

TAX RATE CHANGES FOR 2Q12

Thus far, only one member jurisdiction has changed tax rates for 2Q12. To view these changes, please visit:

http://www.iftach.org/taxchangeq.php

THE IFTA, INC. STAFF

To contact a member of the IFTA, Inc. staff, please click on a name below.

Lonette L. Turner, CEO/CFO

Debora K. Meise, Senior Director

Jason DeGraf, Information Services Director

Amanda McNally Koeller, Program Administrator

Tammy Trinker, Office and Events Administrator

Tom King, Webmaster

Richard O. Beckner, Program Compliance Administrator



IFTA Committees Welcome...

Audit Committee (AC):

• Kristin Funk (SD)

Clearinghouse Advisory Committee (CAC):

Angie Duerson (VA)



Comings:

California IFTA Commissioner

Mr. Lou Feletto

Phone: 916.323.9401

Email: lfeletto@boe.ca.gov

Comings:

New York IFTA Commissioner

Ms. Diane O'Donnell Phone: 518.457.7592

Email: diane.odonnell@tax.ny.gov

Comings:

Ohio IFTA Commissioner

Mr. William B. Ditto Phone: 614.728.4381 Fax: 614.728.8085

Email: william_ditto@tax.state.oh.us

If your jurisdiction has had IFTA staff changes please let us know!



NEXT IFTA MEETING

Annual IFTA Business Meeting July 18 – 19, 2012 Grand Rapids, MI

2012 IFTA /IRP Managers' and Law Enforcement Workshop

Do you have a new employee administering your jurisdiction's IFTA program? If so, the place to be for a "networking" orientation is the APC/LEC Managers' Workshop in Mesa, Arizona. The agenda this year will cover sessions in IRP, IFTA and Law Enforcement! **Registration Packet Coming Soon**



29TH ANNUAL IFTA BUSINESS MEETING JULY 18-19, 2012 AMWAY GRAND GRAND RAPIDS, MI

By Lonette Turner

Let me take this opportunity to personally invite you to attend the 29th Annual IFTA Business Meeting. The meeting will be held July 18-19 at the Amway Grand in Grand Rapids, Michigan. Our Industry Advisory Committee will meet on Tuesday, July 17 at 1:30 p.m. at the Amway Grand.

During the Annual Business Meeting, the membership will be voting on several items and issues, including:

- approval of the minutes of the 2011 Annual Business Meeting;
- election of Board members;
- proposed changes to the IFTA, Inc. Bylaws;
- Short Track Ballot Proposals #6 and #7-2012; and
- Proposed Amendments to the Dispute Resolution Process.

There are five Full Track Preliminary Ballot Proposals being presented for discussion at this year's meeting. The subject matters of these ballots include:

- P700 Standard Tax Returns;
- R1230 Interest:
- R1800 Standing Committee Information Technology Advisory Committee;
- R245 Definition of Qualified Motor Vehicle; and
- P1110 Annual Reporting.

We already have had several interesting topics submitted for our Town Hall Meeting. However, the more topics the better, so please feel free to submit any topics that you would like to have included, or be ready to raise your hand at the meeting. During the Town Hall Meeting, we will be discussing preliminary procedures put together by IFTA, Inc. for voting delegate travel to next year's annual meeting.

We welcome Tim Adams, CEO of IRP, Inc. and Jay Starling, Chair of the IRP, Inc. Board of Directors and look forward to their update on IRP activities.

Our committee chairs will update you on the important activities and projects underway or completed during the last year.

New to the agenda this year is the opportunity for those in attendance to discuss mock disputes that were prepared by the Dispute Resolution Committee. We will be dividing you into four groups. Two groups will be assigned Mock Dispute #1 and two groups will be assigned Mock Dispute #2. You will be in a breakout format to discuss the issues and possible findings in these disputes. We will then bring you all back together to report on what you decided. So, be sure to select a "scribe" for your breakout.

There are many other items of interest on the agenda this year, so we hope to see you in Grand Rapids!

We'd like to welcome our first break sponsors.



Each of these companies will be sponsoring one break during our upcoming meeting.

The pre-meeting materials have been posted on our website (www.iftach.org). Just click on "Register Now" on our home page. You will then see our 2012 Annual Business Meeting page. Registration, hotel information, pre-meeting materials, proxy form and issues information are all located on this one convenient page.

For those IFTA Commissioners unable to attend the meeting, it is very important that you give your voting proxy to either someone else from your jurisdiction or to a voting delegate from another jurisdiction. The document entitled Issues on the Annual Meeting Agenda (on our website) will assist you in reviewing the issues and providing voting information to your proxy. It is not a required form, but may be helpful to you. The proxy form (also on our website) is required, so please take a moment to download the form, complete it, sign it, scan it, and send it to IFTA, Inc. and to your proxy holder.

I'd like to thank Mr. Andy Dillon, Michigan State Treasurer, Doug Miller, Michigan IFTA Commissioner, and the staff of the Michigan Department of Treasury for hosting the 2012 Annual IFTA Business Meeting. We look forward to being in Grand Rapids!







2012 BALLOTS

FOR DISCUSSION AT THE ANNUAL BUSINESS MEETING

FTPBP 01-2012

Sponsored by:

IFTA Agreement Procedures and the IFTA Program Compliance Review Committees

Intent:

The intent of this ballot is to provide an update to the IFTA Procedures Manual to include the necessary requirements for filing an IFTA tax return, regardless of the manner filed.

FTPBP 02-2012

Sponsored by:

Jurisdiction of Colorado

Intent

The intent of this ballot is to amend the IFTA Articles of Agreement to minimize the number of interest rate changes from year to year for minor fluctuations in the IRS rate and to make it easier for the carrier to calculate interest on a monthly basis. The ballot would establish a monthly interest rate for the year based on the IRS interest rate from the prior year.

Example:

| IRS rate | IFTA monthly rate |
|-------------|-------------------|
| 0% - 3% | 0.25% or 0.0025 |
| 3.1% - 6% | 0.5% or 0.005 |
| 6.1% - 9% | 0.75% or 0.0075 |
| 9.1% - 12% | 1.0% or 0.01 |
| 12.1% - 15% | 1.25% or 0.0125 |
| 15.1% - 18% | 1.5% or 0.015 |
| 18.1% - 21% | 1.75% or 0.0175 |
| 21.1% - 24% | 2% or 0.02 |

FTPBP 03-2012

Sponsored by:

IFTA, Inc. Board of Trustees

Intent

The intent of this ballot is to create the Information Technology Advisory Committee as a standing committee of the International Fuel Tax Agreement.

FTPBP 04-2012

Sponsored by:

Jurisdiction of Alabama

Intent

The intent of the ballot is to amend Section R245 of the IFTA Articles of Agreement to include the provisions of the Consensus Board Interpretation in the definition of Qualified Motor Vehicle. The amended definition will provide necessary clarification to jurisdictions, law enforcement and licensees regarding the IFTA licensing requirements, which will result in a reduction of IFTA licenses/decals and citations being issued to non-qualified motor vehicles.

FTPBP 05-2012

Sponsored by:

Jurisdiction of Ontario

Intent

The intent of this ballot is to amend the language in P1110 to require member jurisdictions to update the IFTA Exemption Database at the same time the Annual Report is submitted. If a jurisdiction implements an exemption change throughout the year, the jurisdiction would then be required to update the Exemption Database within 30 days of the change being enacted. This will ensure the Exemption Database is kept current and therefor beneficial to IFTA licensees and jurisdictions.

Once a jurisdiction's exemption information has been entered on the database, there is no need to reenter the exemption information annually – only when exemption information is changed does it need to be entered. If a jurisdiction does not have any change to the Exemption Database, an annual update could be achieved by simply reconfirming the data to indicate that all given details remain correct. By combining such an annual update with an as-needed requirement, the Exemption Database will provide a consistent and reliable source of essential information.

STPBP 06-2012

Sponsored by:

Jurisdiction of Illinois

Intent

The intent of this ballot proposal is to provide consistency throughout the voting process. We suggest a consistent, three-fourths of the total member jurisdictions casting votes be required for passage.

STPBP 07-2012

Sponsored by:

Jurisdiction of Kansas Jurisdiction of Nevada Jurisdiction of Oregon

Intent

The intent of this ballot is to amend the IFTA Articles of Agreement so that the expulsion provisions of the Agreement are consistent with the progressive nature of the penalties provided for in the IFTA Dispute Resolution Process.

Survey Says...



The IFTA, Inc. Clearinghouse Advisory Committee (CAC) is working on a Best Practices Guide for the IFTA, Inc. Clearinghouse and is looking for your feedback. If you received an email from Kim Knox-Lawrence (ME) requesting your input, please take a moment and respond. If you cannot locate Kim's email please email her at kim.knoxlawrence@Maine.gov and she'll forward another survey to you.

IFTA, INC. WEBSITE UPDATES

By: Tom King, Webmaster (tking@iftach.org)

Charles M. Mills Award of Excellence

Nominations are now open for the 2012 Charles M. Mills Award of Excellence. The deadline to submit nominations ends on **August 24, 2012**.

2012 IFTA / IRP Managers' and Law Enforcement Workshop

The Pre Information Packet for the 2012 IFTA / IRP Managers' and Law Enforcement Workshop is now available on our front page. Registration for the Workshop will be coming in the near future.

Surveys

A new survey was added to the secure area for IFTA, Inc. users with Level 1 accounts and higher. The survey is titled 'Audit Committee – Suggested Language Proposals'. The IFTA Audit Committee is seeking your input prior to proposing ballots for changes to the Agreement. There are three documents for your consideration. Please take the time to offer the Audit Committee your suggestions on changes that you could support. The deadline to submit comments ends on June 29, 2012.

IFTA, INC. CLEARINGHOUSE UPDATE

By: Jason DeGraf, Information Services Director (jdegraf@iftach.org)

IAR Reports - Uploading

The IAR upload tool has been changed to force all users to use a 9 to 11 digit Tax Payer ID. Previously this was not being enforced, and users would sometimes use internal ID numbers for their tax payers. The use of internal numbers for the tax payer id led to IAR's being posted that don't match to the tax payer on the Transmittal or Demographic pages of the Clearinghouse. This made looking up the actual carriers difficult for many jurisdictions.

We ask that you use the tax payer id as you would on your transmittals and demographic data.

New Demographic Certificate

A new SSL Certificate was released on June 11th, 2012. The previous one had expired.

SSL Certificates encrypt data as it goes out across the internet.

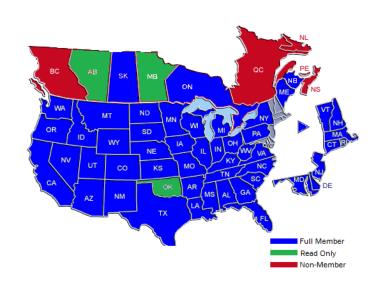
We use personal SSL Certificates. Personal certs will throw up warnings in most browsers. This is by design. To avoid error messages please install the certificate.

We also use person certificates because it's cheaper (free), then having to pay a company like VeriSign \$1,500 per year.

It was also felt the VeriSign did not need access to our systems, which would be required, to get a good standing with VeriSign.

<u>PEI</u>

Prince Edward Island is expected to become a full participating member of the Clearinghouse on July 1st, 2012.



SAVE THE DATE!

Motor Fuel Uniformity Meeting

June 1-2, 2012 San Antonio, Texas

Motor Fuel Southern Region

June 10-13, 2012 New Orleans, Louisiana

FTA Annual Meeting

June 17-20, 2012 Washington, DC

Annual IFTA Business Meeting

July 18-19, 2012 Grand Rapids, Michigan

SEATA

July 22-25, 2012 White Sulphur Springs, West Virginia

MSATA

August 26-28, 2012 St. Louis, Missouri

Motor Fuel Uniformity Meeting

October 26-27, 2012 Providence, Rhode Island

Motor Fuel Tax Annual Conference

October 28-31, 2012 Providence, Rhode Island

IFTA-IRP Managers'/Law Enforcement Workshop

September 12-14, 2012 Mesa, Arizona

IFTA, Inc. Board Meeting

October 17-18, 2012 Chandler, Arizona

