



**IFTA BALLOT PROPOSAL
#02-2026**

Sponsor

IFTA Agreement Procedures Committee & IFTA Audit Committee

Date Submitted

April 10, 2026

Proposed Effective Date

Upon passage

Manual Sections to be Amended

Articles of Agreement

Article XIII

R1300 Audits

R1340 Review / Revision Of Audit Requirements

Subject

Revision of Audit Requirements

History/Digest

It has come to the attention of the IFTA Agreement Procedures Committee that current language in R1340.300 and R1635 creates conflicting requirements regarding effective dates for implementing amendments to the Audit Manual. Through committee discussions, we believe the framers of the original Agreement did not intend for different requirements to exist for effective dates.

However, as currently written:

- R1340.300 prohibits R1635 from advancing an effective date by a $\frac{3}{4}$ majority vote of the voting members.
- This restriction prevents ratification of a change to the effective date listed in R1635, even when such a change has broad member support.

This inconsistency suggests that the original intent was not to limit flexibility in setting effective dates for amendments.

Further, R1340 requires the Audit Committee to review the audit requirements at least once every three years.

R1340.200 and .300 are redundant to requirements already established in R1635 with respect to making amendments.

It is recommended that R1340 be simplified for consistency with the Audit Committee's role, which is to review and maintain the Audit Manual in accordance with Article XVIII. Further to the Audit Committee's review, the process for any proposals for amendment to the Audit Manual shall be in accordance with Article XVI. Therefore, the process for making amendments to the Audit Manual will be consistent with the process for making amendments to all of the IFTA manuals.

Intent

To address redundancy and to create uniformity in the process for making amendments to the Audit Manual.

Interlining Indicates Deletion; Underlining Indicates Addition – ALL CHANGES MUST BE HIGHLIGHTED IN RED

1 R1340 REVIEW / REVISION OF AUDIT REQUIREMENTS

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~~_____ .100 The Audit Committee shall review the audit requirements of this Agreement at least once every three years.~~

~~_____ .200 Proposed changes shall be subject to approval by the member jurisdictions in accordance with IFTA Articles of Agreement Section R1600.~~

~~_____ .300 Changes to the Audit Manual shall not be effective with less than a one-year notification, unless unanimously approved for an earlier date.~~

The Audit Committee shall review the IFTA Audit Manual at least once every three years and may propose any amendments considered necessary in accordance with Article XVI.