

International Fuel Tax Association, Inc.

November 2013
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THE IFTA NEWS

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

TAX RATES

Five jurisdictions have revised their data for the 4Q13. Jurisdictions now have until **December 2** (Monday) to verify or amend their tax rate data for the 4Q13 matrix. To view the current tax rate changes please visit:

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

REMINDER!! Please keep your Tax Rate Contacts updated in your IFTA, Inc. profile on www.iftach.org to prevent emails being returned with a delivery failure notice. We want to be sure you receive these important notices.

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

Upcoming IFTA Meetings

Even though 2013 is winding down IFTA, Inc. continues to prepare for the next big meeting. The IFTA/IRP Audit Workshop will be held in February 2014 at the Marriott North in Ft. Lauderdale, FL. A Pre-Information Packet has been posted to the IFTA, Inc. website. This packet outlines the agenda, hotel information and costs to attend. Actual registration for the workshop will be open next month.

The IFTA, Inc. Board of Trustees will be holding its First Quarter 2014 meeting by webinar in late January 2014. The dates and times of this meeting are listed on the IFTA, Inc. website. The Board and IFTA, Inc. continue to review and make arrangements for this first time special event.

UPCOMING IFTA PROGRAM COMPLIANCE REVIEWS



Jurisdiction	Team Members
Louisiana 10/28-11/1, 2013	Gail MacPhee (PE) Christina Brown (NJ)
Florida November 18-22, 2013	Ginger Ricketts (TN) Marshall Motulski (RI)
West Virginia 12/2-6, 2013	Paul Silas (CT) Camille Moyer (AR)

2014 Renewal Grace Period Memo

For those calling into our office regarding the 2014 Renewal Grace Period Memo, it has been posted on our homepage at www.iftach.org.

The link to complete the Critique form for this year's workshop has been sent to all attendees and relative committee members. If you have not received this link please contact IFTA, Inc. and it will be sent to you.

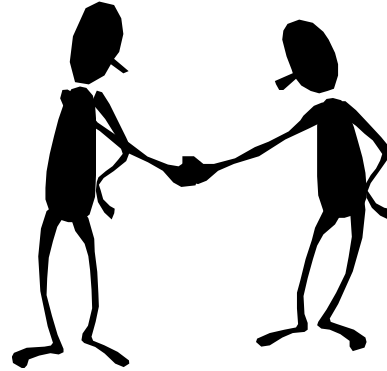
If you have additional comments for any of the agenda topics please feel free to elaborate in the commentary sections provided.

This form will be available until **December 13th**.

2013 IFTA/IRP Managers' and Law Enforcement Workshop



IFTA Comings and Goings



Comings:

Washington

IFTA Commissioner:

Thao Manikhoth

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Assistant IFTA Commissioners:

Art Farley and Paul Johnson

Phone: 360-664-1820 / 360-664-1844

Email: afarley@do.wa.gov / pjohnson@dol.wa.gov

Missouri

IFTA Commissioner:

Scott Marion

Phone: 573-526-4187

Email: scott.marion@modot.mo.gov

Prince Edward Island

IFTA Commissioner:

Elizabeth (Beth) Gaudet

Phone: 902-368-4060

Email: eagaudet@gov.pe.ca

The following jurisdictions have updated the Jurisdiction Communication List (JCL) in some manner since *October 15, 2013*. Please visit their JCL on the secure website to ensure that you are working with the most current information for these jurisdictions:

**Colorado
Louisiana
Massachusetts
Missouri
Oregon
Prince Edward Island
Utah
Washington**

4Q 2013

NOTES FROM THE BOARD

The IFTA, Inc. Board of Trustees (Board) held its Fourth Quarter 2013 Board Meeting on October 21 – 22. All Board members were present including Ms. Cindy Arnold (NV), who replaced Mr. Ric Listella (OR) when he resigned from the Board. Guests included the two Board-members elect, Mr. Trent Knoles (IL) and Mr. Steven Nutter (VA) as well as Ms. Sandy Johnson (North Star Fleet Solutions), IFTA Industry Advisory Committee (IAC) Chair.

Minutes from the Second Quarter 2013 Board meeting were approved as presented. The Board also approved the minutes from the Actions by Email as submitted. A Consent Agenda was also reviewed and approved. Reports included in the Consent Agenda were those from the IFTA Compliance Audit Working Group, Agreement Procedures, Clearinghouse Advisory, Information Technology Advisory and Law Enforcement Committees.

Mr. Jason DeGraf, IFTA, Inc. Information Services Director, presented the Clearinghouse update. Web services are now available for membership's use. Kansas will be testing these web services before they connect live in March 2014. There have been no updates from the FMCSA following the initial inquiry regarding web services.

Recently Quebec signed the non-participating read-only member agreement for the clearinghouse. Quebec is the last member jurisdiction to enter into a read-only status. IFTA, Inc. will announce an implementation date once it is confirmed with Quebec.

The Clearinghouse Advisory Committee (CAC) is working on a Best Practices Manual to explain how membership could utilize the clearinghouse data, and the various types of files and searches that could be done. , IFTA, Inc. has made internal updates to the LAN and web server enabling Internet users to receive information more quickly than in the past. A lot of testing will be enacted over the course of the upcoming year to test the efficiency and speed resulting from these updates.

Mr. DeGraf informed the Board that IFTA, Inc. plans to go live with the IRP Audit Report Exchange System in November. Currently the website is being tested and these tests are going well. IFTA, Inc. had contracted with IRP, Inc. to provide a forum similar to the IFTA Interjurisdictional Audit Report (IAR) exchange.

Mrs. Amanda Koeller, IFTA, Inc. Program Administrator, reported on the funds netting aspect of the clearinghouse. It was explained that late payments have increased from 2012 to 2013. Mrs. Koeller stated that a second netting and disbursement is extensive in regards to the work involved for membership and IFTA, Inc. as well as the fees applied by the respective financial institutions. Revising the funds netting calendar to allow only one disbursement period should

reduce the work and cost burden and assist several jurisdictions to meet the proposed deadline. After some discussion the Board approved IFTA, Inc.'s request to allow for one disbursement period beginning January 2015.

The Board reviewed and approved the decal specifications for 2015. The color for the 2015 IFTA decal will be Pantone® 485C Red. The 2015 Decal Specifications will be posted to the secure side of the website.

Mrs. Debora Meise, IFTA, Inc. Senior Director, updated the Board regarding the Program Compliance Reviews. All volunteer positions for the 2014 reviews have been filled. The Northeast Region will be reviewed in 2014 and a total of 16 reviews have been scheduled. Two onsite reviews will be completed. The first will be in New Jersey and the second will be in Connecticut. All other 2014 reviews will be done electronically.

There are three reviews yet to be completed in 2013. All other Southeast Region members have been reviewed. All twelve reviews from 2013 were electronic reviews. In 2012 the Western Region was reviewed. To date two jurisdictions remain under follow up but are close to being completed.

The Program Compliance Review Committee (PCRC) report was presented. In March 2013 the Board charged the PCRC with researching the review process and reporting any findings and recommendations. In June some of the committee members met in Chandler, AZ to discuss and begin working on this charge. The committee presented their report in two parts to the Board. The first part contains the report itself and the committee recommendations. The second includes exhibits and attachments supporting the committee findings and includes training outlines, ballot language and examples.

The Board reviewed the PCRC report in full. Many recommendations were made by the committee in an effort to improve the program compliance review process. These recommendations included, but were not limited to, returning to a 4-year review cycle, providing stratification tiers for the review sample size based on a jurisdiction's carrier base, reviewing and possibly revising some of the review procedures to make electronic reviews mandatory, adjusting the number of participants on a review team and uploading all the review data into the IFTA, Inc. clearinghouse. It was the position of the Board that the recommendations should be presented as separate ballot issues to membership and not all encompassed as one ballot proposal.

Discussion was also had regarding a letter to possible non-compliant jurisdictions, failing to meet the 3% audit requirement. It was opined that a courtesy letter could be mailed to those jurisdictions that are in jeopardy of not meeting their audit requirement following two years. The Board will ask the PCRC for their direction in this regard. In addition the Board will ask the committee for the confidence intervals, used in their report pertaining to the stratification tiers based on number of licensees.

Mr. Stuart Zion (CO) presented the Attorneys' Section Steering Committee (ASSC) report. The Board approved the committee's nominations of Mr. Collin Davis (IN) as Chair, and Mr. Ed Beaudette (MT) as Vice Chair, effective January 1, 2014. Additionally the Board approved the appointment of Mr. John Baylor (NE) to the committee to fill the vacancy left by Ms. Carolee Johnstone (CA).

Mrs. Tammy Trinker, IFTA, Inc. Office and Events Administrator, reported that twenty-three persons attended the September IFTA Attorneys' Section Meeting. The IFTA/IRP Managers' and Law Enforcement Workshop have pre-registered 81 persons to date. This figure is representative of 33 jurisdictions and 12 industry representatives.

The 2014 IFTA/IRP Audit Workshop will be February 25 – 27 in Fort Lauderdale, FL. Registration fees for this workshop are in the process of being proposed for the Board's consideration. The 2014 Annual IFTA Business Meeting will be held in Pittsburgh, PA on August 13 – 14. IRP, Inc. will be hosting the 2014 IFTA/IRP Managers' and Law Enforcement Workshop. As information becomes available pertaining to this valuable workshop IFTA, Inc. will distribute it to membership through the website and THE IFTA NEWS.

The Board meetings for 2014 have been scheduled. The 1Q14 Board meeting will be a webinar held January 28 - 30. Hotel contracts for room nights have been procured for the 2Q14 and 4Q14 meetings which will be held at the IFTA, Inc. offices. The dates of these meetings will be April 29 – 30 and October 21 – 22 respectively. IFTA, Inc. continues to work with Conference Direct for the planning and scheduling of future IFTA events.

Ms. Lonette Turner, IFTA, Inc. CEO/CFO, reviewed the IRP Annual Business Meeting that was held in Indianapolis, IN this past June. The reports provided during this meeting were very informative. Ms. Turner also attended the IRP International Committee Meeting.

Mr. Ron Hester (ON) presented the Dispute Resolution Committee (DRC) report to the Board. The committee reported that the Referral for Enforcement in the matter of the PCRC and the jurisdiction of New Jersey is continuing. New Jersey is required to submit quarterly reports to demonstrate its audit completion progress. The DRC continues to work on possible amendments to the dispute resolution process regarding early intervention, penalties and expulsion. Currently the committee is fully staffed. However, the DRC is reviewing succession plans due in part to the fact that the committee will have all new personnel in sixteen months. Upcoming vacancies include the Western Region as well as the Chair and Vice Chair positions.

Ms. Johnson reported on the activities of the IAC. The committee expressed its desire to have the Jurisdiction Communication Lists (JCL) be provided in a monthly mailing. It was explained that the IFTA, Inc. website offers a contact phone number and email for each jurisdiction which should be sufficient for a taxpayer that needs to contact their base jurisdiction. Ms. Johnson will return to the committee and inquire as to whether or not there would be an interest in the complete JCL being made available for a fee. Training issues were also addressed. It was considered that the IAC create a training webinar for publication on the IFTA, Inc. website.

Non-receipted fuel was also briefly discussed. Industry expressed concern that for every jurisdiction not allowing the reporting of non-IFTA fuel, they are not receiving or distributing the correct amount of the fuel use taxes from that carrier.

Mr. Tom King, IFTA, Inc. Webmaster, reviewed the IFTA, Inc. website and informed the Board of the upcoming changes. The "Meetings Materials" web page has been revamped to make it easier to locate the meeting and year. The "About Us" web page is also being revamped. Mr. King is continuing to review and tweak the "New Messages" indicator so that it reflects a more accurate count of the messages which have not yet been read by the user.

Voting for the Short Track Final Ballot Proposal #6-2013 is now open. Membership will be allowed to vote on this ballot until November 13, 2013. A list of those members who have not yet voted are also available so that friendly reminders can be issued. A byline indicator is also being worked on that shows users how many days are left to update their quarterly tax rates. Automatic emails are also being worked on to remind those members that have yet to update or confirm their tax rates.

Mr. Scott Greenawalt (OK), Audit Committee (AC) Board Liaison, presented this committee's report. The AC is working hard on the upcoming 2014 IFTA/IRP Audit Workshop. The committee is also reviewing the work product from the Re-audit Re-examination Working Group which was the result of a Board charge. The AC recommended Ms. Helen Varcoe (MT) to fill a vacant committee position. While the vacant position is in the Canadian region, the committee informed the Board that it has not been successful in finding a volunteer for this position. Therefore, the Board approved Ms. Varcoe's appointment.

The Board reviewed the inconsistencies found within the various standing committee charters. It was suggested that the charters be made more uniform and the Board will further review this issue during the 1Q14 Board Meeting.

The 2013 Annual IFTA Business Meeting was reviewed. It was noted that the discussions were very good and that there were some outstanding issues yet to be addressed such as non-receipted fuel and the proposed Bylaws amendment. Only four jurisdictions did not attend the business meeting. These jurisdictions were Delaware, New Mexico, Ohio and Oregon.

Mrs. Meise provided an update on the IFTA and IRP ballot proposals for 2013. On October 31st the second comment period for the IFTA ballots will close. Ballot 4-2013 was previously withdrawn by the sponsor and ballot 6-2013, a short track ballot proposal, is already out for vote by membership. IRP currently has seven ballots open for vote. Three of these ballots are regional elections. The IRP ballots can be found on their website.

The Board discussed the proposed amendment to the Bylaws regarding elections to the Board. It was opined that the language be revisited and then presented to membership for feedback.

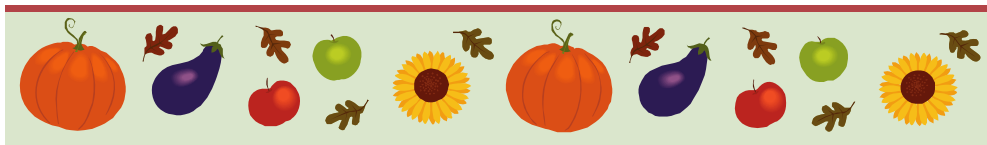
Ms. Turner presented the financial report to the Board. She reported that IFTA, Inc. remains financially sound and that the investment portfolio is continuing to do well. The financial audit of the organization was recently completed and no major adjustments were found. The Board will be presented with this report during the 1Q14 Board meeting. An SASE16 Audit had also been conducted and the auditors did not find anything of concern in regards to the funds netting. The auditors will provide a written copy of their report and findings to IFTA, Inc. in November.

Mrs. Koeller updated the Board on the rental facilities. She announced that both units have successfully been rented. Mrs. Koeller also announced that IFTA, Inc. recently received the final membership dues payment for the 2013/2014 fiscal year.

The Board then discussed the upcoming January 2014 Board meeting. This upcoming quarterly Board meeting will be held by webinar. IFTA, Inc. has worked with the Board to determine the best scheduling for this unique event. A series of teleconferences will be held over three meeting days permitting the Board to conduct a full meeting by webinar.

The Strategic Plan was also reviewed by the Board. It was opined that the Plan be viewed separately for both the Agreement and the Corporation. During discussions, however, it was noted that the Agreement could not have a Strategic Plan as it is not an entity like the Corporation (IFTA, Inc.). Areas of the Strategic Plan reviewed included Future Challenges, Strengths, Weaknesses, Opportunities and Threat Analysis (SWOT). Discussion was also had regarding the corporation's assets. The Board concurred that utilizing the corporation assets should be researched as a means to reduce the financial burden of membership. Concern was expressed regarding the recent US government shut down. It was noted that a long term government shutdown would likely impact the corporation's investments rather than its availability to membership. This could have an impact on the corporation's reserve, depending on the length of such shutdowns in the future.

Following the conclusion of the business discussions the Fourth Quarter 2013 IFTA, Inc. Board Meeting was adjourned.



2014 Program Compliance Review Team Members

Connecticut - 7/28 - 8/1, 2014
NL (TBD)
Jimmy Tompkins (AL)

Delaware - 3/10 - 14, 2014
John Szilagyi (CT)
Joni St. John (NS)

Maine - 10/27 - 31, 2014
Josette Stephen (ON)
Herman Smith (NY)

Massachusetts - 4/28 - 5/2, 2014
Randy Boone (IN)
Ralph Johnson (DE)

Maryland - 5/12 - 16, 2014
Kathy Blessing (IL)
Della Golden (OH)

New Brunswick - 6/2-6, 2014
NL (TBD)
Brian Williams (PA)

New Hampshire - 8/25 - 29, 2014
Lorna St. Romain (LA)
Maxime Dubuc (QC)

New Jersey - 2/3 - 7, 2014
Glenn Boyette (MS)
Steven Adamek (MA)

New York - 7/14 - 18, 2014
Ginger Ricketts (TN)
Sharron Allen (MI)

Newfoundland - 8/5 - 8, 2014
Gail MacPhee (PE)
Tim Nehring (KY)

Nova Scotia - 9/8 - 12, 2014
Bill Blum (MD)
Jacquelyn Parnell (SC)

Pennsylvania - 9/29 - 10/3, 2014
TBD
Kathleen Avera (TX)

Prince Edward Island -10/20 - 24, 2014
Angela Duerson (VA)
Marc Walker (NB)

Quebec - 6/16 - 20, 2014
Karen Garcia (NC)
Bruce Bierbaum (VT)

Rhode Island - 11/3 - 7, 2014
Jay Sween (WI)
Sandra Champagne (NH)

Vermont -12/1 - 5, 2014
Christopher Lawson (NJ)
Amy Parog (WV)



IFTA, INC. WEBSITE

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

New Server Update

On November 8, 2013 the IFTA, Inc. website was moved to an upgraded webserver. The website now operates much faster than the previous server did. I'm still working out miscellaneous bugs as I find them. If you notice any web pages not working properly please contact me tking@iftach.org

Jurisdiction Tax Rate Notifications

I have created a new web page to organize all late tax rate notifications.

This archive is linked now in our Tax Rate Matrix web page. The link to this web page will only be listed in **red font** if that quarter was affected by a late submitted tax rate.

We hope this is useful to all of our member jurisdictions and partners.

IFTA, INC. CLEARINGHOUSE UPDATE

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

I heard...

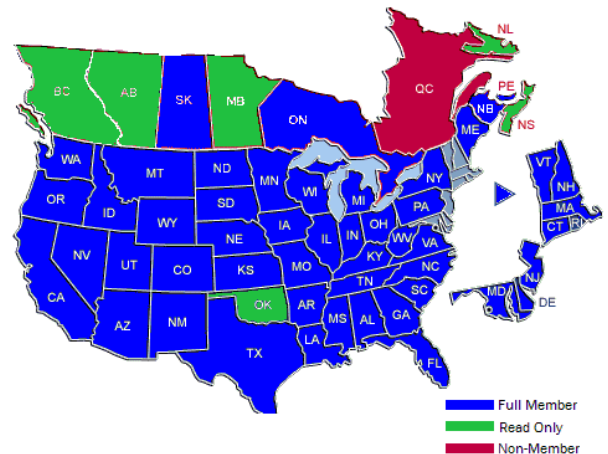
...a certain jurisdiction in **RED** is just about to start using the Clearinghouse as a read only member. Stay tuned for more details.

IRP and IFTA

IFTA, Inc. is now working with IRP, Inc. in providing for them an Audit Report Exchange service.

Singing up Clearinghouse Users

All Clearinghouse User Registration sign-ups are done on www.iftach.org. This bears repeating as I get a lot of messages that I should sign up such and such a user when the Jurisdiction needs to do that.



RAW DATA

For those Jurisdictions still entering IFTA data manually, please consider using any of the numerous downloadable files on the Clearinghouse. This will eliminate a majority of data entry on your part. Just ask if you have any questions.



I want to take this opportunity to formally announce that Jason DeGraf has completed the programming for the IRP Audit Report Exchange System. The system was implemented by IRP, Inc. on November 1, 2013.

If your audit group performs both IFTA and IRP audits and has not yet tried the IRP system, please contact Robin Murphy at IRP, Inc. for access. You can reach Robin at rmurphy@irpinc.org.

CONGRATULATIONS to Jason and IRP, Inc.

IFTA, Inc. has recently undergone its SASE 16 review. This is the review of the Funds Netting Processing System operated by IFTA, Inc. We expect the final report to be out before the end of the year. Once we receive it and the Board has reviewed it, I will forward it you for your records as I have in the past.

The IFTA, Inc. Board of Trustees will hold its 1Q14 meeting via webinar. This is the first such meeting for the Board. We are working on the web conference

program that we use to be sure we can run a time efficient webinar. We will also determine how many can join the web conference at any given time.

Once all details are finalized, we will distribute the information.

The IFTA Attorneys Section held its first meeting in five years. They met here at our office in Chandler, AZ in late September. We were very happy to host the meeting and look forward to many more successful meetings.

The IFTA/IRP Managers and Law Enforcement Workshop was held in October in Mesa, AZ. We had over 90 in attendance, which was great! The discussions were very informative and the IFTA and IRP committees have already started planning next year's meeting. IRP, Inc. will be hosting this combined meeting in 2014. Once the dates and location are announced, we will post them on our website and in THE IFTA NEWS.

To all of our IFTA community in the U.S., I wish you a very Happy Thanksgiving.





SAVE THE DATE!

2014

AAMVA Winter Board of Directors Meeting

January 9 – 12, 2014
San Diego, California

Motor Fuel Tax Uniformity Meeting

January 24 – 25, 2014
Myrtle Beach, SC

IFTA, Inc. Board Meeting

*January 28 – 30, 2014
Webinar*

IFTA / IRP Audit Workshop

*February 25-27, 2014
Ft. Lauderdale, Florida*

CVSA Workshop

April 8 – 10, 2014
Los Angeles, CA

Motor Fuel Tax Pacific Region Conference

April 13 – 15, 2014
Albuquerque, NM

IFTA, Inc. Board Meeting

*April 29 – 30, 2014
Chandler, Arizona*

IRP Annual Meeting

May 13-15, 2014
Albuquerque, NM

IRP Board of Directors Meeting

May 16, 2014
Albuquerque, NM

**Motor Fuel Tax Northeastern Region
Conference**

May 18 – 21, 2014
Pittsburgh, PA

Motor Fuel Tax Southern Region Conference

Date TBD
Richmond, VA

**Motor Fuel Tax Southern Midwestern
Conference**

Date TBD
Oklahoma City, OK

Annual IFTA Business Meeting

*August 13 – 14, 2014
Pittsburgh, Pennsylvania*

AAMV Annual International Conference

August 25 – 27, 2014
Dover, Delaware

Motor Fuel Tax Uniformity Meeting

September 26-27, 2014
Jackson, WY

Motor Fuel Tax Annual Conference

September 28 – October 1, 2014
Jackson, WY

IFTA, Inc. Board Meeting

*October 21 – 22, 2014
Chandler, Arizona*

