



THE IFTA NEWS

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TAX RATE CHANGES

Listed below are the Tax Rate **Changes** for **2nd Quarter 2007**. Only those jurisdictions which have changes are listed, along with the fuel type that has changed. The deadline for changes is May 31.

	Gas	Diesel	Gasohol	Prop	LNG	CNG	Ethanol	Methanol	E85	M85	A55	BioD
GA 06/01/07	.1490		.1490		.1430	.1430	.1430	.1430	.1490	.1430	.1430	
MA				.2230	.2230	.2230						
NH												.1800

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Issuing Citations.....by Debra Meise

Upcoming Program Compliance Reviews



On June 6-8, 2007 the **"NEVADA"** Review will take place.

A special recognition and **"THANKS"** to those participating as team members:

Bill Kron (MS)
John Hopper (OK)



On June 20-22, 2007 the **"BRITISH COLUMBIA"** Review will take place.

A special recognition and **"THANKS"** to those participating as team members:

Roberta Keller (ND)
Bobbie Randhawa (CA)

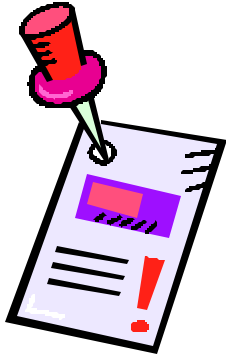


On June 26-28, 2007 the **"COLORADO"** Review will take place.

A special recognition and **"THANKS"** to those participating as team members:

Steve Holbrook (ID)
Edwina Briggs (AR)

NOTES FROM THE BOARD



The IFTA, Inc. Board of Trustees (Board) held its Second Quarter 2007 Board Meeting on April 19 - 20. The meeting was held at the IFTA, Inc. offices in Chandler, Arizona. All Board members were present. Mr. Gary Bennion (CNF Transportation Services), IFTA Industry Advisory Committee (IAC) Chair, and Mr. Glenn Campbell, IFTA, Inc. financial advisor, were also present.

The Board meeting was closed for an update from Mr. Campbell. Following the completion of the report, the Board resumed open discussions. Minutes from the 1Q07 Board Meeting were approved as amended. The Board also approved the minutes from the Board Actions by Email and Teleconference during the first quarter 2007.

Mr. Jason DeGraf, IFTA, Inc. Information Systems Administrator, reported on the new IFTA, Inc. Clearinghouse members. Missouri, North Dakota, and Oregon have recently joined, bringing the total to 46 active members. Saskatchewan will soon become an active member as well and will be the second Canadian Province to join.

IFTA, Inc. has recently purchased two additional servers for the transmittals database. These servers were configured using clustering services and are fully functional. Progress on the funds netting process was reviewed. Sample screens and calculations were presented. The Board approved a policy to use any interest earned on funds deposited into the funds netting account to defray the cost of the IFTA, Inc. Clearinghouse operating expenses, including those from funds netting. A funds netting calendar will be created for the processing of transmittal funds. The RPC and IRP Clearinghouse calendars will be reviewed. A presentation on the funds netting project will be presented during the 2007 Annual IFTA Business Meeting.

The IFTA Clearinghouse Advisory Committee (CAC) report was provided by Mr. Garry Hinkley (ME), CAC Chair and Board President. The Information Technology Advisory Committee (ITAC) has been requested to look into the possibility of providing IFTA, Inc. Clearinghouse status information through NLETS for roadside enforcement. Lt. Jennifer Brown (AZ), IFTA Law Enforcement Committee (LEC) Chair, has been asked to participate on the next teleconference regarding this discussion. The committee has revised the IFTA, Inc. Clearinghouse Access Agreement. IFTA, Inc. counsel has reviewed the document and proposed further amendments for the Board's final review.

Mr. Tom King, IFTA, Inc. Webmaster, provided a demonstration of the IFTA, Inc. website. The tax rate matrix has been revised and is currently being tested for release following the second quarter publication date (June 1, 2007). Secure web pages have also been finalized for some of the IFTA Committees including the Audit, Agreement Procedures, Attorneys' Section Steering, Dispute Resolution, Law Enforcement, Program Compliance Review, and the Board of Trustees. The Jurisdiction Communication Lists (JCL) have also been revised. Jurisdictions can now include title's of individual's listed on the JCL. Mr. King continues to work on improving the website and reviewing, locating, and correcting any problematic areas.

IFTA, Inc. Events Coordinator, Mrs. Tammy Trinker, provided a meetings update. The Board approved the proposed registration fees for the 2007 IFTA Managers' and Law Enforcement Seminar. Registration fees for members will be \$290 while the public and private sector registration fee will be \$350. Exhibitors will be asked to pay a \$600 registration fee. The registration fees for the 2008 IFTA / IRP Audit Workshop were also reviewed and approved. Registration fees for members attending this workshop will be \$350 while public and private sector representatives will be assessed a \$400 registration fee. Exhibitors attending the January 2008 IFTA / IRP Audit Workshop will pay a \$650 registration fee.

Discussions will continue regarding the 2009 IFTA / IRP Audit Workshop location and time frame. Referencing the 2009 Annual IFTA Business Meeting, two jurisdictions from the northeast have submitted a Letter of Intent. As Maryland recently hosted the 2004 meeting, the Board approved for IFTA, Inc. to pursue hotel locations in New Hampshire.

IFTA, Inc. will also work with North Carolina in pursuit of a possible hotel location to host the 2009 IFTA Managers' and Law Enforcement Seminar. Both Utah and Ontario are being considered to host the 2009 IFTA Attorneys' Section Meeting and IFTA, Inc. is actively pursuing a local hotel to host the 2008 IFTA Attorneys' Section Meeting in the Phoenix area.

Mrs. Debora Meise, IFTA, Inc. Program Director, reported on the IFTA / IRP Combined Review Project. Two test combined reviews will be conducted this year. The Wyoming review has been scheduled and Oregon has yet to finalize their combined review date. Mr. Dick Beckner, IFTA, Inc. Program Compliance Administrator, will be Lead Reviewer on the Wyoming review. Following the conclusion of these reviews, surveys completed by the team members will be tabulated and shared with IFTA and IRP membership to consider the possibility of continued combined IFTA and IRP reviews.

Ms. Rena Hussey (VA), Board Liaison, provided the Program Compliance Review Committee (PCRC) report. The Board approved the committee nominations of Ms. Brenda Brand (FL) and Mr. Joe Dian (IN). The committee has also amended the PCRC charter and submitted the revised version to the Board for consideration.

IAC Chair, Mr. Bennion, provided this report. The last committee meeting was in January following the IFTA / IRP Audit Workshop. There was concern expressed regarding the closed session held during the workshop and Mr. Bennion will focus on this concern in a panel discussion during the IFTA Attorneys' Section Meeting in May.

Mr. Scott Greenawalt (OK), Board Liaison, provided the Agreement Procedures Committee (APC) report. The committee continues to review and revise the APC Best Practices Guide. Work on the Annual Report and Exemption database also continues. The Board tasked the APC with drafting a new format for the Annual Report and to provide a mock-up of such a report for the Board's review. It was recommended that a subcommittee be formed to complete this Board-assigned task.

Law Enforcement Committee (LEC) Board Liaison, Mr. Julian Fitzgerald (NC), presented this report. In March, a face-to-face meeting was held in NC. Ten committee members were present as were three NC investigators. The committee is considering the possibility of a road show to promote enforcement and increase awareness in the IFTA jurisdictions. This promotion and education would be provided by committee representative's selected to travel to various member jurisdictions. Additionally, the committee is looking to coordinate a special operation wherein all participating jurisdictions would focus on IFTA compliance within a specific time period.

The committee sponsored FTPBP 1-2007. The intent of this ballot is to establish uniform enforcement of IFTA licensing violations among member jurisdictions and support jurisdictional legislative changes and practices required to obtain uniformity. Mr. Don Boswell (VA) has volunteered to participate on the Alternative Fuels Committee chaired by Ms. Kim Craig (ON). The objective of this committee is to review the biodiesel and alternative fuel issues as they relate to IFTA.

The LEC continues to work on the September 2007 IFTA Managers' and Law Enforcement Seminar agenda and jurisdiction law enforcement contacts, as well as the LEC Best Practices Guide.

Ms. Sonia Sanders (KY), ITAC Board Liaison, presented this committee report. The committee held teleconferences in March and April. The positions of Chair and Vice-Chair were discussed. The next teleconference will be early May. In an attempt to expand the ITAC membership, the Board asked Mr. Bennion to nominate an IAC representative to serve on this committee.

A survey regarding electronic filing was provided, online, to all jurisdictions. Forty-one (41) responses were received with mixed opinions as to whether electronic filing would be beneficial. Thirty-one (31) jurisdictions currently have electronic filing or are developing electronic filing for their taxpayers. The committee will continue to brainstorm for future technology projects.

Ms. Craig, Board Liaison to the Alternative Fuels Committee, reported that the committee held their first teleconference on March 1. Members of this committee include Mr. Fred Alleman (PA), Mr. Don Boswell (VA), Ms. Donna Burch (Ryder Transportation Services), Ms. Meg Cronk (NY), Mr. Andrew Foster (NB), Mr. Gary Frohlick (SK), Mr. Hinkley, Mr. Mark Osbaldeston (ON), Mr. Robert Pitcher (ATA), Ms. Pat Platt (KS), Ms. Jan Skouby (MO), and Mr. Bill Staples (NB). A subcommittee will draft a survey for membership regarding the use, taxation, and incentives of biodiesel fuel.

Audit Committee Board Liaison, Mr. Scott Bryer (NH), provided this committee report. The Board approved the nomination of Ms. Charmin Tillman (MS) to fill the Southeastern Region vacancy. The committee continues to search for a candidate to fill the vacancy in the Canadian Region.

A Joint Audit Subcommittee is being created to explore how joint IFTA and IRP audits could be best performed. This subcommittee will develop a process and subsequently coordinate multi-jurisdictional or joint audits of larger IFTA licensees and IRP registrants. The Audit Committee is also discussing alternatives to the 3% audit requirement, sampling periods, and three-year vs. one-year audits.

The Dispute Resolution Committee (DRC) held a teleconference in late February to discuss the possibility of a mock dispute. All materials will be provided and preliminary work will be conducted via email or the committee's secure web page. The DRC plans to conduct a final deliberation on the mock dispute in conjunction with the 2007 Annual Business Meeting.

The 2007 Nominating Committee for members of the Board was established. Mr. Bryer was appointed Chair of the committee. Serving on the committee will be Mr. Fitzgerald, Ms. Sanders, and Mr. Bob Turner (MT). There are five Board seats to be considered. The memorandum to IFTA Commissioners with interest in serving on the Board will be distributed in late April and request a response by May 25 for consideration by the Nominating Committee.

Reviewing the 2007 Annual IFTA Business Meeting, the Board made assignments and revised the preliminary agenda to incorporate additional items of interest to membership. The registration packet will be posted to the IFTA, Inc. website in late April. The registration fees for this meeting will be \$280 for non-voting member delegates, \$340 for public and private sector representatives, and \$600 for exhibitors.

Five Full Track Preliminary Ballot Proposals (FTPBP) for 2007 were reviewed. The first comment period expires May 14. FTPBP 1-2007, sponsored by the LEC, focuses on uniformity in enforcement practices. The subject of FTPBP 2-2007 deals with disputes arising from certain findings of non-compliance in program compliance reviews. This ballot is co-sponsored by the Board, the PCRC, and jurisdictions of Kentucky and Illinois. Ballot 3-2007, sponsored by Nebraska, addressed the addition of USDOT numbers to the IFTA applications. Sponsored by Alabama, ballot 4-2007 addresses multiple audit counts in relationship to registration years and fuel type audited. Alabama also sponsored ballot 5-2007 which focuses on multiple audit counts in relationship to carrier size.

The Board reviewed Consensus Board Interpretation Draft (CBID) 1-2007. During its review, the Board did not consider any facts or details pertaining to any specific matter. The Board merely issued a proposed interpretation of the Agreement language. The issue was submitted by CO, IA, UT, and NV. These jurisdictions requested interpretations regarding various audit and re-audit provisions of the Articles of Agreement. The Board will present proposed interpretations during the 2007 Annual IFTA Business Meeting for ratification. The CBI will be posted on the IFTA, Inc. website as part of the Annual Meeting materials.

The Board reviewed the data compiled regarding the Unprocessable Returns Project. This project was undertaken following the Board's withdrawal of FTPBP 10-2006 in an effort to determine if any such problem existed. The data compiled did indicate that there exists a growing concern regarding late returns on transmittals. Through the current PCR process, review teams do not separate unprocessable returns from the late transmittals. The Board decided to discuss this project with membership at the July 2007 Annual IFTA Business Meeting.

Ms. Turner provided an update on the NAFTA Border States Working Group. A meeting was held in March in San Diego, CA. US Secretary of Transportation Ms. Mary Peters had announced a pilot program to implement NAFTA cross border operations. In this program, the USDOT would issue provisional authority to 100 motor carriers selected by the Mexican Federal Government and 100 US carriers would also be eligible for reciprocal authority to operate in Mexico. The Pre-Authorization Safety Audits (PASAs) of Mexican carriers by FMCSA are underway. This pilot program will last for one year from the date of the first carrier receiving the provisional operating authority.

The issue of bonds was also reviewed. California and Texas will require bonds in the amount of \$1,500 while Arizona and New Mexico will require a minimum bond of this amount plus an additional fee for each vehicle. Another meeting has not been formally scheduled at this time.

During the 1Q07 Board Meeting, the Board authorized California to produce its 2008 IFTA decals to the specifications found in the IFTA Procedures Manual and including a barcode as requested. Following the Board's approval, California has requested that the Board allow them to pursue their request for the 2009 IFTA decal instead. The Board approved California's request.

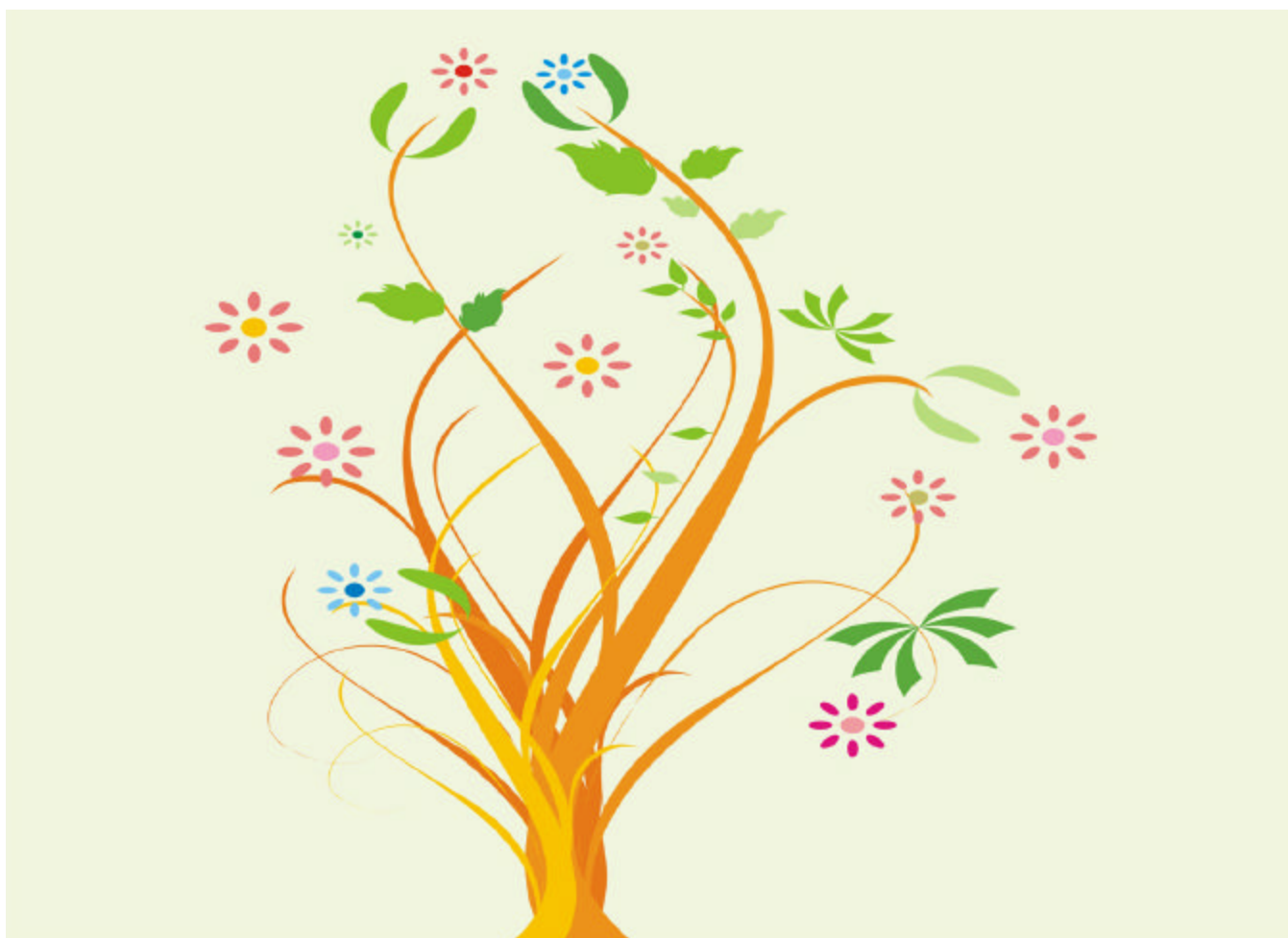
IFTA Committee charters were then reviewed. All committees have had an opportunity to review and offer their commentary on the revision of the charters. The Board amended the current charters and proposed some standardized language to be included. IFTA, Inc. will incorporate the amendments proposed by the Board. Once the amendments have been incorporated, the Board will again review and then vote on the adoption of the revised committee charters. Additionally, IFTA, Inc. will amend the IFTA, Inc. Bylaws in relation to the committee charters so that the language mirrors the proposed amendments. Membership will need to ratify the IFTA, Inc. Bylaws, once all amendments have been completed, during the July 2007 Annual IFTA Business Meeting.

The IFTA, Inc. Strategic Plan was reviewed. The Board made several changes to the action items and dates. Two Succession Plans and the IFTA, Inc. Contingency Plan were also presented to the Board for their review and consideration.

Ms. Turner provided the IFTA, Inc. financial report. She reported that IFTA, Inc. remains in very good shape and continues to be financially sound.

The Board then met in closed session to review the proposed IFTA, Inc. budget for fiscal year 2007/2008. The Board adopted that budget, as proposed.

Following the conclusion of the business discussions, the Second Quarter 2007 IFTA, Inc. Board of Trustees Meeting was adjourned.





UPCOMING MEETINGS

2007

FTA Annual Meeting
June 10-13, 2007
Chicago, Illinois

AMMVA Region II Conference
June 10-14, 2007
Ponte Vedra Beach, Florida

AAMVA Region IV Conference
June 25-28, 2007
Park City, Utah

SEATA—Annual Meeting
July 8-10, 2007
Lake Buena Vista, Florida

IFTA, Inc.
Annual Business Meeting
July 20-21, 2007
Chesterfield, Missouri

AAMVA Region I Conference
July 26-31, 2007
Washington, DC

AAMVA Board of Directors Meeting
August 17-18, 2007
Rapid City, South Dakota

MSATA—Annual Meeting
August 19-21, 2007
Omaha, Nebraska

AAMVA Annual International Conference
August 19-23, 2007
Rapid City, South Dakota

NESTOA Annual Meeting
September 5-8, 2007
Washington, DC

WSATA Annual Meeting
September 9-12, 2007
Santa Fe, New Mexico

IFTA Managers/Workshop/
Law Enforcement Seminar
September 12-14, 2007
Mesa, Arizona

IRP Annual Meeting
September 27-October 1, 2007
Louisville, Kentucky

FTA Motor Fuel Tax Section
Annual Meeting
September 30-October 3, 2007
Baton Rouge, Louisiana

IFTA, Inc. Board Meeting
October 25-26, 2007
Chandler, Arizona

2008

IFTA/IRP Audit Workshop
January 4-7, 2008
Tempe, Arizona

IFTA, Inc. Board Meeting
January 17-18, 2008
Chandler, Arizona

IFTA, Inc. Board Meeting
April 17-18, 2008
Chandler, Arizona

AAMVA Board of Directors Meeting
May 2-3, 2008
Arlington, Virginia

CCMTA Annual Meeting
May 18-22, 2008
St. Johns, Newfoundland/Labrador

AAMVA Region II Conference
June 8-12, 2008
Hilton Head Island, So Carolina

IFTA Annual Business Meeting
July 18-19, 2008
New Orleans, Louisiana

AAMVA Region I Conference
July 24-29, 2008
Quebec, Quebec

IFTA Managers Workshop/
Law Enforcement Seminar
September 17-19, 2008
Mesa, Arizona

IFTA, Inc. Board Meeting
October 23-24, 2008
Chandler, Arizona

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