhance Licensee compliance and recognize the jurisdiction's efforts and dedication to educating Licensees on compliance issues.

History/Digest

The IFTA program requires annual audits of 3% of a jurisdiction's IFTA Licensees. The audit function has been the driving force in determining and ensuring compliance with the IFTA program. The IFTA community continues to discuss ways of meeting audit requirements due to limited or constrained resources. Past attempts at allowing IFTA record reviews to count toward audit credits have failed to pass, however; jurisdictions continue to look for efficiencies to meet audit requirements set forth by the IFTA program.

Intent

This ballot is being submitted in consideration for changes to the IFTA Manual, to allow jurisdictions to receive an audit credit or partial audit credit for conducting an IFTA records review. The record review program would provide jurisdictions with an optional opportunity to obtain audit credits for being proactive

in educating Licensees regarding program compliance. Record Reviews would allow jurisdictions to provide Licensees with the opportunity to adjust their reporting and recording systems to ensure compliance with the IFTA program agreement. The records review would allow jurisdictions to review licensees' information to help verify record keeping and internal controls that follow the agreement. This would translate into the carrier reporting the correct amount of tax at the correct time in benefit to all jurisdictions.

In the long term, jurisdictions that choose to implement a record review program could also see a reduction in audit hours due to Licensees having records that are now in compliance with IFTA plan requirements. The record review program would provide benefit to the Licensee, Jurisdictions, and IFTA by achieving the goal of educating carriers to enhance and encourage compliance by reaching more carriers than by only conducting audits. The ballot proposal would allow Records Reviews conducted during the jurisdictions current review period to be counted and included in the audit count requirement.

1 **Interlining Indicates Deletion; Underlining Indicates Addition**

2
3 **IFTA Articles of Agreement:**

4 **Article II, Section R200 Definitions**

5
6 **R248 Records Review** means an evaluation of a Licensee's distance and fuel accounting system and
7 internal controls to assess the Licensee's compliance with the requirements of the Agreement. A
8 Records Review does not result in assessment.

9
10 **R248 R249 Recreational Vehicle** means vehicles such as motor homes, pickup trucks with attached
11 campers, and buses when used exclusively for personal pleasure by an individual. In order to qualify as a
12 recreational vehicle, the vehicle shall not be used in connection with any business endeavor.

13
14 **IFTA Audit Manual Audit Program Standards**

15 **A250 Selection of Audits**

16
17 ***A250 NUMBER OF AUDITS**

18 Base jurisdictions will be held accountable for audits and will be required to complete audits of an
19 average of 3 percent per year of the number of IFTA accounts required to be reported by that jurisdiction
20 on the annual reports filed pursuant to the IFTA Procedures Manual, Section P1110.300.005 excluding
21 new Licensees, for each year of the program compliance review period, other than the jurisdiction's IFTA
22 implementation year. Such audits shall cover all of the returns that were filed or required to be filed during
23 a license year or shall cover at least four (4) consecutive quarters. This does not preclude audits of
24 individual Licensees several times during the program compliance review period. However, audits of a
25 single Licensee that cover multiple license years, fuel types, or both shall be counted as one audit for
26 program compliance review purposes.

27
28 For purposes of this requirement, a Member Jurisdiction may substitute three Records Reviews for one
29 Audit; provided, that no Member Jurisdiction may substitute Records Reviews for more than twenty-five
30 percent of the total of the Audits required under this section. To use Records Reviews as a substitute for
31 Audits, a Member Jurisdiction must adopt formal procedures that comply with the guidelines for Records
32 Reviews set out in the Audit Manual. All accounts may be subject to a Records Review. Records
33 Reviews cannot count toward the high or low distance audit requirement established in Section A260
34 Selection of Audits of the IFTA audit manual. All Records Reviews will count towards the unspecified
35 distance account audit requirements. Any follow up or secondary Records Review on compliance issues
36 will not count as another Records Review.

37
38 **A500 RECORDS REVIEW**

39
40 A Base Jurisdiction may perform a Records Review of any Licensee's distance and fuel reporting system
41 to ensure compliance with the Agreement. A Records Review is a thorough evaluation of the Licensee's
42 internal controls and record-keeping system to ensure compliance with the Agreement. The purpose of
43 performing a Records Review is to mitigate potential record keeping compliance issues.

44
45 .100 The primary differences between an Audit and a Records Review are that a Records Review:
46

- 47 .005 focuses only on an evaluation of internal controls and compliance of the distance and fuel
48 reporting system using requirements found in A320, except A320.500 and A320.600 of the Audit
49 Manual;
50
51 .010 may be limited in scope to less than a full Reporting Period;
52
53 .015 may be conducted before the first renewal;
54
55 .020 will be part of an overall education plan on educating the Licensee of IFTA record-keeping
56 requirements as set forth in the base jurisdictions procedures;
57
58 .025 is not required to compare records to a quarterly tax return to determine adjustments; and
59
60 .030 cannot result in a tax assessment.

61
62 **A510 Records Review Implementation**

- 63
64 .100 A Member Jurisdiction electing to institute a Records Review program that qualifies towards the
65 annual Audit requirement must establish procedures and guidelines similar to those for Audits.
66 The Records Review procedures must:
67
68 .005 comply with requirements in A240.100 to A240.400 Auditor Qualifications and Responsibilities;
69
70 .010 document the distance and fuel reporting system used by the Licensee, the items included in the
71 source documents, and the sources used by the Licensee to determine distances and fuel
72 reporting;
73
74 .015 assess and document internal controls;
75
76 .020 evaluate the compliance of the records with IFTA requirements and identify specific deficiencies;
77
78 .025 furnish a written report to include information found within section A460.100 (except
79 A460.100.50), A460.200, A460.500 (except A460.500.020 and A460.500.025) and A460.600, of
80 the Audit Manual;
81
82 .030 record all contacts with the Licensee; and,
83
84 .035 retain the completed Records Reviews documents according to the prevailing IFTA Peer
85 Compliance Review Audit records retention requirements found in A470.200.
86
87 .200 It is strongly recommended that the base jurisdiction conduct a follow up contact with the
88 Licensee if non-compliance issues are noted.
89
90 .300 Notwithstanding Section A240, Records Reviews may be conducted by personnel
91 processing Licensee applications if they meet all other provisions of the Manual.
92

93 .400 Completing a Records Review precludes that Licensee from an audit for 180 days after the
94 completion of the review to allow the Licensee to correct deficiencies found in the review.
95

96 The intent of the Records Review program is to educate Licensees regarding IFTA requirements while
97 providing credit to the jurisdiction for the education efforts. A Records Review should not be used to find
98 noncompliant Licensees for audit. If non-compliant records are found the jurisdiction should educate that
99 carrier on record keeping and reporting methods and instruct that carrier to file amended returns for
100 previously filed returns.

101
102 **IFTA Procedures Manual:**
103 **P1100 Base Jurisdiction Reporting**

104
105 **P1110 Annual Reporting**

106
107 **.400 Audit Information**

108
109 .005 Number of accounts audited;

110
111 .010 Number of accounts audited resulting in financial changes to one or more jurisdictions;

112
113 .015 A jurisdiction that has a Records Review program established conforming to section A510 shall
114 report the total number of record reviews completed for the year on the annual report.
115
116

Revisions following the Comment Period

• Removed for clarification:

1. ~~will be limited in scope and will be less than a full year.~~
2. ~~may be conducted before the licensee's first full license renewal.~~
3. ~~does not require records to be compared to a quarterly return.~~
4. ~~will not result in an assessment.~~
5. ~~will result in a written report educating the taxpayer on compliance with the record-keeping, internal controls, and reporting requirements of the agreement.~~

Ballot #7-2022
Comment Period Ending June 24, 2022

Support: 22
Oppose: 4
Undecided: 3

ALABAMA

Support

ALBERTA

Undecided

ARKANSAS

Support

BRITISH COLUMBIA

Support

IDAHO

Support

INDIANA

Support

Providing an option to conduct records reviews will increase a jurisdiction's coverage, and increase compliance with IFTA recordkeeping requirements.

KANSAS

Support

KENTUCKY

Oppose

MANITOBA

Support

MICHIGAN

Oppose

MINNESOTA

Support

Minnesota supports this ballot. We believe that a timely records review can help educate a carrier and prevent unintended and unwanted errors. We feel that this ballot rewards jurisdictions for working with new carriers as they build relationships early on in the life of the carrier.

NEBRASKA

Support

NEW BRUNSWICK

Oppose

New Brunswick does not feel that a licensee education program provides the same level of assurance on the accuracy of the information reported as an audit.

NEW HAMPSHIRE

Support

New Hampshire supports this and is a cosponsor

NORTH CAROLINA

Undecided

North Carolina has technical drafting and substantive concerns. North Carolina has previously expressed its substantive concerns, which most jurisdictions may be aware of based on our comments from the 2021 ballot version. However, due to how close this vote will be, North Carolina will focus this comment on the concerns it has regarding the technical language of this ballot.

Ultimately, the technical concerns *rise to such a level* that North Carolina implores the jurisdictions that support this ballot to consider allowing another comment period after the ABM. Due to the length required to address all of these technical concerns, North Carolina is only able to note our most significant concerns.

North Carolina will actively work with the sponsors to address these concerns if given the opportunity to do so. Although we object to the overall purpose of the ballot, North Carolina is willing to support this ballot if the technical issues are addressed and the records reviews are limited to new licensees. North Carolina proposes that new Licensee are licensees who have recently applied for and received a license issued by their base jurisdiction; they are considered a New Licensee for 18 months. A records review could only be conducted within 12 months after a licensee first becomes licensed with their base jurisdiction.

Technical Issues – Top 10

First, R248 and A500 overlap with the same subject matter regarding what constitutes a records review. Duplicative material is never advisable in drafting legislative or similar language. One of the reasons to avoid it is here: The substantive material across these sections *do not match*. For example, R248 1. and A500.010 refer to different periods (scope of less than a full year versus scope of less than a full reporting period). There are further discrepancies between these sections, raising other concerns. A simple internal reference from R248 to A500 would solve all these issues.

Second, on Page 3, Line 37, the Audit Manual does not provide “guidelines,” it provides requirements or rules that must be complied with if a jurisdiction wants credit for a records review. This distinction is important as it should never be perceived that the governing documents are optional unless it is clearly intended.

Third, the internal citations to the governing documents are inconsistent, including not capitalizing "Audit Manual." These issues are throughout the ballot and need be addressed so that the citations are uniform.

Fourth, the language stating that a record reviews "is not required to compare records" is not clear. Can a jurisdiction review the records or not? Allow it or forbid it. This language accomplishes neither.

Fifth, there is nothing stopping a jurisdiction from converting a record review into an audit after it reviews the record keeping system. All of the "intent" language beginning on page 5, line 101 is non-binding. Therefore, reference to the 180 days assessment immunity period is illusory and provides motor carriers a false sense of what can occur after a records review is initiated by a jurisdiction.

Issues six through ten have a similar fatal flaw: the attempt to streamline the language by incorporating A240, A320, and A460 simply cannot work. The records review requirements needs to have its own language, distinct and separate from audit requirements.

Sixth (incorporating A240), A510.300 completely undercuts A510.100.005 regarding who can perform a records review. This issue is particularly troubling. A240, in the context of records reviews, requires persons completing records review to: (1) be qualified based on the member jurisdiction's personnel guidelines; (2) conduct themselves in a manner promoting cooperation and good relations with licensees and member jurisdictions; (3) give all licensees and member jurisdictions fair consideration; and (4) maintain proficiency in IFTA auditing (records reviews?) by providing training opportunities through internal or external training sources. What is wrong with these requirements? Should these not be applied to everyone performing a records review? Why should "personnel processing Licensee applications" be exempt from these requirements? Was this intended to remove the word "auditor" from A240? If yes, the ballot attempts to re-write A240 without doing so. Otherwise, what hole did we just create here?

Seventh (incorporating A460), A510.100.025 provides that the written report must be in compliance with certain sections of A460. The language and the lead-in to A460 *prevents* this compliance. The lead-in provides that a copy of the audit report must be kept in the audit file. Should the records review still be maintained? If so, where? It is not clear through this incorporation. This too results in an attempt to re-write language without doing so.

Eighth, (incorporating A320), A510.100.025 provides that A320.200 and A320.700 applies to record reviews. These make explicit references to an "audit period" and an "audit report." These are not audits; these are records review. This, again, results in an attempt to re-write language without doing so.

Ninth (incorporating A460), A510.100.025, strikes reference to an "audit period" found in A460.100.50. This is in direct contradiction with the attempts identified in #8 above to maintain the use of the word "audit" within the context of records reviews. This makes the underlying incorporation of audit requirements inconsistent across the ballot changes.

Tenth (incorporating A460), A510.100.025 excludes an auditor's evaluation of adequacy of records under A460.500.030. The entire purpose of a records review is to evaluate the system of record. This ballot requires a document review to comply with parts of A460.500, including "[i]dentify[ing] source documents" and "[i]dentify[ing] the information in source documents." Therefore, this evaluation is

necessary when the auditor is assessing the adequacy of documents under A460.500.

If any jurisdiction is still reading this, we thank you. North Carolina remains open to helping the sponsors address all issues to make this the best ballot we can for all the member jurisdictions.

NORTH DAKOTA

Support

North Dakota is a sponsor of this ballot and supports the ballot. North Dakota uses the record review as an educational tool for all of our new carriers.

This ballot is optional for the jurisdictions to utilize a record review program or not. This ballot will help the jurisdictions to reach more carriers to increase compliance, decrease errors and help all jurisdictions receive the correct tax amount due. This ballot outlines the minimum requirements needed for the record review to qualify for an audit credit.

We encourage all jurisdictions to support this ballot and give those jurisdictions who choose the ability to use this credit.

ONTARIO

Support

OREGON

Support

PENNSYLVANIA

Support

PA supports this ballot, as we have a very comprehensive, effective, and efficient records review program that we have employed for 10+ years with great success. Our only concern would be whether other jurisdictions' programs would be satisfactory to our jurisdiction and the IFTA community in general. As long as these records reviews are treated seriously and not taken advantage of, and are periodically reviewed by the Peer Review Compliance Audits, we support this ballot.

PRINCE EDWARD ISLAND

Support

QUEBEC

Oppose

Even though this ballot is optional we are opposed.

Quebec has a record review program for new licensees (up to one year) to help them put together a compliant records. We believe this brings a great help to them so we can't count them as audits.

SASKATCHEWAN

Support

SOUTH CAROLINA

Support

SOUTH DAKOTA

Support

South Dakota is a sponsor of this ballot and supports the ballot. South Dakota uses the review as an educational tool for our new carriers.

We support this ballot as it gives the options for jurisdictions to use the review program or not. The ballot is also written to allow jurisdictions to set up a review program and have the latitude to make the review program how they want to use it. The ballot lays out the minimum requirements to be reviewed using the current audit requirements. If the requirements are met they will qualify for credit. The ballot also does not stop a jurisdiction from doing more than the minimum. The ballot does not require a jurisdiction to reduce the number of full audits completed. The minimum requirements will also allow the Peer Compliance review team to verify reviews like audits.

We encourage all jurisdictions to support this ballot and give the jurisdictions who choose to use the tool credit. The review gives jurisdictions the ability to help all jurisdictions get the correct amount of tax at the correct time by educating the carrier.

TENNESSEE

Support

VIRGINIA

Support

WASHINGTON

Support

WEST VIRGINIA

Undecided

As long as this was optional WV would possibly agree.

WYOMING

Support

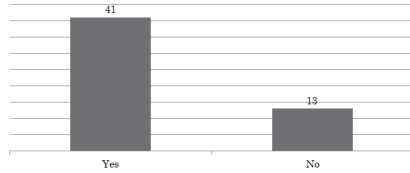
Total Responses: 54 41 Yes – 13 No Ballot 7-2022 Passed

Ballot 7-2022

This ballot is being submitted in consideration for changes to the IFTA Manual, to allow jurisdictions to receive an audit credit or partial audit credit for conducting an IFTA records review.

- 1. Yes
- 2. No

**RESULTS
Ballot 7-2022**



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
Arizona 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	[No Response]
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	No
Louisiana 18	No
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	No
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	No

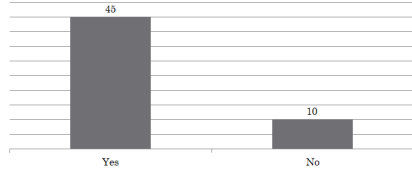
Montana 27	Yes
Nebraska 28	Yes
Nevada 29	No
New Brunswick 30	No
Newfoundland & Labrador 31	Yes
New Hampshire 32	Yes
New Jersey 33	Yes
New Mexico 34	[No Response]
New York 35	Yes
North Carolina 36	No
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	No
Ontario 41	No
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	No
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	No
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	[No Response]
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	41 Yes – 13 No

Total Responses: 55 45 Yes – 10 No Effective Date Passed

Ballot 7-2022
Effective Date January 1, 2023

- 1:Yes
- 2:No

Results Ballot 7-2022
Effective Date January 1, 2023



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
Arizona 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	Yes
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	No
Louisiana 18	No
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	No
Michigan 23	No
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	Yes
New Hampshire 32	Yes
New Jersey 33	Yes
New Mexico 34	[No Response]
New York 35	Yes
North Carolina 36	No
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	No
Ontario 41	No
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	No
Rhode Island 46	Yes
Saskatchewan 47	Yes
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	No
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	[No Response]
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	45 Yes – 10 No

FOR VOTE AT THE 2022 ANNUAL IFTA BUSINESS MEETING



**IFTA BALLOT PROPOSAL
8-2022**

Sponsor:

IFTA Board of Trustees

Date Submitted:

May 12, 2022

Proposed Effective Date:

Upon passage for the purposes of licensing as a qualified motor vehicle through IFTA. January 1, 2024, for adding as fuel type on the IFTA tax return.

Manual Sections to be Amended:

IFTA Articles of Agreement

Sections: R239, R800, R820, R1010

Subject:

Adding alternative fuels as a fuel type

History/Digest:

Since the time IFTA was established, there have been many evolutions in technology and the use of alternative fuels. Over the years, we have added different fuel types to the IFTA return to account for trends. Recently, the trend toward the use of zero carbon emissions and demand from carriers for manufacturers to produce commercial electric and hydrogen vehicles has continued to gain momentum. There are carriers with fleets of electric vehicles in use right now and there have been some issues as to whether the carrier can obtain IFTA licenses in some jurisdictions because alternative fuels, in particular electric, is not defined in their statute and not included in the IFTA Agreement definition of fuel. For many decades, IFTA has been the standard by which motor fuel use taxation is measured. In the Articles of Agreement, the preamble to Article R130 states the following, *"It is the purpose of this Agreement to promote and encourage the fullest and most efficient possible use of the highway system by making uniform the administration of motor fuels use taxation laws with respect to motor vehicles operated in multiple member jurisdictions."* To remain true to that purpose and mission, there must not be a hardship placed upon both the member jurisdictions and the motor carrier industry from continuing to benefit from the many advantages of this Agreement. Jurisdictions must be able to collect tax to continue to provide funding for maintenance of the highway system and motor carriers possessing such alternative

fuels operated qualified motor vehicles must have a way to pay such tax. Additionally, the basic tenet of IFTA regarding uniformity in tax administration should apply to all qualified motor vehicles, regardless of method of propulsion. This ballot proposal achieves that goal and provides for the continuance of this Agreement's purpose as new technologies continue to emerge and evolve.

Including "Alternative fuels", as defined by the U.S. Department of Energy, in the IFTA Agreement definition of fuels, will account for the various emerging use of these types of alternative energy in commercial vehicles and allow industry and jurisdictions to have clarification that qualified motor vehicles whether they use traditional fossil fuel or alternative fuels, should be registered for IFTA. It will be up to each jurisdiction to establish a tax rate or exempt certain types of alternative fuel vehicles. Also, by adding wording that any other type of means of propulsion is also included in the definition of fuels, we can position IFTA for the future as new emerging technologies are implemented.

Intent:

The intent of this ballot is to add alternative fuels, as defined by the U.S. Department of Energy, and to add that any other type of energy used to propel a vehicle, to the definition of fuel within the IFTA agreement so that electric, hydrogen and other types of alternative energy vehicles can be registered for IFTA.

1 **Interlining indicates deletion; underlining indicates addition**

2
3 **IFTA Article of Agreement**

4 ***R239 Motor Fuels** means all fuels placed in the fuel supply tank storage unit of qualified motor vehicles
5 including alternative fuels such as pure methanol, ethanol, and other alcohols; blends of 85% or more of
6 alcohol with gasoline; natural gas and liquid fuels produced from natural gas; propane; coal-derived liquid
7 fuels; hydrogen; electricity; pure biodiesel (B100); fuels, other than alcohol, derived from biological
8 materials; and P-Series fuels; or any other type of fuels or energy used to propel a qualified motor
9 vehicle.

10
11 ***R800 TAXATION OF MOTOR FUELS**

12
13 The procedures contained in this Agreement apply to motor fuel use taxes that are imposed by each
14 jurisdiction on the consumption of motor fuel or other fuels, as defined in R239, in qualified motor
15 vehicles.

16
17 ***R820 TAXABLE FUEL USE**

18
19 All motor fuel ~~acquired that is~~ as defined in R239, which is acquired and which is normally subject to
20 consumption tax, is taxable unless proof to the contrary is provided by the licensee. The licensee must
21 report all fuel placed in the supply tank storage unit used to propel the qualified motor vehicle, as taxable
22 on the tax return.

23
24 ***[Sections *R830 and *R840 remain unchanged]***

25
26 **R1010 RETAIL FUEL PURCHASES**

- 27
28 **.100** A licensee may claim a tax-paid credit on the IFTA tax return for fuel purchased at retail
29 only when the fuel is placed into the fuel tank storage unit of a qualified motor vehicle and
30 the purchase price includes fuel tax paid to a member jurisdiction.
31
32 **.200** The receipt must show evidence of tax paid directly to the applicable jurisdiction or other
33 third party, at the pump ~~at the pump~~. Specific requirements for these receipts are outlined in the IFTA
34 Procedures Manual Section P550. No member jurisdiction shall require evidence of such
35 purchases beyond what is specified in the Procedures Manual.
36

37 ***[Sections *R1000 and *R1020 remain unchanged]***

38

Revisions following the Comment Period

- Effective Date clarification:
Upon passage for the purposes of licensing as a qualified motor
vehicle through IFTA. January 1, 2024, for adding as fuel type on the
IFTA tax return.

Ballot #8-2022
Comment Period Ending June 24, 2022

Support: 22
Oppose: 0
Undecided: 6

ALABAMA

Support

ALBERTA

Support

ARKANSAS

Support

BRITISH COLUMBIA

Support

IDAHO

Support

KANSAS

Support

KENTUCKY

Support

MANITOBA

Support

Has the definition of alternative fuels as defined by a Canadian institution been considered?

MARYLAND

Undecided

Maryland recognizes the importance of identifying alternative fuels as propellants, however, we're still in discussion regarding the possibility of defining electricity as a motor fuel. We also recognize that electric vehicles are here and in operation, and the need to promptly address a viable solution.

MICHIGAN

Support

MINNESOTA

Support

Minnesota supports the ballot. We would like to see greater definition around alternative fuels and cooperation between IFTA and jurisdictions to develop best practices around taxation and record keeping.

NEW BRUNSWICK

Support

NEW HAMPSHIRE

Support

NORTH CAROLINA

Support

The proposed definition of motor fuel is too detailed and some examples may imply an exclusion of fuels. For example, consider "blends of 85% or more of alcohol with gasoline." Does this language, by implication, exclude blends of 85% or less of alcohol with gasoline? Although "such as" should be interpreted to mean by example and without limitation, the list of examples may create unnecessary ambiguity.

Further, North Carolina is concerned whether this definition of alternative fuel has been formally adopted by the U.S. Department of Energy. It was not able to find the citation to a statute or the Federal Register. If IFTA is going to adopt a definition in its entirety from a government agency, it should be one that is not easily subject to change and can be relied upon in a future where the 'next fuel' remains undetermined.

North Carolina suggests a simpler, more succinct definition:

"Motor Fuels means all fuels or energy placed in the fuel supply storage unit to propel a qualified motor vehicle."

Also, motor fuels is a defined term. Therefore, adding "or other fuels as defined in R239" is unnecessary. See page 3, line 14; and page 3, line 19. It could cause confusion because of the expansive nature of the motor fuel definition (i.e. there are no other fuels other than motor fuels).

Finally, although North Carolina is generally in support for this ballot, it cannot support it with immediate effect. As may be experienced by other jurisdictions, North Carolina's IFTA enabling statute does not contemplate allowing North Carolina to enter an agreement (IFTA Articles of Agreement) that collects taxes from motor carriers related to fuel such as electricity. This would require a technical change (with a very high likelihood of passing) by the North Carolina legislature. North Carolina recommends that jurisdictions review their statute allowing it to enter into the Agreement to determine whether those jurisdictions need to make similar changes.

North Carolina requests an effective date for January 1, 2024.

NORTH DAKOTA

Support

ONTARIO

Support

OREGON

Support

PENNSYLVANIA

Support

PRINCE EDWARD ISLAND

Support

QUEBEC

Support

SASKATCHEWAN

Undecided

SOUTH CAROLINA

Support

SOUTH DAKOTA

Support

As the industry moves to alternative fuels, it is time for IFTA to put a definition in place that encompasses those fuels. I like that using the definition from the US Department of Energy. This will allow jurisdictions to work together to find an acceptable solution to the taxation of these emerging fuels. This also helps make it a uniform approach to identifying the possible future fuel sources.

TENNESSEE

Support

VIRGINIA

Undecided

WASHINGTON

Undecided

Warrants further discussion with member jurisdictions.

WEST VIRGINIA

Undecided

WYOMING

Undecided

We would like to hear discussion on this ballot before making a decision.

INDUSTRY COMMENTS

ATA David Bauer

The American Trucking Associations (ATA) endorses the passage of this ballot. Our members will, in the future, increasingly turn to alternative forms of energy (battery electric, hydrogen etc.) and the continued success of IFTA as a partner to industry will require changes such as this ballot contemplates.

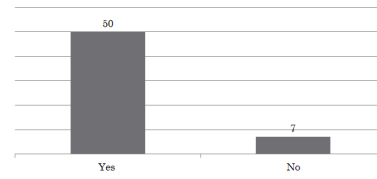
Total Responses: 57 50 Yes – 7 No Ballot 4-2022 Passed

Ballot 8-2022

The intent of this ballot is to add alternative fuels, as defined by the U.S. Department of Energy, and to add that any other type of energy used to propel a vehicle, to the definition of fuel within the IFTA agreement so that electric, hydrogen and other types of alternative energy vehicles can be registered for IFTA.

- 1. Yes
- 2. No

**RESULTS
Ballot 8-2022**



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
British Columbia 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	Yes
Indiana 14	No
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	Yes
Michigan 23	Yes
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

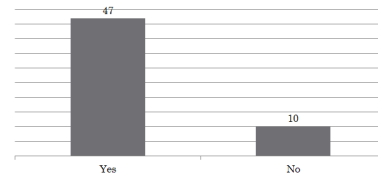
Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	No
New Hampshire 32	Yes
New Jersey 33	Yes
New Mexico 34	Yes
New York 35	No
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	Yes
Ohio 39	Yes
Oklahoma 40	Yes
Ontario 41	No
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	No
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	Yes
Washington 55	Yes
West Virginia 56	No
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	50 Yes – 7 No

Total Responses: 57 47 Yes – 10 No Effective Date Passed

Ballot 8-2022
Effective Date Upon Passage

- 1.Yes
- 2.No

Results
Ballot 2-2022
Effective Date Upon Passage



Participant	Response
Alabama 1	Yes
Alberta 2	Yes
Arizona 3	Yes
Arkansas 4	Yes
British Columbia 5	Yes
California 6	Yes
Colorado 7	Yes
Connecticut 8	Yes
Delaware 9	[No Response]
Florida 10	Yes
Georgia 11	Yes
Idaho 12	Yes
Illinois 13	No
Indiana 14	No
Iowa 15	Yes
Kansas 16	Yes
Kentucky 17	Yes
Louisiana 18	Yes
Maine 19	No
Manitoba 20	Yes
Maryland 21	Yes
Massachusetts 22	Yes
Michigan 23	Yes
Minnesota 24	Yes
Mississippi 25	Yes
Missouri 26	Yes

Montana 27	Yes
Nebraska 28	Yes
Nevada 29	Yes
New Brunswick 30	Yes
Newfoundland & Labrador 31	No
New Hampshire 32	No
New Jersey 33	Yes
New Mexico 34	Yes
New York 35	No
North Carolina 36	Yes
North Dakota 37	Yes
Nova Scotia 38	No
Ohio 39	Yes
Oklahoma 40	Yes
Ontario 41	No
Oregon 42	Yes
Pennsylvania 43	Yes
Prince Edward Island 44	Yes
Quebec 45	Yes
Rhode Island 46	Yes
Saskatchewan 47	No
South Carolina 48	Yes
South Dakota 49	Yes
Tennessee 50	Yes
Texas 51	Yes
Utah 52	Yes
Vermont 53	Yes
Virginia 54	No
Washington 55	Yes
West Virginia 56	Yes
Wisconsin 57	Yes
Wyoming 58	Yes
TOTALS	47 Yes – 10 No