

International Fuel Tax Association, Inc.



November 2012
Volume 12, Issue 10

THE IFTA NEWS

912 W. Chandler Blvd., #B-7
Chandler, AZ 85225
480.839.IFTA (4382)
www.iftach.org

TAX RATES FOR 4Q12

Currently three jurisdictions have revised their tax rates for the upcoming 4Q12. All rates must be confirmed by midnight EST, December 5, 2012. The final matrix will then be uploaded on **December 6, 2012**. To view the tax rate changes please visit:

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



Comings:

Arizona IFTA Commissioner
Mark Zimmerman
Phone: 602-712-8381
Email: mzimmerman@azdot.gov

Maryland Assistant IFTA Commissioner
Bill Blum
Phone: 410-260-7501
Email: bblum@comp.state.md.us

New Brunswick IFTA Commissioner
Diane Robichaud-Cormier
Phone: 506-856-3082
Email: diane.robichaud-cormier@gnb.ca

Utah Assistant IFTA Commissioner
Stacey Hammond
Phone: 801-297-7660
Email: shammond@utah.gov

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

THE IFTA, INC. STAFF

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

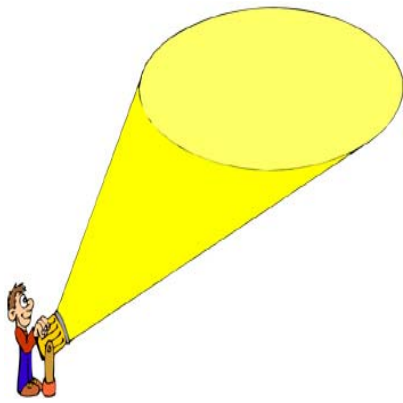


SHORT TRACK

The deadline for Short Track Ballot voting closes on **11-19** (next Monday). Please be certain to visit the IFTA, Inc. website, log into the Voting Booth, and cast your votes for the two short track ballots: 3-2012 and 7-2012.

For information on the ballots themselves you can visit the website and click on the Ballot Proposals tab.





Meeting Spotlight

IFTA / IRP Audit Workshop

JANUARY 2013

WHEN ?

January 27 (Sunday)

On-Site Check-In
Planner's Meeting

January 28 - 30 (Monday - Wednesday)

Workshop

January 31 (Thursday)

Open IFTA / IRP Committee Meetings

WHERE ?

Fly in to

San Antonio International Airport (SAT)

San Antonio, TX

<http://www.sanantonio.gov/aviation>

Ground Transportation

City Tours, Inc. / Go Airport Shuttle

Discounted Attendee Fair: \$30.50 Roundtrip

Reservations must be made 24 hrs. prior to arrival

Online through IRP, Inc. reservations page

QUESTIONS?

IRP, Inc.

Claudia Rizzo

ctrapp@irpinc.org

PAYMENT ?

Hotel

Crowne Plaza Riverwalk

111 E. Pecan Street

San Antonio, TX 78205

(210) 354-2800

Crowne Plaza Riverwalk Website

Reservations Deadline: **January 6th**

Room Rate for Group	\$119.00
State and local taxes	16.75%

Meeting Registration Fees

Early Bird Deadline December 5, 2012

Jurisdiction Delegate	\$310
Affiliate Member	\$360
Nonmember	\$410

Regular Rates Deadline January 16, 2013

Jurisdiction Delegate	\$355
Affiliate Member	\$400
Nonmember	\$450

Onsite Fees (Registering After 1/16/13)

Jurisdiction Delegate	\$445
Affiliate Member	\$495
Nonmember	\$545

To register and obtain additional information please visit:

2013 IFTA / IRP Audit Workshop Hosted by IRP, Inc.

Attend this workshop to:

- Learn how to audit smarter through a series of hands on case studies reflecting the audit cycle
- Network with jurisdiction and industry stakeholders
- Improve your interview techniques for initial conferences
- Use audit data and metrics to manage staff performance
- Select a sample and ensure its representativeness of the whole
- Determine when a distance adjustment is warranted
- Correctly apply projection vs. isolation
- Write a strong audit report that stands up to scrutiny
- Run an effective closing conference
- Improve your jurisdiction's internal controls

4Q 2012

NOTES FROM THE BOARD

On October 17 and 18 the IFTA, Inc. Board of Trustees (Board) held its Fourth Quarter 2012 meeting. All Board members were in attendance. Mr. Robert Pitcher (American Trucking Associations, Inc.) also attended. The Board approved the Second Quarter 2012 Board meeting minutes as corrected. Also approved were the minutes from the Board's May 14 conference call and Actions by Email. A Consent Agenda had been presented to the Board prior to the meeting and contained committee reports not requiring Board action. The Board accepted these reports as presented.

Mr. Jason DeGraf, Information Services Director of IFTA, Inc., presented an update on the Clearinghouse. British Columbia is preparing for entry into the Clearinghouse as a non-participating member on January 1, 2013.

When jurisdictions forward Interjurisdictional Audit Reports with symbols in the file names, IFTA, Inc. removes these symbols upon receipt. All member jurisdictions have been advised that the use of symbols in file names is not supported.

Mr. DeGraf informed the Board that IFTA, Inc. provided a brief systems overview to FMCSA regarding the possible upload of data to SAFER. IFTA, Inc. will not provide data to SAFER until non-CVISN states have approved such an upload. There are issues currently in the hands of FMCSA. Until word is received, IFTA, Inc. will take no further action.

Mrs. Amanda Koeller, IFTA, Inc. Program Administrator, reported on funds netting. In May, a spike in total amount due occurred. This was the result of a data entry error by a member jurisdiction. After discussions held by the jurisdictions most affected by the error, the total amount due was paid, and the error was reversed in the next transmittal.

Mrs. Koeller informed the Board that, since the inception of the Clearinghouse, the number of delinquent payments has dropped dramatically. There was a 61% drop in late payments in 2011 from 2010. Currently, only three jurisdictions have paid late in 2012.

The Board then reviewed and approved the 2014 Funds Netting Calendar. This calendar will be posted to the secure IFTA, Inc. website.

Mr. Tom King, IFTA, Inc. Webmaster, provided a demonstration of changes to the IFTA, Inc. website. Mr. King noted the tax rate calendar for 2013 – 2014. This calendar allows for jurisdictions to better understand when the rate changes need to be finalized and reported and when IFTA, Inc. will release the new quarterly matrices. A Program Compliance Review participation chart was also shown to the Board. This chart allows members to plan in advance for when they are expected to participate in upcoming Program Compliance Reviews.

An evaluation form for the 2012 IFTA / IRP Managers' and Law Enforcement Workshop was posted, and a link was provided to the workshop attendees. The second comment period for the 2012 ballots

has recently concluded and IFTA, Inc. is working to prepare voting booth for the Commissioners. Upgrades were made to the Interjurisdictional Email Exchange. Mr. King reviewed how members will be able to select certain contacts as opposed to emailing all Commissioners, Assistant Commissioners, etc. With the use of a new feature, users can select particular persons instead of having to select all 58 jurisdictions and then deleting those that they do not need for the mailing.

Mrs. Debora Meise, IFTA, Inc. Senior Director, presented the 2014 IFTA decal specifications. Before approving the 2014 specifications, the Board discussed Wisconsin's request regarding the 2013 color. The Board accepted Wisconsin's request for the color modification for the 2013 decals to "Process Blue" vs. Pantone Blue #299C. Kansas had submitted concerns pertaining to the required elements of the 2013 decal specifications. In regards to the issues outlined by Kansas, the Board believed that no action was required at this time. The 2014 IFTA decal specifications were then reviewed and approved as amended.

Mrs. Tammy Trinker, Office and Events Administrator for IFTA, Inc., announced that there were 87 persons in attendance at the 2012 IFTA / IRP Managers' and Law Enforcement Workshop. Sixty-one members from thirty-two jurisdictions and sixteen others from various general public and industry companies attended. Additionally, representatives from FHWA, and Federal Motor Carrier Administration (FMCA) of Mexico were in attendance.

Mrs. Trinker informed the Board that IRP, Inc. is hosting the 2013 IFTA / IRP Audit Workshop. This upcoming workshop will be held January 28 – 30 in San Antonio, TX. A link to the workshop registration has been provided on the IFTA, Inc. website meetings calendar. The 2013 IFTA / IRP Managers' and Law Enforcement Workshop will be held October 23 – 25 in Mesa, AZ. The Silver Legacy hotel in Reno, NV will host the 2013 Annual IFTA Business Meeting. The dates of this meeting are August 21 – 22. The quarterly Board meetings in 2013 have all been scheduled as well. Dates of these meetings are January 15 – 16, April 16 – 17, and October 21 – 22 respectively.

Mrs. Meise provided an update on the 2012 ballot proposals. All of the sponsors have forwarded their ballots for the voting period. Four full track ballots and two short track ballots were submitted. The voting period for the short track ballots concludes 11/19/12 and the full track ballot voting period ends 12/19/12. It was noted that IRP, Inc. has five ballots open for vote. Voting will conclude on 10/18/12 for ballots 378 and 379 while ballots 380, 381, and 382 will be open until 12/3/12.

Six program compliance reviews have been closed to date and three remain to be completed for 2012. In 2013 the Southeast Region will be reviewed. All twelve reviews have been scheduled. Two will be on-site reviews as requested by the jurisdiction.

Ms. Lonette Turner, IFTA, Inc. CEO/CFO, reported that IFTA, Inc. remains financially sound. Discussion was had regarding the payment of membership dues. There was a question of late penalties. The Board decided that members not paying within 90 days of the issuance of the invoice would lose their voting rights and be placed on inactive status. Prior to this, however, IFTA, Inc. would issue reminders to members that have not paid within 60 days of the invoice.

Mr. Hugh Hughson (BC) led a discussion regarding hybrid vehicles under IFTA. It was noted that, currently, most of the dual fuel vehicles are smaller in nature and not qualified motor vehicles as

defined by the IFTA. However, it was also stated that manufacturers are expanding into larger IFTA qualified motor vehicles. It was the decision of the Board that a working group be organized to review this issue. Mr. Hughson agreed to chair the working group. A report that was drafted by Mr. Pitcher will be reviewed, revised, and forwarded to the working group. IFTA, Inc. will contact the recommended members and inquire as to their availability to participate. Additionally, a survey will be conducted of the membership to determine the level of awareness to the issue in question and whether there are processes in place to report these types of vehicles.

The Board then reviewed the implementation of FTFBP #2-2010. This ballot will amend the IFTA Articles of Agreement so that the interest rate to be used on the taxes due from fleets based in the US will fluctuate with the changes in the economy. Membership approved this ballot which becomes effective July 1, 2013. Concern had been expressed by Oregon that interest is a matter of substantive law and therefore not a part of IFTA. Oregon questioned whether or not the Board could delay the implementation until research has been conducted and reported on as to whether or not this issue should be handled through IFTA. Mr. Greenawalt explained that, as Board President, he would not be comfortable with the Board overturning a decision that membership as a body had previously approved. Rather, he explained, the issue should be presented to membership and not directly to the Board. Concluding their discussions, it was the Board's position that, in reference to Oregon's request to revisit the CBI, that the first option as outlined in their request was the original intent of the Board. This option stated, in part, that "the interest rate charged in an audit should reflect the interest rate in effect at the time of the under-payment." A correspondence will be issued to Oregon stating this and further inform the jurisdiction that the Board does not have the authority to override a decision of the membership.

Mr. Ric Listella (OR), Audit Committee (AC) Board Liaison, presented this committee's report. The committee completed its review and prepared recommendations for changes to P600 and the Audit Manual. These recommendations were presented to membership during the Annual IFTA Business Meeting. During the business meeting there was a consensus that the changes are fundamental and should be carefully reviewed by all of the IFTA Standing Committees. As a result the committee asked the Board to form a Working Group comprised of at least one person from each Standing Committee to review the recommendations. The Board approved the Audit Committee's request and IFTA, Inc. will work with the AC chair to facilitate a conference call to staff the Working Group.

Mrs. Patricia Platt (KS) presented the Re-Audit and Re-Examination Working Group (RRWG) report. The working group has addressed all of the questions presented by the Board and amended the flowchart outlining a proposed audit process. Their work can now be forwarded to the AC for further scrutiny. The Board will respond formerly to the RRWG thanking them for their time, effort, and due diligence and ask the working group to remain in existence while the AC reviews their data.

Mr. Ron Hester (ON) presented the Commissioner Training Committee (CTC) report. The committee has completed most of the charges assigned by the Board. However, the committee is losing three people and, as a result, has asked the Board for an extension on the deadline. The Board approved this request and extended the project deadline to the 2Q 2013.

Mr. Hester then led the discussion regarding the Strategic Plan. Originally the current plan was created in 1997. It was reviewed and revised in three other strategic planning sessions. The last one was held

in 2008. The Board believes that a Strategic Planning Session is in order and asked IFTA, Inc. to look into a facilitator. Several options were considered as to when to hold the planning session including the 1Q and 2Q 2013 Board meetings and following the 2013 Annual IFTA Business Meeting.

Some of the new business items discussed by the Board included the 30th anniversary of IFTA that will be next summer and special recognition certificates for outgoing committee chairs. Before closing the Board meeting, it was also noted that Ms. Cindy Arnold (NV), Agreement Procedures Committee (APC) Chair, has termed out and Ms. Trina Kluever-Pauli (WI) will be assuming the Chair position. The Board went into a closed session for the purposes of discussing legal, personnel, and financial matters.

Following the 4Q 2012 Board meeting, the IFTA, Inc. Board also met with the IRP, Inc. Board of Directors. Those present at this combined meeting included the IFTA, Inc. Board members as well as all 11 of the IRP, Inc. Board of Directors. In addition, staffing from IFTA, Inc. and IRP, Inc. were in attendance as well as several of IRP, Inc.'s Board Advisory Panel and legal counsel.

Mr. Tim Adams, IRP, Inc. CEO, updated the Boards on the IRP, Inc. transition. Mr. Adams explained that the decision for IRP, Inc. to transition away from AAMVA was based on a mutual decision to allow IRP, Inc. to become more independent. Many of the services that AAMVA provided for IRP, Inc. have been outsourced. Although IRP, Inc. does not, at this time, have a home office, the organization continues to provide a high level of service to its membership. The clearinghouse previously overseen by AAMVA has been moved to Celtic Systems and the service has continued without incident. Although there were dual nettings for both May and June, the processes have been working as expected since. IRP, Inc. appreciates all that AAMVA has done for it in the past and is looking forward to a positive future of independence.

Ms. Turner spoke about the proposed combined administrative services between IFTA and IRP. Countless conversations regarding shared services have transpired between the two organizations. Some of the services queried include shared phone lines, payroll and web services. IFTA, Inc. and IRP, Inc. continue to negotiate. No specific proposal has been presented to IFTA, Inc. at this time. Mr. Adams explained that IRP, Inc. continues to evaluate the services of interest to their membership and what is necessary to have and improve membership services in an efficient and most economic status. When questioned as to IFTA, Inc.'s position of possibly partnering with IRP, Inc., Ms. Turner was in favor of such a proposal but that a more defined proposal must first be provided to better determine what IFTA, Inc. can provide. Additionally, Mr. Greenawalt expressed the Board's support of IRP, Inc. and realizes that there are great benefits to combining the two organizations. Feedback from membership of one stop shops has concurred that both organizations could share administrative services. In the same respect, those with only one or the other do not understand the need for combining the organizations or services. It was clarified that neither IFTA, Inc. nor IRP, Inc. was working towards joining the two organizations under one entity but rather they are working towards sharing some of the administrative services.

The success of the first combined IFTA / IRP Managers' and Law Enforcement Workshop was discussed. 87 persons were in attendance which more than doubled the previous year's numbers. Attendees were asked to complete an online survey which will be available for completion until 10/23/12. The results collected thus far are very favorable. At this time the committees are working on the planning

for the 2013 workshop. Mr. Adams encouraged IRP to become closer partners with the IFTA Law Enforcement Committee so that there will be an IRP presence on the existing committee.

In 2014 IFTA, Inc. will host the IFTA / IRP Audit Workshop while IRP, Inc. hosts the IFTA / IRP Managers' and Law Enforcement Workshop. Following a two year trial period, the Board's will review the results and make recommendations at that time for hosting responsibilities.

IRP, Inc. has developed a good method of conducting webinars and IFTA, Inc. hopes to learn from their experience to offer valuable webinars in the near future. IRP also conducts online certificate training. Mr. Jay Starling (AL), IRP, Inc. Board of Directors Chair, expressed an interest in pursuing training modules with webinar technology. It was generally felt that there were no limits in regards to presenting webinars. All that is needed is to determine the subject matter and procuring volunteers to present the webinar.

Mr. Greenawalt provided an update regarding the IFTA Audit Committee (AC) project concerning the rewrite of P500 and P600. The AC has asked the Board to establish a working group comprised of different representatives within IFTA to better review and generate possible ballot language. IRP invited IFTA to utilize their resources that were a party to the IRP audit ballot.

The Boards then discussed a proposal to have IRP and IFTA quarterly committee conference calls. The success of the IRP and IFTA Audit Committees were cited. Currently both the IFTA and IRP Boards communicate by conference call on a quarterly basis and both Boards expressed an interest to continue doing so. It was expressed that both IRP and IFTA would benefit from a better understanding of each other's organizations and committees if quarterly combined conference calls were available. IFTA, Inc. will share with IRP, Inc. an outline of all its committees and their roles are so that IRP, Inc. could also create an outline to be equally shared.

Discussions then focused on the continued and expanded partnerships of the organizations. Some of the organizations discussed included CVSA, FMSCA, Nlets, and SAFER. In reviewing SAFER data, concern was expressed for the provided data and those with access to the data. Jurisdictions uploading data as a part of their CVIEW could have the data displayed for any third party with access to SAFER.

The status of Mexico and its participation in IRP and IFTA was then discussed. IRP has been working with Mexico with the assistance of the IRP International Committee to develop a plan for eventual Mexican participation in the plan. IRP's legal counsel is reviewing the issues brought up by IRP membership. Similar to Oregon, Mexico does not have a fuels use tax and will need to validate the direction as to whether they will enter into IRP and IFTA as a nation or as individual states. IFTA would be pleased to work alongside the International Committee to resolve issues related to the endeavor of Mexican participation within IFTA and IRP.

Mr. Greenawalt inquired about IRP's jurisdiction travel policy when IRP, Inc. is paying for the expenses. Recommendations encouraging participation were offered. It was also suggested that participants be made aware that, should they not participate or attend the actual function that their superiors will be advised of their lack of attendance. IRP, Inc. will forward language to IFTA, Inc. that could be

incorporated into the registration packet outlining what is covered and what is expected when the organization is paying for their travel.

Concluding the combined Board meeting, it was commented that the meeting had been beneficial and well received. In addition, it was a general consensus that the meeting was quite educational for both organizations. It had been recommended that both IRP and IFTA work to coordinate another joint Board meeting in the near future.



IFTA AND IRP 2012 MANAGERS' AND LAW ENFORCEMENT WORKSHOP



The 2012 IFTA /IRP Managers' and Law Enforcement Workshop was hugely successful this past September. With almost 90 persons attending the workshop the attendance from 2011 to 2012 had doubled. Since the workshop's conclusion IFTA, Inc. has been working with the committees and presenters to provide the agenda presented topics on the IFTA, Inc. website. Currently the committees are reviewing the presentations. Once approved, these presentations will be released to the general public on the IFTA, Inc. website.

Happy Thanksgiving!

IFTA, Inc. would like to wish all of its U.S. members a very safe, warm, Happy Thanksgiving. The IFTA, Inc. offices will be closed on **both** Thursday, 11/22, and Friday, 11/23.



One Stop Shop

IFTA, Inc. has decided to *not* publish Jurisdiction Contact information in any form other than on the One Stop Shop page on our Website. One Stop Shop information is available to the public as well as our Partners. On our One Stop Shop page you will find contact information for all of our member jurisdictions, which is up to date as of this notification. If you are a vendor and need additional jurisdiction contact information please contact your client.

Where can I find the One Stop Shop?



- Login
- About Us
- Annual Reports
- Biodiesel
- Information
- Ballot Proposals
- Committees
- Downloads
- Exemptions
- IFTA News
- Important Notices
- Links
- Manuals
- Meetings
- Meetings Materials
- One Stop Shop 
- Program
- Compliance
- Search
- Tax Rates
- Tax Rate Changes
- What's New?

One Stop Shop

How do I contact my *base jurisdiction*?

Just make a selection below. You will be directed to a screen that contains all of the contact information you will need.

IFTA, INC. WEBSITE UPDATES

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

Interjurisdictional E-Mail Exchange

The Interjurisdictional E-Mail Exchange has a new change to how it functions. If you click on any of the departments on the left column you can then cherry pick which jurisdictions to email. For instance if you just need to send an email to only a few Commissioners instead of all of them now you can. This works with all of the columns on the left side of the screen.

The feature is not compatible if you try to select the left column with the right column. If you notice any bugs in this new update please email tking@iftach.org.

IFTA, INC. CLEARINGHOUSE UPDATE

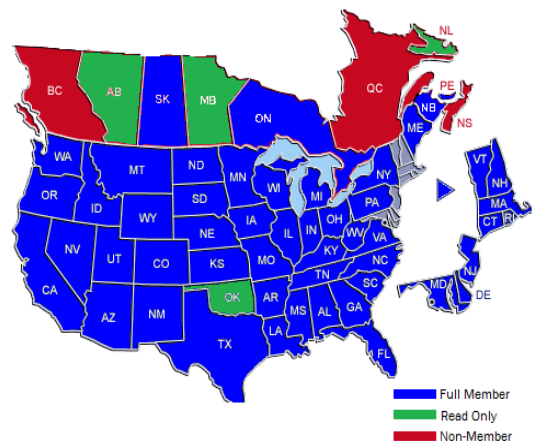
By: Jason DeGraf, Information Services Director (jdegraf@iftach.org)

Check Your Data - Transmittals

We are still running into issues where bad data is getting posted and or data is getting posted twice from jurisdictions without anyone in the jurisdiction checking data. Please, check your transmittal data, especially near the end of the Funds Netting Month to ensure your data is correct. Others look at your data, so it's vital that good data is being presented to all users.

Fuel Types

It's possible that with the discussion around dual fuel tanks that the Clearinghouse may help provide you with data regarding this topic. Keep in mind there are many reports to choose from for Fuel Types, but if there is something that is more specific that we don't currently offer, please fill out the Change Request form found on www.iftach.org to request a report more specific to your needs. But before you fill out the Change Request, please view the reports currently available on the Clearinghouse, as the report may already be available.



IFTA, INC. 2013 HOLIDAY SCHEDULE - OFFICES CLOSED

January 1 New Year's Day



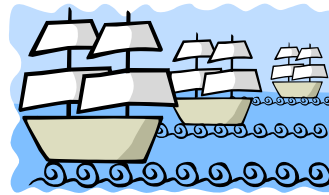
September 2 Labor Day



January 21 Martin Luther King



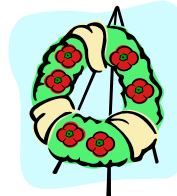
October 14 Columbus Day



February 18 President's Day



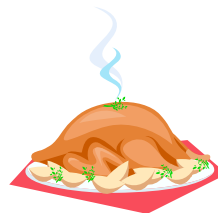
November 11 Veterans Day



May 27 Memorial Day



November 28 – 29 Thanksgiving



July 4 Independence Day



December 24 – 25 Christmas Holiday



CANADIAN 2013 NATIONAL HOLIDAYS - OFFICES CLOSED

January 1 New Year's Day



September 2 Labor Day



March 29 Good Friday



October 14 Thanksgiving Day



April 1 Easter Monday



November 11 Remembrance Day



May 20 Victoria Day



December 25 Christmas Holiday



July 1 Canada Day



December 26 Boxing Day



August 5 Civic Holiday (Provincial)



SAVE THE DATE!



2013

IFTA, Inc. Board Meeting

January 15 – 16, 2013
Chandler, Arizona

IFTA / IRP Audit Workshop

January 28-20, 2013
San Antonio, Texas

IRP Board of Director's Meeting

February 1-2, 2013
San Antonio, Texas

IFTA, Inc. Board Meeting

April 16 – 17, 2013
Chandler, Arizona

FTA Pacific Region Meeting

April 21 – 23, 2013
Virginia City, Nevada

IRP Annual Meeting

June 3 – 5
Indianapolis, Indiana

IRP Board of Director's Meeting

June 6, 2013
Indianapolis, Indiana

FTA Southern Region Meeting

June 16 – 18, 2013
Little Rock, Arkansas

FTA Midwestern Region Meeting

July 9 – 11, 2013
Columbus, Ohio

Annual IFTA Business Meeting

August 21 – 22, 2013
Reno, Nevada

FTA Motor Fuel Uniformity Meeting

September 20 – 21, 2013
Fargo, North Dakota

FTA Motor Fuel Annual Meeting

September 22 – 25, 2013
Fargo, North Dakota

IFTA, Inc. Board Meeting

October 21 – 22, 2013
Chandler, Arizona

**IFTA/IRP Managers' and Law Enforcement
Workshop**

October 23 – 25, 2013
Mesa, Arizona



**MARK YOUR
CALENDARS!**

Beginning in December 2012, IFTA, Inc. will no longer be issuing email notification of the release of THE IFTA NEWS. This will be done annually on the 15th of every month. Should the 15th fall on a weekend or holiday, the release will be the next business day following.