

International Fuel Tax Association, Inc.

June 2016
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THE IFTA NEWS

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TAX RATES

The **2Q16** tax rate matrix was finalized on June 2. Jurisdictions now have until September 1, 2016 (Thursday) to verify or amend their tax rate data for the **3Q16** matrix. Currently no new tax rates have been reported to IFTA, Inc. To view current tax rate changes please visit:

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

REMINDER!! Please keep your Contacts updated in your IFTA, Inc. profile on www.iftach.org to prevent emails being returned with a delivery failure notice.

It is recommended that all membership review their Jurisdiction Communication Lists at this time. If your revised date is more than one year, but there have been no changes, please click to update your communication list so that the revision date shows for 2016. Thank you!

THE IFTA, INC. STAFF

Lonette L. Turner, CEO

Debora K. Meise, Senior Director

Jason DeGraf, Information Services Director

Amanda McNally Koeller, Comptroller/Treasurer

Tammy Trinker, Office and Events Administrator

Tom King, Webmaster

Patricia Platt, Program Compliance Administrator

Sponsorship Opportunities

Sponsorship Opportunities are **available** for the **2016 Annual IFTA Business Meeting**. This opportunity affords your company the chance to intermix with our members and display your company's product. If you are a service provider to our member jurisdictions, or are a new company looking for a way to meet, greet, and interact with future clientele, we invite you to sponsor a Networking Event at our upcoming meeting. As always, we thank you for your continued support and look forward to your sponsorship.

If you have any questions or concerns, please do not hesitate to contact Debora Meise, our Senior Director, at dmeise@iftach.org or by calling her at (480) 839-4382 ext. 3 or (480) 244-9115.

NOTES from the BOARD

On May 24 and 25, 2016, the IFTA, Inc. Board of Trustees (Board) held its Second Quarter 2016 meeting at the IFTA, Inc. offices in Chandler, Arizona. All Board members were present. Also in attendance were Mr. Robert Pitcher, American Trucking Associations, Inc., Mr. Joshua Waitz, Chase Investments, and Mr. Tyson Breinholt and Mr. Tyler Brody, Commercial Properties, Inc.

The Board reviewed the First Quarter 2016 meeting minutes and offered revisions. No motion was made to these minutes during the Board meeting, allowing IFTA, Inc. the opportunity to review the Industry Advisory Committee (IAC) report section. Email Action minutes were then reviewed and amended by the Board. These actions took place during the period of January 1 through April 30, 2016 and were approved as amended.

A Consent Agenda was then reviewed and accepted by the Board. Included in this agenda were the following reports: Agreement Procedures Committee (APC), Attorneys' Section Steering Committee (ASSC), Audit Committee (AC), Clearinghouse Advisory Committee (CAC), Dispute Resolution Committee (DRC), Law Enforcement Committee (LEC), and the Program Compliance Review Committee (PCRC). During these discussions, the Board approved the nomination of Ms. Kelley Heaton (AR) to the Audit Committee as a southeastern region representative.

Mr. Joshua Waitz, JPMorgan Chase Private Client, gave his annual report on the IFTA, Inc. investment portfolio. Following his report, the quarterly reports were then provided. Mr. Jason DeGraf, IFTA, Inc. Information Services Director, presented an update on the IFTA, Inc. Clearinghouse. The clearinghouse is now more secure as all transfers are now being handled through a Secure File Transfer Protocol (SFTP). In addition, the transmittal web site has been remade and new SSL certificates have been installed on both the demographic and transmittal servers.

As requested by NLETS, a coding update has also been initiated. Flat files sent through to the clearinghouse must now pass a rule test, allowing for a validation check. In the near future, if any of the file does not meet the rule requirements, the file will be rejected and not sent to the database. A notice of this failure will then be generated and IFTA, Inc. would notify the jurisdiction of the situation.

Mr. DeGraf continues to work with membership on issues related to the clearinghouse. He informed the Board that, while some of the incorrect data has been corrected, the majority of errors still exist and have not been reviewed or corrected by the jurisdictions. It was suggested that an alert be added that would notify the user that the data they entered is incorrect. Mr. DeGraf also continues to work on the law enforcement application and adding security for this feature.

Mrs. Amanda Koeller, IFTA, Inc. Comptroller, reported that the 2016 funds netting is going smoothly, but that there were outstanding funds from two jurisdictions. Reporting on the financial statements of the organization, Mrs. Koeller informed the Board that IFTA, Inc. remains financially stable and that membership dues for FYE17 are being received.

Mr. Garry Hinkley (ME) reported on the activities of the Electronic Credentials Working Group (ECWG). Carriers have signed up to participate in the pilot project for electronic credentials being led by Wisconsin. In addition, several member jurisdictions, including Virginia, have agreed to participate in this project. Addressing the Clearinghouse Advisory Committee (CAC), Mr. Hinkley reported that they are conducting a systematic review of the clearinghouse data quality. A number of members have been contacted by the committee regarding anomalies with their data.

The Board held a teleconference with the IFTA committee Chairs. During this call the committees reported on their current activities and membership. The committees' chairs that participated on this call were from the APC, AC, CAC, DRC, Industry Advisory Committee (IAC), LEC, PCRC, ASSC, and the Dual Fuel Working Group (DFWG).

Mr. Tom King, IFTA, Inc. Webmaster, then offered a demonstration of the new IFTA, Inc. website that is in development. Once this new website has been fully configured and finalized, IFTA, Inc. will issue a survey to membership, complete with screenshots, and ask for feedback and recommendations. One of the questions will inquire about the various levels of security.

Mrs. Debora Meise, IFTA, Inc. Senior Director, provided an update on the ballots. FTFBP 3-2014 passed in March 2015. IFTA, Inc. is currently working on adding the necessary revisions to the manuals for release. This ballot language will go into effect January 1, 2017. All seven of the 2015 ballots were voted on and approved by membership in March 2016. To date, there are three full track ballot proposals for 2016. In addition, it is anticipated that the Audit Committee will be submitting a short track ballot proposal for consideration at the Annual IFTA Business Meeting.

Mr. Pitcher presented the IAC report to the Board. The IAC requested to add three additional members to their Steering Committee. This would increase that number from six to nine. The Board approved the nominations of Ms. Connie Owen, JJ Keller, Ms. Kim Butner, ITS Compliance, and Mr. Chuck Ledig, Penske Truck Leasing. The committee has also asked to allow a change to their charter permitting past chairs to remain active on the committee. The Board has asked Mr. Pitcher to discuss this issue further with the committee before any decision is made.

The Board discussed the last quarterly regional calls that were held with the Board. The Western, Northeast, Southeast, Canadian, and Midwest all held conference calls following the 1Q16 Board meeting. Most of the next regional calls are scheduled in June.

Ms. Joy Prenger (MO), Board Liaison to the PCRC, reported that all of the committee members were receptive to the presented ideas of streamlining and simplifying the review process. The committee had met in the IFTA, Inc. offices in early March. During this meeting the committee worked to create a draft Review Guide and Worksheets. This draft is on the premise of modernizing the same documents based on the Board Charge and focuses on disputable items found in R1555.

Mrs. Meise reported on the Program Compliance Reviews and commented on the continued difficulties of securing reviewers. It was explained that all member jurisdictions are required to participate, but when they are contacted the jurisdiction informs IFTA, Inc. that they are unable to participate on the review. Review training has also been provided by webinar, but none of the 2016 review volunteers

requested this training opportunity. In regards to the jurisdiction training, all Canadian jurisdictions participated in this training opportunity.

The Board reviewed the LEC Best Practices Guide. The Guide was sent back to the LEC to add some additional information.

Mrs. Tammy Trinker, Office and Events Administrator, presented a meetings update to the Board. A hotel contract has been procured to host the 2016 IFTA Attorneys' Meeting. This meeting will be held at the Hilton Phoenix/Chandler hotel. Dates for this event will be October 26 – 27. Prior to the Board meeting, the registration fees had been approved by the Board. The fees were set at \$380 for members and \$405 for general public and industry representatives.

The 2017 IFTA/IRP Audit Workshop has been finalized and will be held February 28 – March 2 at the Omni Galleria in Houston, TX. The 2017 Quarterly Board Meetings have also been scheduled. The 1Q17 Board Meeting will be held January 18 – 19, the 2Q17 Board Meeting will be held April 25 – 26, and the 4Q17 Board Meeting will be held October 24 – 25.

IFTA, Inc. has also finalized and signed with the Sheraton Grand at Wild Horse Pass in Chandler, AZ for the 2017 Annual IFTA Business Meeting. The dates of this event will be August 9 – 10. An opening reception will be held Tuesday night, August 8.

Referencing the 2018 meetings, it was decided to hold off on contracting for the Board meetings until a decision has been reached regarding the status of the office location. IFTA, Inc. will also be reviewing possible locations for the 2018 IFTA/IRP Audit Workshop and 2018 Annual IFTA Business Meeting. It is planned that these events be contracted before the end of 2016.

Mrs. Trinker then presented a proposal to the Board regarding the procedure for approving registration fees. Historically the Board would review and approve the submitted fees for meeting registrations. Following discussions it was determined that IFTA, Inc. could establish all registration fees and that the requirement of the Board's approval would no longer be necessary.

The Board reviewed the preliminary agenda for the 2016 Annual IFTA Business Meeting. IFTA, Inc. presented the registration fees for this event. Registration fees for non-voting members will be \$415 and the general and public sector fee will be \$475. The registration fees for the voting delegates and Committee Chairs will be waived by IFTA, Inc.

The Board met in closed session to review and discuss the proposed IFTA, Inc. budget for FYE17. The proposed budget had been provided to the Board in April. Following the closed session, the Board opened the meeting. The Board approved the budget as amended.

Mr. Breinholt and Mr. Brody, Commercial Properties, Inc., provided an in-depth review of local business offices currently on the market within the Chandler, Mesa, and Tempe locations. Membership proposals for projects relating to the available assets were then reviewed by the Board. The Board has asked IFTA, Inc. to contact Connecticut to obtain additional information on its proposal for joint audits of supercarriers. Funding of travel was also discussed. The Board approved to fund travel and attendance for one jurisdiction representative to attend the IFTA/IRP Audit Workshop, IFTA/IRP

Managers' and Law Enforcement Workshop, or the IFTA Attorneys Meeting. This attendance is at the jurisdiction's choice and is based on a calendar year, beginning in 2018. IFTA, Inc. will continue funding the travel for IFTA Commissioners to attend the Annual Business Meeting.

The Strategic Plan was also reviewed and changes were made to the Plan by the Board. Late tax rate changes were also discussed. It was explained that the problem exists today when jurisdictions change their tax rates and only a portion of membership is agreeable, or able, to make the change and others are not. This implies that there are two different tax rates for the jurisdiction with the change. Mr. Hughson will work with the APC on a possible ballot proposal and organizing a discussion at the August 2016 Annual IFTA Business Meeting.

Concluding the open session of the Second Quarter Board Meeting, an Annual Report Working Group will be established by the Board. This working group will review the Annual Report to determine if changes are necessary to what is currently requested. A closed session followed the open portion of the Board meeting. Following the closed session, the Board adjourned the meeting.





IFTA *Comings and Goings*



Coming:

New York

Assistant IFTA Commissioner:

Name: Jacqueline Trembley

Phone: (518) 937-9472

Email: Jacqueline.trembley@tax.ny.gov

Rhode Island

IFTA Commissioner:

Name: William Kaniecki

Phone : (401) 574-8788

Email : william.kaniecki@tax.ri.gov

The following jurisdictions have updated the Jurisdiction Communication List (JCL) in some manner since *May 15, 2016*. Please visit their JCL on the secure website to ensure that you are working with the most current information for these jurisdictions:

**California
Minnesota
Nevada
New Mexico
New York**

**Quebec
Rhode Island
Saskatchewan
Texas
Wyoming**

Going, Going, Gone:

New Mexico

IFTA Commissioner:

Norman Purdy

On May 18, 2016, Mr. Norman Purdy officially retired from the New Mexico Taxation and Revenue Department.

Presently there is no new named IFTA Commissioner for New Mexico. However, if you need to contact the department, please refer to the Jurisdiction Communication List

on the secure website or use the Carrier Contact information listed on the One Stop Shop web page. IFTA, Inc. joins New Mexico in wishing a happy, healthy, and enjoyable retirement to Norman!

**How
Retired
People
Have
Fun**



Wisconsin to present a webinar designed for motor carriers

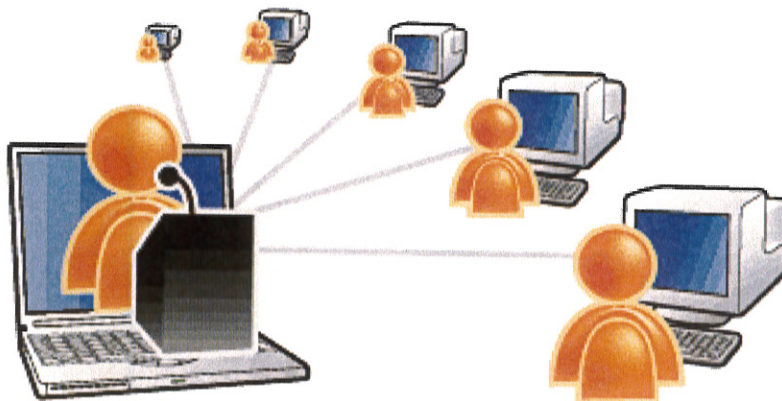
Please join an electronic credential pilot program webinar geared toward motor carriers and drivers on **June 20th** from 1:00pm to 2:00pm central time. Motor carriers from all over the country can be involved and carry electronic credentials if they have one or more drivers that travel in the pilot program states of Alabama, Illinois, Iowa, Michigan, Minnesota, Wisconsin, or Virginia.

The webinar will cover the following topics:

- ✚ What is the e-credential pilot
- ✚ What documents can be carried electronically
- ✚ What e-credential options/methods are available
- ✚ How to get setup with electronic credentials
- ✚ Question & answer session

Please reach out to the motor carriers in your jurisdiction and offer this opportunity. If they are interested in attending the webinar, they should do the following:

1. Download and run SMART Bridgit from: <http://smartconf.dot.wi.gov:23677>
2. Select "E-Credential Pilot" from the list of meetings.
3. Phone into meeting:
 - a. U.S.: 866-906-7447
 - b. Canada: 617-939-0999
 - c. Passcode: 7142616#



**IFTA, Inc. is happy to announce the
confirmed location of the 2017**

IFTA / IRP AUDIT WORKSHOP

**Omni Galleria
Houston, Texas**



February 28 – March 2

A custom online web page will be provided for securing your hotel accommodations. To tour the facility you may visit the hotel's website at www.omnihotels.com/hotels/houston. The IFTA and IRP Audit Committees are working to present an educational and training workshop for both new and veteran auditors. Everyone is welcome to attend this very valuable workshop. Keep watching THE IFTA NEWS, the IFTA, Inc. website, and the IRP, Inc. website for details and registration information as they become available!

IFTA, INC. WEBSITE

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

Meeting Minutes

The Meeting Minutes have been updated for the following Committees.

- Audit Committee
- Clearinghouse Advisory Committee

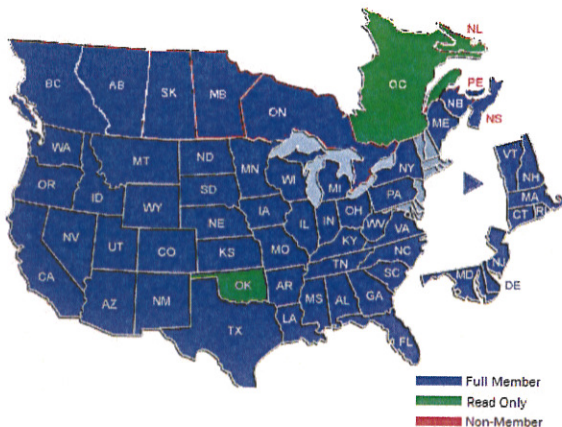
Website Compatibility

Some of the new design work I've done is starting to appear on the current IFTA, Inc. website, for example the entire 2016 IFTA ABM Annual Business Meeting pages.

These pages are not compatible with **Internet Explorer version 1 – 9**. The website should work with all other web browsers. Please keep your browsers updated to their latest versions for the site to work the best.

IFTA, INC. CLEARINGHOUSE UPDATE

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

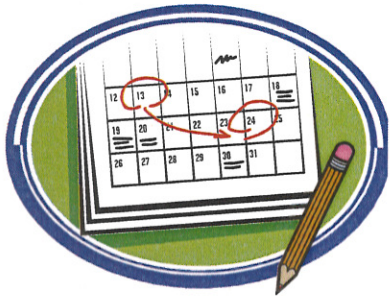


User E-mail Notifications

A question I get often, "I am about to retire/move on, can you send the Transmittal Notification to the following user(s)?" To change notification messages for Transmittals, Funds Netting, and IAR's, please use the jurisdiction communication list on www.iftach.org. And don't forget, user registration for the Clearinghouse is also done on iftach.org.

New SSL Certificates

We installed new Certificates on the servers. You will no longer have to click 'Continue To Website (not recommended link)' that has appeared in your browser over the years.



SAVE THE DATE!

2016

Southern Region Conference
June 19 – 21
Lexington, Kentucky

Tobacco Annual Conference
August 14 – 17
Providence, Rhode Island

Annual IFTA Business Meeting
August 17 – 18
Indianapolis, Indiana

HELP, Inc.
Summer Board of Directors Meeting
August 17 – 18
Broomfield, Colorado

Motor Fuel Uniformity Meeting
September 16 – 17
Portland, Maine

FTA Motor Fuel Tax Section
Annual Motor Fuels Conference
September 18 – 21
Portland, Maine

IFTA/IRP Managers' and Law
Enforcement Workshop
September 27 – 29
Tampa, Florida

4Q IFTA Board Meeting
October 18 – 19
Chandler, Arizona

IFTA Attorneys' Meeting
October 26 - 27
Chandler, Arizona

2017

1Q IFTA, Inc. Board Meeting
January 18 - 19
Chandler, Arizona

IFTA/IRP Audit Workshop
February 28 – March 2
Houston, Texas

2Q IFTA, Inc. Board Meeting
April 25 - 26
Chandler, Arizona

Annual IFTA Business Meeting
August 9 - 10
Chandler, Arizona

4Q IFTA, Inc. Board Meeting
October 24 - 25
Chandler, Arizona

