

International Fuel Tax Association, Inc.

February 2014
Volume 14, Issue 2

THE IFTA NEWS

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www.iftach.org

TAX RATES

Jurisdictions have until **March 2** (Sunday) to verify or amend their tax rate data for the **1Q14** matrix. Currently nine jurisdictions have revised their tax rate data. 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

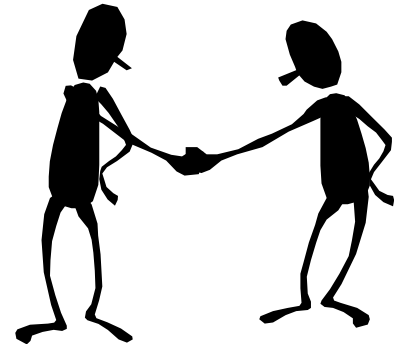
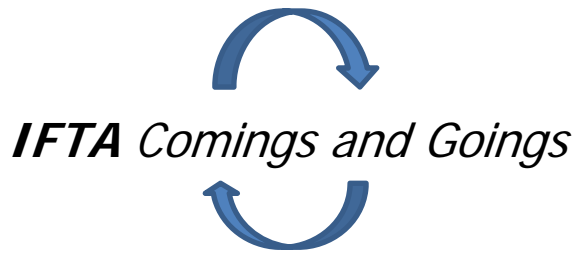
Richard O. Beckner, Program Compliance Administrator

Patricia Platt, Program Compliance Administrator

Upcoming IFTA Meetings

The IFTA/IRP Audit Workshop is currently being finalized by the Audit Committees from both IFTA and IRP. This educational workshop will be held at the end of February in Ft. Lauderdale, FL. Registered attendees are urged to visit the IFTA, Inc. website the week prior to the workshop in order to successfully download and print any workshop materials offered in advance of the workshop. Those with hotel reservations are also reminded to register for the workshop if they have not yet done so.

The IFTA Attorneys' Section Steering Committee is researching meeting dates for later this year in Arizona. Keep watching THE IFTA NEWS and the IFTA, Inc. website for more information as the planning of this meeting unfolds.



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

**British Columbia
Idaho**

**Massachusetts
Newfoundland**

**New York
Ontario**

**Oregon
Vermont**



Annual Report Database



The Annual Report Database is open for your input. If you are looking for a list of all of the information you will need to complete your annual report, please refer to the Procedures Manual, Section P1110.100.

The due date for submitting the Annual Reports is:

March 3, 2014.

1Q 2014

NOTES FROM THE BOARD

The IFTA, Inc. Board of Trustees (Board) held its First Quarter 2014 Board meeting by webinar. This was the first webinar Board meeting. Prior to the open session of the meeting, the Board met by closed conference call for the purpose of appointing the 2014 Executive Committee. Once the open session of the Board Meeting began the election results were announced. Mr. Ron Hester (ON) was elected as Board President. Mr. Stuart Zion (CO) and Mr. Chuck Ulm (MD) were elected as First and Second Vice President's respectively.

Mr. Hester officially welcomed everyone to the meeting and introductions were made. All Board members were in attendance and included the newly elected Ms. Joy Prenger (MO). Ms. Prenger was elected to fill the vacancy when Mrs. Patricia Platt (KS) retired from her position with the KS Department of Revenue. Also in attendance were Ms. Sandy Johnson (North Star Fleet Services), Industry Advisory Committee (IAC) Chair, Mr. Robert Pitcher (American Trucking Associations, Inc.) and Mr. John Torregossa (RI). Following the introductions Mr. Hester called the meeting to order.

The Board amended and approved the Fourth Quarter 2013 Board Meeting minutes. The minutes of other actions were approved as presented. These actions included approval of registration fees, filling committee vacancies and approval of a Resolution of IFTA, Inc. pertaining to funds netting.

Board liaison assignments were made. A complete listing of the Standing and Special Committee Board Liaisons, as well as the Jurisdiction Board Liaisons, can be found on the IFTA, Inc. website.

A Consent Agenda was approved by the Board. This agenda consisted of committee reports from the Attorneys' Section Steering (ASSC), Compliance Audit Working Group (I-CAWG), Law Enforcement (LEC) and Program Compliance Review (PCRC) committees. The Dispute Resolution Committee (DRC) report was discussed and it was explained that the Amended Order was published on the IFTA, Inc. website under Referrals on the committee's web page. New Jersey has sixty days to appeal the final order. It was observed that changes might need to be considered regarding the escalating tools and penalties for those jurisdictions found out of compliance and leading up to a possible expulsion.

Mr. Jason DeGraf, IFTA, Inc. Information Services Director presented the Clearinghouse report and announced that all IFTA member jurisdictions are now part of the IFTA Clearinghouse in some capacity. At the end of December 2013, Quebec became the newest read-only jurisdiction. British Columbia will begin uploading transmittals in February 2014.

A survey was sent to the read-only IFTA Clearinghouse participants to participate in the funds netting process by submitting summary totals without the transmittal details. At this time no responses have been received by IFTA, Inc.

One of the goals for the Clearinghouse in 2014 is to offer more web services to membership. The Clearinghouse Advisory Committee (CAC) recently approved an enhancement request.

The IRP audit report database is running smoothly and is fully automated, requiring very little maintenance at this time. IFTA and IRP are working together on a better statistics page for the IRP users and IRP Staff.

Mrs. Amanda Koeller, IFTA, Inc. Program Administrator provided the funds netting update. Mrs. Koeller reviewed the history of late payments made through the funds netting process. While there were more jurisdictions paying late in 2013 than in 2012, it was still significantly less than the number of those that paid late in 2010.

Mrs. Koeller discussed the CAC's enhancement request. The request is to allow non-participating members to upload summary total data and participate in the funds netting process. IFTA, Inc. is reviewing the Clearinghouse Access Agreement to identify required amendments. The current Agreements specify that funds netting is for fully participating members.

Mr. Garry Hinkley (ME), Board Liaison to the CAC, reported that the Quality Control Review Subcommittee continues to look over the jurisdiction demographic data to ensure that it is in compliance. Discussions have resumed pertaining to the jurisdiction demographic data being shared with CVISN through the Federal Motor Carrier Safety Administration (FMCSA).

Presenting the website update to the Board, Ms. Turner announced that IFTA, Inc. is now utilizing PayPal to accept registration payments for the IFTA/IRP Audit Workshop. The Feedback page is being revised to include the jurisdiction where the user is a member. Due to the recent election of a new Board member, a new feature has also been added on the secure website allowing IFTA Commissioners to vote on matters other than ballot proposals. The 2013 Annual Report database is also now open to membership. The previous Annual Reports, dating back to 2005, can be viewed online. Mr. King continues to maintain and update the IFTA, Inc. website so that it is functioning properly and quickly for all our users.

Mrs. Tammy Trinker, Office and Events Administrator for IFTA, Inc., informed the Board that 2014 marks the start of the two-year agreement between IFTA, Inc. and IRP, Inc. for hosting the IFTA/IRP Audit Workshop and IFTA/IRP Managers' and Law Enforcement Workshop. IFTA, Inc. will host the IFTA/IRP Audit Workshop over the next two years. The 2014 workshop has been open for registration and payments are being received through PayPal. When submitting their online registration attendees can choose to either pay immediately by credit card through PayPal or request an invoice and pay later by whatever means their jurisdiction approves.

The ASSC have been discussing hosting another meeting in 2014. At this time the committee is polling membership and last year's attendees to determine when this meeting would best be scheduled. The committee is considering July, September or October 2014.

This year's Annual IFTA Business Meeting will be held at the Doubletree by Hilton in downtown Pittsburgh, PA. The dates of this meeting are August 13 – 14. Registration fees for this meeting will be presented to the Board in late March.

IRP, Inc., the host for the 2014 IFTA/IRP Managers' and Law Enforcement Workshop, have entered into a hotel contract with the Westin at Crown Center in Kansas City, MO. The dates for this workshop will be October 15 – 17. As information becomes available IFTA, Inc. will share the data with membership through the website.

A hotel contract has also been procured for the 2015 IFTA/IRP Audit Workshop. The dates of this workshop will be February 24 – 26 and an announcement of its location will be made at the 2014 workshop. IFTA, Inc. continues to work with Conference Direct for the procurement of a hotel contract for the 2015 Annual IFTA Business Meeting. Major hub locations and hotel transportation continue to be key considerations in an effort to reduce meeting expenses. The 2015 Quarterly Board Meetings have not been scheduled to date but will be researched following the 2Q14 Board Meeting.

Mrs. Debora Meise discussed the meeting sponsorship information with the Board. IFTA, Inc. has set the sponsorship fees for the 2014 IFTA meetings. The information was distributed to those companies which provide services to jurisdictions for IFTA-related issues. To date one company has agreed to sponsor during both the IFTA/IRP Audit Workshop and the Annual IFTA Business Meeting. IFTA, Inc. continues to work on public relations and courtesy emails to raise awareness for the sponsorship opportunities.

Mrs. Meise updated the Board on the IFTA presentations during the Commercial Vehicle Safety Alliance (CVSA) workshop scheduled for April 2014. IFTA, Inc. and IRP, Inc. have been invited to participate in the workshop and a fresh, new presentation will be presented. Lt. Jennifer Brown (AZ), LEC Chair, will also be in attendance.

Mrs. Meise provided an update on the 2013 ballot process. Full Track Final Ballot Proposals (FTFBP) 01-2013, 02-2013, 03-2013 and 05-2013 are currently out for vote by membership. FTFBP 04-2013 was withdrawn during the first comment period and Short Track Final Ballot Proposal 06-2013 failed. At the time of the report, there were no open ballots for IRP.

Providing the Program Compliance Review Report (PCRC), Mrs. Meise reported that there are sixteen reviews scheduled for 2014. All except two reviews will be held electronically. There were twelve reviews in 2013. Four of these reviews have been closed and the balance is either under reassessment or waiting jurisdictional responses.

Ms. Lonette Turner, CEO/CFO, reported that IFTA, Inc. continues to do well financially. She assured the Board that any monies paid out by IFTA, Inc. during the 2013 IFTA Attorneys' Section Meeting were recuperated from the registration fees. Inquiring about the roofing estimates, the Board was informed that IFTA, Inc. continues to investigate the possibility of a new roof for the building.

Mr. Hester, Board Liaison to the Agreement Procedures Committee (APC) presented this report. Ms. Marie Stark (MT) had recently been appointed as Vice-Chair of the committee. The APC continues to work on the preliminary agenda for the 2014 IFTA/IRP Managers' and Law Enforcement Workshop to ensure that it includes issues pertaining to both IFTA and IRP. A subcommittee was formed to review and complete the Board charge to the APC. This charge tasked the committee with completing the IFTA Commissioner and Assistant Commissioner training materials. The subcommittee has worked diligently and presented the Board with several presentations for consideration. The Board will review the materials submitted by the APC subcommittee and offer comments and suggestions by February 10, 2014. It is the goal of the subcommittee to complete the webinar recordings prior to the 2014 Annual IFTA Business Meeting.

Mr. Garry Hinkley (ME), Board Liaison to the Information Technology Advisory Committee (ITAC) presented this report. ITAC has completed their previous Board charge to research, analyze and draft a white paper containing information regarding web services and how they may be used by the IFTA member jurisdictions. The committee is now open for additional Board charges and other projects to assist the IFTA community. During discussions the Board agreed to create a Working Group that would research the issues surrounding electronic credentials. IFTA, Inc. will draft the premise of this Board charge. The Working Group will include participation from the IFTA committees, industry and IRP. Mr. Hinkley, Mr. Pitcher and Mr. Trent Knoles (IL) volunteered to participate on this Working Group.

Ms. Johnson presented the Industry Advisory Committee (IAC) report. Non-receipted fuel continues to present problems. Pilot projects have been discussed in Canada in regards to the CNG and LNG issue of weight and measurement. The IAC Steering Committee will also present to the Board, its thoughts on the Dispute Resolution Process. This will be presented to the Board during the 2Q14 Board meeting.

Mr. Hugh Hughson (BC) presented the report from the Dual Fuel Working Group (DFWG). IFTA FTFBP 3-2013, sponsored by the Board, was proposed to establish a definition for a gallon and a liter of compressed natural gas (CNG). Currently this ballot is out for vote to membership. Since then the Working Group has been contacted by a third party company, Clean Energy, who has undertaken a conversion of liquid natural gas (LNG) to be equal to a diesel gallon equivalent. The DFWG is considering whether or not a ballot proposal specifying the physical weight of a gallon of LNG should be drafted.

It was decided that the Working Group will draft slides pertaining to fuel use rates and transmittals explaining the ease of the conversion factors for CNG, but the final version would be distributed by the Board. This will be distributed to membership. Additionally, the information pertaining to LNG and the issues surrounding its measurement will also be included.

Mr. Zion presented the IRP, Inc. and IFTA/IRP Subcommittee report. IRP, Inc. had several ballots that were out for vote. IRP Ballots #385, #384 and #387 were passed by IRP membership. Ballot #386, regarding electronic credentialing, did not pass. All three ballots can be found on the IRP, Inc. website at www.irponline.org. The IRP Audit Exchange is online and has been active since November 2013. This roll out has gone very well with minor tweaks. Membership feedback has been very positive. A small task force will be established to evaluate and identify needed reports from the IRP Clearinghouse to assist the IRP Peer Review Committee and jurisdictional audit staffs. In addition, a task force is being established jointly with CVSA and IFTA to evaluate the possibility of electronic credentials. Another task force is being considered to improve jurisdictional information pertaining to credits and refunds under IRP.

Mr. Hughson reviewed the IFTA Standing Committees' charters for consistency. His comparison focused on the differences among the current charters. It was decided that Mr. Hughson work with IFTA, Inc. to review the organizational Bylaws and that the committees be requested to review their charters for possible amendments.

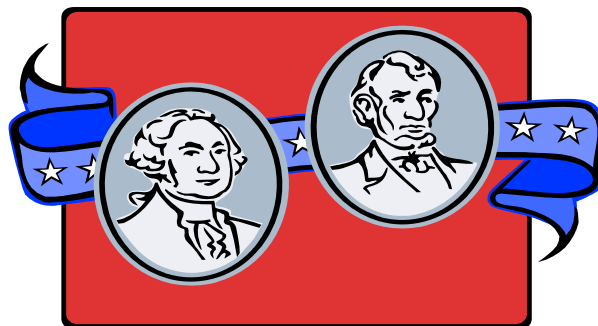
New business was then discussed. Ms. Turner reported that IRP, Inc. and IFTA, Inc. had been contacted by a utility association that is researching an Emergency Reciprocity Agreement. The purpose of this agreement would be to streamline the necessary processes in providing assistance more quickly and with fewer obstacles during emergency situations. Concern was expressed for the issuance of emergency declarations being issued by other than the jurisdiction itself. Concluding discussions it was felt that IFTA should participate on this task force being created.

Mr. Hughson spoke about emails which have been generated pertaining to the New Jersey findings. Discussion was had as to what could be done to prevent jurisdictions from possibly becoming as out of compliance as NJ had prior to the hearing. It was questioned as to whether a spreadsheet showing the historical audit counts per jurisdiction could assist in identifying jurisdiction's that are close to non-compliance. Ms. Turner and Mrs. Meise discussed the online annual report database and statistics. This information is available to the member jurisdictions and the public. The annual audit completion numbers are included.

Mr. Hester asked the Board about scheduling a Board call with the IFTA Committee Chairs. The Board was in favor of this and IFTA, Inc. will organize the scheduling of this call during the April 2014 Board Meeting.

The Strategic Plan was then reviewed in depth. The Board considered the Vision and Mission Statements and also reviewed the strategic issues identified in the Plan. It was a unanimous decision that the Board would include a full Strategic Plan review during the April 2014 Board meeting. IFTA, Inc. will look into a facilitator.

Before concluding the 1Q Board meeting the Board discussed the webinar and whether or not it was successful. It was the opinion of the Board that the webinar was a definite success and had a huge impact on the reduction of expenses. The Board was in favor of holding, at a minimum, one webinar annually in place of the face-to-face Board meeting. The First Quarter 2014 IFTA, Inc. Board Meeting was then adjourned and the webinar concluded.



Happy President's Day



2013 Ballot Results

Complete voting results and rosters are available on our website at www.iftach.org under Ballot Proposals, Ballot History, 2013 Ballots Voting Results and Comments.

FTFBP 1-2013

Sponsored by:

IFTA Program Compliance Review and Agreement Procedures Committees

Amendment: **PASSED**

Effective Date: **January 1, 2015**

FTFBP 2-2013

Sponsored by:

Jurisdictions of Alabama and Kansas

Amendment: **FAILED**

FTFBP 3-2013

Sponsored by:

IFTA, Inc. Board of Trustees

Amendment: **PASSED**

Proposed Effective Date: (July 1, 2014) **FAILED**

Default Effective Date: **July 1, 2015**

FTFBP 4-2013 - WITHDRAWN FOLLOWING THE FIRST COMMENT PERIOD

Sponsored by:

Jurisdiction of Ontario

FTFBP 5-2013 - WITHDRAWN FOLLOWING THE SECOND COMMENT PERIOD

Sponsored by:

IFTA Agreement Procedures Committee

STFBP 6-2013

Sponsored by:

Jurisdiction of Indiana

Amendment: **FAILED**

2014 Ballot Proposals Due Date: April 18, 2014

Upcoming Compliance Reviews



Jurisdiction	Team Members
Delaware March 10-14, 2014	John Szilagyi (CT) Joni St John (NS)

2014 IFTA Decals



We'd like to thank those jurisdictions that supplied a sample of their 2014 IFTA decal. These decals are docked on a jurisdiction's web page under the One Stop Shop tab on our website and are a great means of identifying your jurisdiction's specific page.

To verify if your jurisdiction has forwarded either an electronic copy (in color) or a sample decal through the mail, please check your web page by clicking on the One Stop Shop tab.

If you want your decal displayed, please forward your decal to Tom King, Webmaster tking@iftach.org or snail mail a decal to IFTA, Inc.

IFTA, INC. WEBSITE

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

Reminder

Please keep your jurisdiction contact list, registered IFTA, Inc. users and Clearinghouse user list up to date.

I have seen some users who retired years ago who still have access to various sections of our website. Contact me if you need assistance with this.

<mailto:tking@iftach.org>

Meeting Minutes

The Meeting Minutes for the Law Enforcement Committee for December 2013 has been posted on the IFTA, Inc. website.

Tax Rate Matrix

I'm about implement new automated software that will remind you 10 days before the Tax Rate Matrix closes to confirm your rates with IFTA, Inc. This will only email the people responsible for their jurisdictions tax rates if they haven't confirmed them with us each quarter.

IFTA, INC. CLEARINGHOUSE UPDATE

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

2 New Transmittal Reports

A request came in from a jurisdiction for a report to 'total' based on all fuel types. This is broken down by year and year to date for 2013 and 2014 only. You can find this on the REPORT Tab and they are called Fuel Types Report 2 and 3.

British Columbia

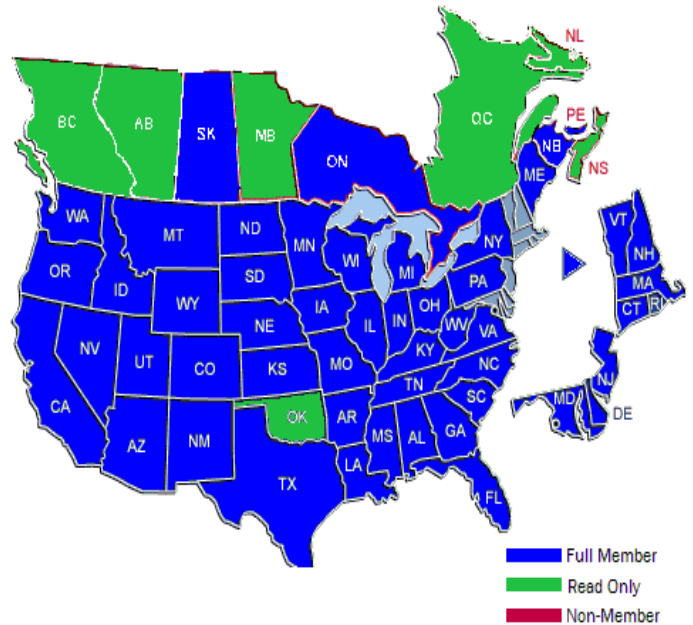
BC Demographic data can now be found on the Clearinghouse Demographic pages.

Quebec

Quebec is now an official read-only Clearinghouse member.

Signing 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.



SAVE THE DATE!

2014

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