

**FOR VOTE BY JANUARY 21, 2022**



**IFTA SHORT TRACK FINAL BALLOT PROPOSAL  
#05-2021**

**Sponsor**

IFTA Audit Committee

**Date Submitted**

June 29, 2021

**Proposed Effective Date**

January 1, 2023

**Manual Sections to be Amended** (Effective January 1, 2017, as revised)

A460.700 AUDIT REPORT

**Subject**

Billing Summary

**History/Digest**

The Program Compliance Review Committee requested the Audit Committee review the requirement for “.020 MPG/KPL as reported” and “.025 MPG/KPL as a result of audit” be discussed for guidance. The current MPG/KPL requirements as written do not indicate specific time requirements.

The Audit Committee provided commentary indicating that items .020 and .025 should pertain to the tax periods reported and audited. R930 of the Articles of Agreement specify a .100 Quarterly Tax Reporting requirement or the potential option of an .200 Annual Tax Reporting requirement for a licensee under specific circumstances. The Billing Summary does not detail the time period for which the items requested must be presented. To provide clarity, the IFTA INC. Board of Trustees charged the IFTA Audit Committee to review both the (1) Articles of Agreement, Section R930 and the Audit Manual, Section A460.700 (2) Determine subsections under section A460 that need clarification and (3) Develop a Short Track ballot proposal for the 2021 IFTA Annual Business Meeting.

**Intent**

The Intent of the ballot is to add language to A460.700 to ensure every jurisdiction understands the time period required for each item to be provided on the Billing Summary.

**Interlining Indicates Deletion; Underlining Indicates Addition**

1 **AUDIT MANUAL**

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3 A460 .700 Billing Summary: All items listed below, except penalty .045, must be presented in the billing  
4 summary by reporting period.

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6 .005 Net distance adjustment in total;

7 .010 Net distance adjustment by jurisdiction;

8 .015 Net tax paid fuel purchases adjustment;

9 .020 MPG/KPL as reported;

10 .025 MPG/KPL as a result of audit;

11 .030 Net fuel tax adjustment per jurisdiction;

12 .035 Reported tax by jurisdiction;

13 .040 Audited tax by jurisdiction;

14 .045 Penalty;

15 .050 Interest by jurisdiction; and

16 .055 Total by jurisdiction.

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**REVISIONS FOLLOWING THE SECOND COMMENT PERIOD**

- Moved the Effective date to January 1, 2023