



FTA Motor Fuel Tax Section

Federation of Tax Administrators • 444 North Capitol Street, N.W., Washington, D.C. 20001 • 202-624-5890

TO: Uniformity Subcommittee Participants

FROM: Cindy Anders-Robb
Manager – Motor Fuel Tax

SUBJECT: **Uniformity Meetings**

DATE: October 26, 2012

The **January 2013** Motor Fuel Tax Section Uniformity Committee meeting is scheduled for Long Beach, California. The Subcommittees will meet all day **January 25, 2013**. The Main Uniformity meeting is scheduled for **January 26, 2013**. (*The meetings are on Friday and Saturday*) The meeting will be at the Hilton Long Beach. The special rate at the Hilton is \$110.00 plus 23% tax. Make your reservations directly with the hotel by calling **(800) 445-8667 or (562) 983-3400**. Make certain to inform the hotel that you will be attending the “Federation of Tax Administrators” meeting to receive the special rate. The address of the hotel is 701 W Ocean Blvd, Long Beach, CA 90831. Please note that the cut-off date for the hotel reservation is **December 23, 2012**.

The **June 2013** Motor Fuel Tax Section Uniformity Committee meeting is currently being scheduled for the end of May or first of June.

The **September 2013** Motor Fuel Tax Section Uniformity Committee meeting is scheduled for Fargo, North Dakota. The Subcommittees will meet all day **September 20, 2013**. The Main Uniformity meeting is scheduled for **September 21, 2013**. (*The meetings are on Friday and Saturday*) The meeting will be at the Holiday Inn Fargo. The special rate at the Holiday Inn is \$77 single, \$92 double plus 10.5% tax. Make your reservations directly with the hotel by calling **(800) 282-2700 or (701) 282-2700**. Make certain to inform the hotel that you will be attending the “Federation of Tax Administrators” meeting to receive the special rate. The address of the hotel is 3803 13th Avenue South, Fargo, North Dakota. Please note that the cut-off date for the hotel reservation is **August 29, 2013**.

PRELIMINARY AGENDA
FTA Motor Fuel Tax Uniformity Committee
Long Beach, California
January 25-26, 2013

Friday 8:00am – 5:00pm
January 25, 2013

Subcommittee

Room One

1:00pm – 5:00pm
Communication & Coordination
Compliance
**(Both subcommittees are
meeting together in the afternoon)**

Room Two

8:00am – Noon
Electronic Commerce
Forms Management
**(Both subcommittees are
meeting together in the morning)**

1:00pm – 5:00pm
Electronic Commerce
(Technical Session)

Saturday 8:00 am to noon
January 26, 2013

FTA Full Uniformity Committee

1. Introduction
2. Approval of minutes
3. Presentations
4. Subcommittee Reports and Recommendation
Each subcommittee will give a report of the subcommittee and any recommendations for the Full Uniformity Committee to vote on.
 - Communication & Coordination
 - Compliance
 - E-Commerce
 - Forms Management
5. Old Business
6. New Business
7. Next Meeting
8. Adjourn

1:00 pm to 5:00 pm
Subcommittee will continue to meet if necessary

PRELIMINARY AGENDA
FTA Motor Fuel Tax Uniformity Committee
Fargo, North Dakota
September 20-21, 2013

Friday 8:00am – 5:00pm
September 20, 2013

Subcommittee

Room One

1:00pm – 5:00pm
Communication & Coordination
Compliance
**(Both subcommittees are
meeting together in the afternoon)**

Room Two

8:00am – Noon
Electronic Commerce
Forms Management
**(Both subcommittees are
meeting together in the morning)**

1:00pm – 5:00pm
Electronic Commerce
(Technical Session)

Saturday 9:00 am to noon
September 21, 2013

FTA Full Uniformity Committee

9. Introduction
10. Approval of minutes
11. Presentations
12. Subcommittee Reports and Recommendation
Each subcommittee will give a report of the subcommittee and any recommendations for the Full Uniformity Committee to vote on.
 - Communication & Coordination
 - Compliance
 - E-Commerce
 - Forms Management
13. Old Business
14. New Business
15. Next Meeting
16. Adjourn

1:00 pm to 5:00 pm
Subcommittee will continue to meet if necessary

FTA MOTOR FUEL UNIFORMITY COMMITTEE
Providence, Rhode Island
October 27, 2012

Minutes

The FTA Motor Fuel Tax Section Uniformity Committee met at the Renaissance Providence Downtown, Providence, Rhode Island. Jeremy Neeck (MN) Uniformity State Chair called the meeting to order. Forty-two (42) were in attendance. (See attached list of attendees)

Minutes

The minutes of the June, 2012 Uniformity Committee meeting in San Antonio, Texas were approved.

Presentations

Dawn Lietz, State of NV presented a document compiled by Bob Pitcher with the American Trucking Association. Dawn led a discussion concerning the Trucking Industry's viewpoint on the conversion rates for Liquefied Natural Gas and Compressed Natural Gas since most of the Trucking industry is converting or buying LNG and/or CNG trucks. Because trucks are using LNG and CNG the diesel collections will start to drop. Wal-Mart has purchased over 2,000 LNG Trucks and UPS is or has changed their trucks also. Dawn Lietz, Chuck Ulm and Cindy Anders-Robb are currently representing the FTA on meetings with the IFTA Committee concerning the taxation and conversion rates for CNG and LNG

Uniformity Chairs

State Co-Chair Jeremy Neeck – State of Minnesota
Industry Co-Chair Bob Donnellan – Global Companies LLC

Subcommittee Chairs

Compliance Subcommittee

State Co-Chair Cindy Mongold – State of Kansas
Industry Co-Chair Rae Taki – Shell Oil

Communication and Coordination Subcommittee

State Co-Chair Christy Dixon – State of Oklahoma
Industry Co-Chair Anne Nicholson, Exxon Mobil

Electronic Commerce Subcommittee

State Co-Chair Hal Lovell – State of California
Industry Co-Chair Gene Holland, ConocoPhillips

Forms Management Subcommittee

State Co-Chair Lee Gonzalez, State of Florida
Industry Co-Chair Scott Louie – Chevron

Subcommittee Reports

The **Compliance Subcommittee** Cindy Mongold (KS) reported there were Twenty-three (25) in attendance. The committee discussed:

Training Schedule update for 2012

The FTA Motor Fuel Basic Training Course was held in Minneapolis, MN on July 29 - August 2, 2012. There were 57 students in attendance, which consisted of 30 from States

and 27 from Industry. The group also took a tour of a terminal in addition to the classroom training.

The Advanced Training class will be held November 25 – 29 in Savannah, GA at the DeSota Hilton.

There will be no Investigation Training scheduled for this year.

ExSTARS Training course is planned to be provided at the Regional Conferences in 2013.

You can also find the training announcement on the FTA website at www.taxadmin.org

Dyed Diesel Stats

Jeremy Neeck of Minnesota reported on the dyed fuel stats since the start of collecting additional information regarding vehicle type and industry, pickup trucks has been the most common vehicle receiving a violation.

There were questions regarding the authority to stop pickups. Stops of pickup trucks can be made when commercial placards are displayed on the vehicle.

Received clarification regarding the IRS 916 form was provided. States are not to hand out from 916 nor reference the 916 as their authority to stop and test for dyed fuel. The IRS will be redoing the MOU with the states. States will not be taking samples as IRS authorized agent but will be sharing the sample with the IRS.

IRS Update

IRS reported Mobile Machinery is prohibited from using dyed fuel. They are required to use clear fuel but can apply for a refund.

IRS also reported that millions of dollars of Alternative Fuel tax credits are being applied for.

CNG White Paper

A suggestion was made to review and update the current White Paper “Motor Fuel Tax Issues with Natural Gas and Other Alternative Fuels” that was created in 2009. Wilda Ice of West Virginia has volunteered to review the document.

Barge Statistics

Dean Reinauer provided a high level barge facts and statistics report and will be emailing the report to Cindy Mongold.

Compliance Tools

A White Paper document regarding Compliance Tools was discussed. Wilda Ice of West Virginia, Edie Martin and Cindy Mongold of Kansas volunteered for this project. Some points of discussion for the document would be; Audit, Terminal Manifest Matching, Diversion Review, Import/Export Information Exchange between states, Dyed Fuel Inspections & Publicity of Prosecuted Fuel Tax cases. If you have information to contribute please provide it to one of the three people listed above.

New Projects for 2013

The committee is looking for new projects to work on. If you have any project you would like to see, please contact Cindy Mongold at cindy.mongold@kdor.ks.gov

Open Discussion

Discussion regarding separate auxiliary power unit on trucks. This unit is used to run trucks AC/heater and fuel supply warmer. This is a separate motor but pulls from the same fuel supply tank as the trucks engine.

A couple of states reported that a Producer License has been applied for or issued for producing Alternative Fuel from garbage.

(See the minutes of this subcommittee for more details)

The **Forms Management Subcommittee** Lee Gonzalez (Florida) reported that this committee met with Electronic Commerce. There were twenty-seven (27) in attendance with one (1) by phone. The subcommittee discussed the following:

Crosswalk (FTA and STCC Codes)

Team currently has a product code list from a single railroad company. The team will reach out to other railroad companies to get a comprehensive list of product codes. The list will be matched to the FTA codes to create a true crosswalk between rail and FTA codes.

Uniform Alternative Fuels Tax Report

The Alternative Fuel Tax Report team presented a rough draft of a Uniform Alternative Fuel Form. The group determined a separate summary schedule was needed to address exempt sales by product types. Team will add additional summary schedule to the form and present it at the next meeting.

Uniform Alternative Fuel Unit Conversions

A request was received to add uniform product conversions on the proposed alternative fuel tax return. Cindy Mongold made a presentation that outlined that many states use either IRS standards or stand-alone conversion factors based on state legislation. The committee discussed the following options:

- Piggy back IRS factors
- Piggy back IFTA recommendations (note-There is currently a team reviewing alternative fuel conversions and rates)
- Recognize each state is different and legislation dictates conversion factors. A decision was made to refer alternative fuel conversions to the Communications and Coordination Subcommittee to look at putting something in the Model Legislation concerning conversion factors.

Eliminating Schedule Codes (Uniformity)

The survey sent out by the Forms committee indicated that four (4) codes (1D, 5O, 5U and 13L) are not currently being used. The initial purpose of the survey was to eliminate codes that are not being used from the guide. The committee determined that would not be cost efficient to eliminate only 4 codes. However, notes will be added to the uniformity guide that will classify the four schedules as inactive.

EIA Code Presentation

During previous uniformity meetings, the Uniformity Committee has considered converting FTA product codes to EIA product codes. Rich Little conducted a conference call with EIA (Mike Conner). The purpose of the call was:

- To educate the committee on the format of EIA codes for petroleum products.
- To determine how often the codes are updated.
- To determine how new product codes are created.
- To educate the committee on the number of product codes available for use.

The committee determined there are numerous issues that have to be addressed before FTA would consider converting from FTA to EIA codes. Examples of some of the issues are:

- Multiple EIA product code lists (duplicate codes).
- Incomplete EIA code list.
- No process for FTA to request new codes.
- Time it takes to get new product codes approved.

The committee agreed to work with EIA to create a list of product codes that potentially could replace FTA codes in the future. Tracy Halubka and Bill Gray agreed to represent FTA on this project.

Industry Issues

- Industry is having trouble reporting blends associated with multiple product codes.
- States do not have a clear definition of renewable fuels.
- Industry is having a difficult time tracking the point of destination for products being moved by barge. Issue related to change in ownership.
- Some states require a prepayment of estimated fuel tax. Collection of the tax up front from the distributors is becoming problematic.
- The purpose of uniformity is to propose guidance as it pertains to filing forms, proposing legislation, compliance techniques, etc. Recent uniformity meetings have avoided providing guidance by claiming individual state legislation mandates tax policy. Recommendation was made to follow the initial intent of uniformity and that is to provide guidance.
- Reminder-States need to remember to follow the test guidelines outlined by Uniformity when implementing new electronic filing applications.

State Issues

Florida announced new electronic filing requirements for the terminal operator report, terminal supplier return, and possible the petroleum carrier return. Effective 1/2013, Florida will begin transitioning from EDI to XML. Dual systems (EDI and XML) will be in place until 1/2014. Also, legislation may be proposed in the upcoming session that will move the collection of the inspection fee from the Department of Agriculture to the Department of Revenue.

Georgia announced they would be moving towards new electronic filing requirements (XML) in the near future.

State ExSTARS Update

Edie Martin provided an ExSTARS update for information filed in Kansas and Mississippi. In summary, the majority of the returns were filed using an 826 designation. This trend has been consistent since both states starting tracking this data. However, Kansas did not receive any files that were designated as 813 and 826 data.

Rich will reach out to industry to see if companies can convert to 813.

IRS ExSTARS Update

Rich indicated the IRS is considering a move from EDI to XML for terminal operator and carrier reports.

(See the minutes of this subcommittee for more details)

The **Electronic Commerce Subcommittee** Hal Lovell (CA) reported there were sixteen (16) in attendance. The subcommittee discussed the following:

EDI REF Segment

The committee discussed the fact that the IRS might not need this segment anymore. We will be reviewing this issue moving forward and will see if this REF segment can be deleted from the FTA guide next year.

Ending Inventory by Position Holder in Terminal

The subcommittee members approved the draft segment to allow EDI reporting of the position holders ending inventory in the terminal that was submitted by Ray Grimm. This reporting segment was needed to ‘sync’ EDI with the FTA Paper and XML formats that allows for reporting this transaction.

IRS Project to transition to XML

Rich Little presented a quick pitch for volunteers from Industry and State Reps to join the IRS in the XML project for ExSTARS reporting. The IRS is trying to determine with their e-file efforts if XML might be a better platform for ExSTARS moving forward. Rich asked us to work with the point of contact, Larry Porter who will be the lead on this project for the IRS. Rich was able to get a few committee members to volunteer on this project.

Mexico import transactions in XML Schema

Issue with transactions on imports from Mexico into the US in XML Schema. How to handle transactions coming out of Mexico as imports where the State abbreviation code was not being allowed for legitimate Mexican states per the FTA Postal code list.

Our committee reviewed this and recommended the following:

Adding to the XML schema an enumerated list that will include the Mexican States as displayed in Appendix F of the FTA Guide. Stan reported this issue has been fixed and we have a new postal code enumerated list that was updated to fix this issue.

The subcommittee reviewed the concept of surveying the need to increase the Postal Code field to a “3” alpha numeric field that would allow for more flexibility and less conflicts with other postal code abbreviations. After some discussions the group agreed unanimously to monitor this issue going forward, but there is no business need that would require us to analyze this issue in any greater detail at this time. This issue will be closed by committee.

Import/Export Data Exchange

Hal Lovell will lead the effort to address a common Excel format for exchanging data between states. Hal will draft a letter addressing benefits of following a uniform format.

Implementation Guide Approval Procedures

The subcommittee reviewed and approved the “new” approval procedures that added XML. We would like to get this document on the FTA website ASAP and then next year we will add this procedure to the Uniformity Books. They also discussed the need to clarify the definitions on Original/Amended filing options to assist the states and taxpayers in the best method of submitting corrections on uniformed forms.

(See the minutes of this subcommittee for more details)

Approved by the Full Committee

Approved to add XML to the Implementation Guide Procedures. This document will be put on the FTA Website and then added to the 2013 Uniformity books.

Approved to add the segment to allow for EDI reporting of position holder ending inventory in the terminal.

The **Communication and Coordination Subcommittee** Christy Dixon (OK) reported that twenty-three (23) were in attendance. The subcommittee discussed the following and the October, 2012 *Uniformer* was passed out. (See minutes for the publication)

Buy/Sell Agreement

This was tabled until the next meeting. Anne Nicholson-Exxon Mobil is going to work on draft language for Buy-Sell Agreements for Model Legislation and a diagram for Renewable fuels to be discussed at the next meeting.

Definitions

There were no current definitions discussed at the meeting for any revisions.

Bill of Lading project

Wilda Ice presented a draft White Paper document for this project. The subcommittee discussed the draft and made a few revisions. The subcommittee approved the document with the revisions. (see below approved by full uniformity committee)

2012 Taxation, Diversion and Alternative Fuels Booklet

The Taxation, Diversion and Alternative Fuels Booklet for 2012 were distributed. The subcommittee discussed adding tax rates, conversion rates for Compressed Natural Gas, Liquefied Natural Gas and Propane to the booklet for 2013. The committee will discuss this addition next meeting.

Alternative Fuels Section of Model Legislation

The subcommittee has been asked to re-look at the Alternative Fuels Section of Model Legislation for any revisions that need to be made. This will be added to the agenda for our next meeting in January 2013.

White Paper Document

The subcommittee has been asked do a White Paper Document on Inventory Gains and Losses. This will be put on the January, 2013 agenda

Open Discussions

There was a discussion about retailers adding their own additives and not paying the tax for the additional gallons when blended with the gasoline and/or diesel.

Import/Export information

Cindy reported that the states' will not be able to use the FTA's Website in order to exchange import/export information.

(See the minutes of this subcommittee for more details)

Approved by the Full Committee

The following White Paper Document to be added to the 2013 Uniformity Book**Shipping Documents
Points to Consider Relative to Fuel Tax Administration
September 2012**

Introduction: What is a Bill of Lading? It is a document signed by a carrier (a transporter of goods) or the carrier's representative and issued to a consignor (the shipper of goods) that evidences the receipt of goods for shipment to a specified designation and person.

Carriers in all modes of transportation issue bills of lading when they undertake the transportation of cargo. A bill of lading is, in addition to a receipt for the delivery of goods, a contract for their carriage and a document of title to them. Its terms describe the freight for identification purposes; states the name of the consignor and the provisions of the contract for shipment; and directs the cargo to be delivered to the order or assigns of a particular person, the consignee, at a designated location.

The Code of Federal Regulation Title 49, part 172.201 authorizes the data requirement for common carriers.

In the motor fuel industry, a manifest or bill of lading is the document that must be issued by the refinery, terminal and/or bulk plant for each withdrawal from that specific location. The manifest or

bill of lading shall show the following information: a unique number for the document, date shipped, name of carrier, origin (name and address of the terminal, refinery or bulk plant where product was loaded), the terminal or refinery control number (as issued by the IRS), name of the supplier, the receiving party (consignee), the destination, particular description of the product loaded, and the number of gallons. Some states may require supporting documentation or a separate bill of lading for split loads.

Any manifest, bill of lading, shipping paper or invoice for special fuel which is indelibly dyed in accordance with regulations prescribed pursuant to 26 U.S.C. 4082 shall include the statement

"DYED DIESEL FUEL, NONTAXABLE USE ONLY, PENALTY FOR TAXABLE USE."

Some states require the tax due and/or the responsible party for tax to be included on the shipping document. Most states require printed bills of lading although few will authorize the use of hand written bills of lading.

Problem: One of the biggest problems with shipping documents is that shipping document formats vary by industry and by terminal operator. When printing several copies of the bill of lading, the print becomes illegible. The format of some documents does not clearly identify the physical address of the terminal, refinery and/or bulk plant. The bill of lading number may not be legible or may be confused with other numbers on the document because it is not required to be uniform. The name of the supplier may or may not be on the shipping document.

Solution: A standardized shipping document with a uniform format that designated a specified area for: the name and address of the location where the fuel was loaded; the unique document number; the supplier name; the date product was loaded; identification of product; gallons loaded (net and gross). Any other information required by the domiciled state or the Federal government could be placed on the shipping document in an area according to each terminal's specification.

Much of the information on a bill of lading is already transmitted electronically to the suppliers. This format must already be standardized. The idea solution would be to transfer that information to a standardized hardcopy which is printed for the transporter.

New Business

Printing of the Uniformity Books and CD's-The State of Minnesota cannot continue to print the Uniformity Books and make the CD's. The State of Virginia-Tammy West will check to see if her state can print the books and make the CD's.

Next Meeting

The next Uniformity Committee meeting is scheduled for January 25-26, 2013 in Long Beach, California.

The meeting was adjourned.

FTA UNIFORMITY COMMITTEE
Providence, Rhode Island
27-Oct-12

Present?		State/Company	Phone	Fax	Email Address
	Albin, Michael	ACS Government Solutions	602-412-2011	602-254-4451	mike.albin@xerox.com
	Alderman, Donna	North Carolina Dept of Revenue	919-733-8214	919-733-8654	donna.alderman@dorn.com
XX	Anders-Robb, Cindy	Federation of Tax Administrators (FTA)	307-632-4144		cindy.anders-robb@taxadmin.org
XX	Arndt, Doug	ND Tax Commission	701-328-2050		darndt@nd.gov
	Autry, Beth	Musket Corp/Love's Truck Stop	405-302-6522	405-463-3522	betha@loves.com
	Baldwin, Sarah	Husky Marketing & Supply Company	614-210-2326		sarah.baldwin@huskyenergy.com
	Benton, Linda	Kentucky Dept of Revenue	502-564-3853		linda.benton@ky.gov
XX	Bickle, Michelle	Shell Oil Company	713-241-9489		michelle.bickle@shell.com
	Bock, Maureen	OR Dept of Transportation	503-378-2934		maureen.bock@state.or.us
	Bonaccorso, Shirley	Louisiana Dept of Revenue	225-219-2690	225-219-2692	shirley.bonaccorso@la.gov
	Bowers, Kristin	Musket Corp/Love's Truck Stop	405-254-3408		kristinb@loves.com
	Branch, Melanie	Shell	713-241-1845		melanie.branch@shell.com
	Bryer, Scott	New Hampshire Dept of Safety	603-271-2387	603-271-6758	bryers@safety.state.nh.us
XX	Bullock, Traci	SC Department of Revenue	803-896-1748	803-896-1779	bulloct@sctax.org
XX	Bujno, David	NH Department of Safety	603-233-8075		david.bjuno@dos.nh.gov
XX	Burdick, Doug	Fuel Quest/ZyTax	850-294-0084		doug.burdick@fuelquest.com
XX	Callaway, Rick	Canadian Fuel Tax Council	403-471-7022	780-644-5016	rick.callaway@fueltaxcouncil.com
	Cano, Martin	Texas Comptroller of Public Accounts	713-426-8288	713-863-9125	martin.cano@cpa.state.tx.us
	Compton, Deborah	Exxon Mobil Corporation	713-431-2737	262-953-7483	deborah.compton@exxonmobil.com
	Davenport, Kirk	Texas Comptroller of Public Accounts	512-463-3849	512-475-0900	kirk.davenport@cpa.state.tx.us
	Dearie, Erin E	International-Matex Tank Terminals	504-619-2420		erindearie@imlt.com
XX	Dixon, Christy	Oklahoma Tax Commission	405-522-4197	405-522-2072	cdixon@oktax.state.ok.us
	Donnellan, Robert	Global Companies LLC	781-398-4247		rdonnellan@globalp.com

FTA UNIFORMITY COMMITTEE
 Providence, Rhode Island
 27-Oct-12

Present?		State/Company	Phone	Fax	Email Address
	Dougherty, Michael	FHWA	202-366-9234	202-366-3297	michael.dougherty@dot.gov
	Drewry, Amy	Louis Dreyfus Commodities	816-218-2336	816-218-2392	amy.drewry@ldcom.com
	Dudek, Sabrina	NuStar Energy LP	210-918-3654	210-918-5466	sabrina.dudek@nustarenergy.com
	Engelken, David	Tank Management Service Inc	785-233-1414		david@tankmagmt.com
	Farish, Dan	Murphy Oil USA Inc	870-864-6466	870-881-6675	dan_farish@murphyoilcorp.com
	Feletto, Lou	CA Board of Equilization	916-323-9401		lou.feletto@boe.ca.gov
	Fitzgerald, Julian Sr.	North Carolina Dept of Revenue	919-733-8200	919-733-8654	julian.fitzgerald@dorn.com
	Fitzgerald, Scott	Iowa Department of Revenue	515-242-6033		scott.fitzgerald@iowa.gov
	Friedman, Vickie	CSX Transportation	904-63-5232	904-245-2566	vickie_friedman@csx.com
	Gast, Keith	MO Dept of Revenue	573-751-5902	573-522-1720	keith_gast@mail.dor.state.mo.us
XX	Gilson, Cheryl	FuelQuest	920-617-7626		cheryl.gilson@fuelquest.com
	Golden, Heather	Shell Oil Company	713-241-1919		heather.golden@shell.com
XX	Gonzalez, Augustine	Innovative Software Solutions	210-602-4477		agonzalez@innsoftinc.com
XX	Gonzalez, Lee	Florida Department of Revenue	850-488-7268		gonzalee@dor.state.fl.us
XX	Grammer, Michael	Kentucky Dept of Revenue	502-564-1234	502-564-2906	michael.grammer@ky.gov
XX	Gray, Bill	Sinclair Oil Corporation	801-524-2887	801-524-2919	bgray@sinclairoil.com
	Grigsby, Ray	Tennessee Dept of Revenue	615-532-6914	615-741-5319	ray.grigsby@state.tn.us
	Grizzle, Jonna	Shell	713-241-2786		jonna.grizzle@shell.com
	Hales, Frank	Utah State Tax Commission	801-297-4638	801-297-4799	fhales@tax.state.ut.us
XX	Halubka, Tracy	MT Dept of Transportation	406-444-0806	406-444-6032	thalubka@mt.GOV
	Hapa, Joselito	Shell Oil Company	712-241-0103		Joselito.hapa.shell.com
XX	Hennig, Drew	FuelQuest	210-643-1946		dhennig@fuelquest.com
	Hernandez, David	Valero Energy	210-345-2127	210-345-2225	david.hernandez@valero.com

FTA UNIFORMITY COMMITTEE
 Providence, Rhode Island
 27-Oct-12

Present?	State/Company	Phone	Fax	Email Address
	Hook, Stan	Wisconsin DOR	608-261-8985	stanley.hook@revenue.wi.gov
XX	Holland, Gene	ConocoPhillips	918-661-4035	918-661-7833 gene.p.holland@conocophillips.com
	Humphrey, Nick	Missouri Dept of Revenue	573-751-4689	573-526-3956 nick.humphrey@dor.mo.gov
XX	Humphries, Stephen	Exxon Mobil Corporation	713-431-2777	stephen.a.humphries@exxonmobil.com
XX	Ice, Wilda	West Virginia Dept of Tax & Revenue	304-558-8533	304-558-8526 wilda.b.ice@wv.gov
	Johnson, Bruce	WV State Tax Dept	304-558-8533	304-558-8526 bruce.a.johnson@wv.gov
	Johnson, Paul	WA Dept of Licensing	360-664-1844	pajohnson@dol.wa.gov
	Keel, June	Colonial Oil Industries	912-443-6594	912-235-3868 jkeel@colonialgroupinc.com
	Kirkpatrick, Phillip	Exxon Mobil Corporation	713-431-2796	phillip.b.kirkpatrick@exxonmobil.com
	Knoles, Trent	Illinois Dept of Revenue	217-785-2645	217-785-0692 trent.knoles@illinois.gov
XX	Kron, bill	Mississippi Department of Revenue	601-923-7152	601-923-7168 bill.kron@dor.ms.gov
	Lagunas, Manuel	AZ DOT	602-712-7626	mلاغunas@azdot.gov
	Legaspi-Seils, Melody	Alliance Energy LLC	203-315-7188	203-488-6069 mlegaspi-seils@allianceenergy.com
	Leichner, Marcia	Nebraska Department of Revenue	402-595-2013	402-595-1041 marcia.leichner@nebraska.gov
	Lenius, Tracy	Minnesota Department of Revenue	218-846-7437	tracy.lenius@state.mn.us
	Levasseur, Marc	Rhode Island Division of Taxation	401-222-2953	401-222-6314 mlevasseur@tax.state.ri.us
XX	Lietz, Dawn	Nevada Dept of Motor Vehicles	775-684-4626	775-684-4619 dlietz@dmv.state.nv.us
XX	Little, Rich	IRS	213-576-3837	213-576-3731 richard.a.little@irs.gov
XX	Louie, Scott	Chevron Corporation	925-827-6286	925-827-7267 scottlouie@chevron.com
XX	Lovell, Hal	California Board of Equalization	916-324-2301	hal.lovell@boe.ca.gov
	Lupisan, Christopher Joseph	Shell Oil Company	713-241-4010	c.lupisan@shell.com
XX	Lyon, Jonathan	FTA	202-624-5894	jonathan.lyon@taxadmin.org
	McClain, Shanda	Louisiana Dept of Revenue	225-219-2780	225-219-2759 shanda.mcclain@la.gov

FTA UNIFORMITY COMMITTEE
Providence, Rhode Island
27-Oct-12

Present?		State/Company	Phone	Fax	Email Address
	McInerney, Bill	WY Dept of Audit	307-777-6460	307-777-5642	bmcinerney@wyaudit.state.wy.us
	McInerney, Jessica	Cargill Incorporated	952-742-7095	952-742-6414	jessica-mcinerney@cargill.com
XX	Martin, Edie	Kansas Department of Revenue	785-296-5327	785-296-4993	edie.martin@kdor.ks.gov
	Martin, Wally	Exxon Mobil Corporation	713-431-2817	262-313-5249	wally.l.martin@exxonmobil.com
XX	Mattson-Grimm, Ray	Xerox Government Solutions	608-661-0765	608-661-0724	ray.mattson-grimm@xerox.com
	Miller, Ron	R & L Consulting	920-342-0036		rwinfield46@yahoo.com
XX	Monconduit, Michel	IRS	714-347-9408		michel.monconduit@irs.gov
XX	Mongold, Cindy	Kansas Department of Revenue	785-296-7048	785-296-4993	cindy.mongold@kdor.ks.gov
XX	Neeck, Jeremy	Minnesota Department of Revenue	507-523-1030	507-523-1030	jeremy.neeck@state.mn.us
XX	Nicholson, Anne	Exxon Mobil Corporation	713-431-2844		anne.w.nicholson@exxonmobil.com
XX	Nutter, Stephen	Virginia Dept of Motor Vehicles	804-367-1438	804-387-1342	stephen.nutter@dmv.virginia.gov
XX	Oliver, Jim	Kentucky Dept of Revenue	502-564-2935	502-564-2906	jim.oliver@ky.gov
	Padon, Jodi	Plains Marketing L.P.	713-646-4204	713-646-4216	jmpadon@paalp.com
	Papandrea, Marc	CT Dept of Revenue	860-541-3228	860-541-7698	marc.papandrea@po.state.ct.us
	Player, Carol	South Carolina Dept of Revenue	803-898-5911	803-898-5811	playerc@sctax.org
	Poeppelman, Jodi	Husky Marketing & Supply Company	614-210-2312		jodi.poeppelman@huskyenergy.com
	Reed, David	TX Comptroller of Public Accts	512-463-6056	512-475-0900	david.reed@cpa.state.tx.us
XX	Reinauer, Dean	Reinauer Transportation	718-816-8167 x 410	718-876-5183	deanr@reinauer.com
	Retz, David	Chevron Corporation	925-827-6395	925-827-7572	dret@chevrontexaco.com
	Rhoads, Ray	Kansas Department of Revenue	785-296-4011	785-296-8602	ray.rhoads@dkor.ks.gov
	Rhoads, Wayne	Mississippi Dept of Transportation	601-359-9759		wrhoads@mdot.state.ms.us
XX	Roy, Chris	Wisconsin DOR	608-266-7453		christopher.roy@revenue.wi.gov
XX	Rutherford III, Henry	Georgia Dept of Revenue	404-417-6497		henry.rutherfordiii@dor.ga.gov

FTA UNIFORMITY COMMITTEE
Providence, Rhode Island
27-Oct-12

Present?		State/Company	Phone	Fax	Email Address
XX	Stein, Winston	BSWA	281-342-2646	281-342-3992	winston@bswa.com
	Steffens, Peter	Florida Department of Revenue	850-922-2674	850-922-8426	steffenp@dor.state.fl.us
XX	Takai, Rae	Shell Oil Products	713-241-2273	713-423-8414	rae.takai@shell.com
	Templin, Sharon	Shell Oil Company	713-241-2246	713-241-2162	sharon.templin@shell.com
	Thomas, Gerald	ARCO	213-486-2721	213-486-0760	Gthomas@mail.arco.com
	Thompson, John	Marathon Petroleum	419-421-2361	419-421-8420	jdthompson@marathonpetroleum.com
	Turner, Ashley	CSX Transportation	904-633-5230	904-245-2567	ashley_turner@csx.com
XX	Ulm, Chuck	Comptroller of Maryland	410-260-7278	410-974-5564	culm@comp.state.md.us
XX	Warren, Doreen	Idaho State Tax Commission	208-334-7839		Doreen.Warren@tax.idaho.gov
	Werner, Carol	AZ DOT	480-712-4337		cwerner@azdot.gov
XX	West, Tammy	Virginia Dept of Motor Vehicles	804-367-0883	804-367-1123	Tammy.West@dmv.virginia.gov
XX	Whaley, Stan	Florida Department of Revenue	850-717-7566		whaleys@dor.state.fl.us
	Wissink, Darrell	Nebraska Department of Revenue	402-471-5812	402-471-5607	darrell.wissink@rev.ne.gov
	Zimmerman, Mark	AZ DOT	602-712-8381		mzimmerman@azdot.gov

The Uniformer

MESSAGE FROM THE NATIONAL CHAIR DAWN LIETZ

Greetings to all from Nevada! It is hard to believe that it is already Fall. The leaves are changing color, morning temperatures are cool and crisp, and holiday planning is well under way. This year has flown past and 2012 will most certainly go down in history for me as the "year of travel." Serving as your National Chair provided me with an opportunity to travel places I had never been, meet people I had never met, experience many firsts such as the beauty of Annapolis or the sights, sounds, and smells on Bourbon Street. Most of all, it gave me a true appreciation for all of the hard work and dedication it takes to make these meetings possible. I cannot begin to "thank you" enough for providing me with this privilege to serve you.

Nevada has shown slow but steady economic recovery in sales tax, gaming revenues and population growth over the past several months. However, high unemployment and the housing market declines continue to keep us at or near the bottom in economic recovery as compared to the rest of the Nation. We will survive, but it will take several years and changing the way we do business before we will see economic gains once again. Change is never easy, but it is often necessary. Nevada has always relied on gaming and tourism to sustain its economy. That is great when times are good, but it can be catastrophic

when times are tough. Nevada is looking to the future and identifying ways to sustain a healthy economy; and as Tax Administrators we must do the same.

Take a minute to think about how much the fuel industry has changed in just the past 10 years just in the area of Bio-diesel blends, ethanol production, LNG, shale and natural gas extraction. This is an ever evolving industry and it is important for us to remain knowledgeable and recognize how these changes will affect the reporting and revenue collections of motor fuel and special fuel taxes. Equally important is recognizing what we must do today to be prepared for future changes. Uniformity across the jurisdiction lines helps to ensure we are all speaking the same language and preparing for the future with the least amount of disruption to the Industry. Most states require a minimum of two years to get legislation changes in place to accommodate changes in the industry. Therefore, we must be diligent and up to date in education, while always be seeking ways to stay ahead of future trends and products making their way into the fuel market. Working together, we can embrace the evolving motor fuel industry and be proactive in finding solutions to future problems.

Again, it has been my pleasure to serve you and I wish you all the very best.

Please feel free to contact me at any time if there is anything you

would like the Motor Fuel Tax Section to consider as we move ahead. I can be reached at dlietz@dmv.nv.gov or (775) 684-4626. Thank you and I hope to see you at the Annual Meeting in Providence, or one of the FTA events during 2013.

MESSAGE FROM THE UNIFORMITY COMMITTEE STATE CO-CHAIR JEREMY NEECK

It is hard to believe that a year has already passed since the last national conference and I became the uniformity co-chair. I am very happy with the progress that has been made with motor fuel uniformity and the cooperation and collaboration that we have between states and industry to achieve a common goal. Many great things have happened in the last year, and I was very pleased that we were able to offer Basic Auditor Training in Minneapolis and we have Advanced Auditor Training scheduled for the end of November in Savannah, Georgia. The Uniformity Meeting participation was very steady with about 30 people attending each and this is something we want to continue to grow in the future. I want to thank all of the state and industry subcommittee co-chairs for their hard work and dedication, without your continued support the uniformity project would not be as successful as it currently is. As we move forward into 2013, I hope states and industry continue to see the value of the uniformity project and continue to allow participation in these meetings.

Thank you and I look forward to working with you all in the next year.

Jeremy Neeck
FTA Uniformity State Co-Chair

**MESSAGE FROM THE
UNIFORMITY COMMITTEE
INDUSTRY CO-CHAIR
BOB DONNELLAN**

I would like to take this opportunity to **THANK** all members of the Oil Industry for you allowing me the privilege to represent you as your Industry Co-Chair. I know all of you understand the importance of becoming Uniform and that shows at all the meetings throughout the year. Without all of your hard work and dedication we wouldn't be where we are today. We still have a lot of work to do and I know with your help we inch closer and closer. As long as I am able I will continue to serve you in this capacity and look forward to another productive year.

**MESSAGE FROM
CANADIAN FUEL TAX
COUNCIL (FTC)
RICK CALLAWAY**

The Fuel Tax Council's (FTC) fall semi-annual meetings are in Winnipeg, Manitoba on October 23rd and 24th, 2012. The next meetings will be in Fredericton, New Brunswick on May 14th and 15th, 2013.

The FTC's efforts and plans focus on a number of key priorities intended to improve both the administration of motive fuel taxes across Canada and the

efficiency and effectiveness of the FTC.

The FTC is accountable to the Canadian Jurisdiction's Senior Revenue Executives through two national committees. Each year progress on priorities and future directions for the FTC are confirmed or established at those Committees' meetings. As a result, our focus is to continue to develop and maintain a tax administration model that promotes efficiency, uniformity and compliance; to work with stakeholders to understand and respond to emerging motor fuels; to review the FTC's current method of operations and to enhance the FTC's performance measurement and reporting capabilities.

Continuing priorities include:

- the System's Information Binder that offers a standard information and documentation format designed to reduce effort and increase accuracy during the course of a fuel tax audit,
- improving the exchange of information between governments on the movement of reportable fuels and on compliance efforts,
- further development and maintenance of the standards and forms making-up the uniform fuel tax administration model, and
- offering and enhancing training courses and methods of delivery in a

growing number of key areas.

An increase in focus will be in the areas of:

- evaluating and measuring the impact of Alternative Fuels on tax risks, administration and revenues,
- assessing the level of transactional details needed from industry and other Governments,
- evaluating and recommending improvements to the current operating and funding models used by the FTC,
- measuring and evaluating the performance, roles and deliverables of the FTC, and
- communicating and controlling public and secure materials and documents owned and managed by the FTC.

I look forward to joining you in Providence, Rhode Island to discuss areas of shared interest concerning motor fuel tax.

If you have any questions or need more information, please feel free to contact me at rick.callaway@fueltaxcouncil.com or call (403) 471-7022.

**UNIFORMITY COMMITTEE
Minutes**

The FTA Motor Fuel Tax Section Uniformity Committee met at the Renaissance, San Antonio, Texas on June 2, 2012. Jeremy Neeck (MN) Uniformity State

Chair called the meeting to order. Thirty (30) were in attendance.

Minutes

The minutes of the January 2012 Uniformity Committee in Portsmouth, VA were approved.

Presentations:

Gloria Spencer, License Customs Broker with Custom Insight gave a presentation on duty drawback. A drawback is a refund of 99% of certain customs duties, taxes and fess paid up on importation of goods in the US when these goods are subsequently exported.

Jeremy Neeck, State of MN gave a presentation on Alternative Fuel Retail Station the first one in the US located in LaCrosse, WI. The Station is unmanned. Also gave a presentation on the alternative fuel vehicles that are on the market today.

Bill Gray and Rich Little gave a presentation on FTA to EIA Product Code Project to help everyone understand the EIA Product Code and why the IRS is going to the EIA codes.

SUBCOMMITTE REPORTS

The **Compliance Subcommittee** Cindy Mongold (KS) reported there were eighteen (18) in attendance. The Committee discussed:

Training Schedule for 2012 – Announced that the FTA Motor Fuel Basic Training Course is schedule for July 29-August 2 in Minneapolis, Minnesota at the Minneapolis Airport Marriott.

The Advanced Training class will be held November 25-29, 2012 in Savannah, GA at the DeSota Hilton.

You can also find the training announcement on the FTA website at www.taxadmin.org.

Dyed Diesel Stats – The state representatives have been responsive to the expanded 2012 dyed fuel stats reporting which includes vehicle type and industry. The tracking spreadsheet is being updated as information is received.

Old Projects

Sale of “off spec” military fuel – additional information obtained from representative of the Defense Logistic Agency indicates theft of military fuel seemed to be a bigger issue than sell/use of “off spec” military fuel.

Airport “stale” fuel issued and taxation and sale of “off spec” military fuel – Discussed a theft and fraud case regarding a trucking company contracted to haul rainwater that had mixed with spilled fuel on the ground of an airport fuel farm.

Update on Electric vehicle list serv question– the committee discussed a spreadsheet that was provided with responses received from 17 states and an FHWA representative.

IRS Update – Compliance issues seen at the federal level are concerning alternative fuels, black liquor and use of exemption certificate and taxability of fuel.

These federal issues would not affect the states.

Discussion with a Compliance officer from the Pacific Region Presented information provided by the Pacific Region representative and at this time they have not identified any new compliance issues in their state.

Home CNG Fuel Stations

Handed out articles regarding home CNG fueling stations and discussed the problems with taxing this fuel for road use when separate meters may not be required by state law and when the liquid is actually compressed may be an issue for some also. A suggestion regarding a White Paper was made.

New Projects

Open discussion on:

- Barge statistical information

The **Forms Management Subcommittee**

Lee Gonzalez (Florida) reported that this committee met with Electronic Commerce. There were twenty-seven (27) in attendance with one (1) by phone. The subcommittee discussed:

Crosswalk (FTA and STCC Codes) – tabled until next meeting.

Methods for Reporting

Renewable Fuels – an update was given on converting FTA to EIA codes. Do to cost and complexity of converting to new product codes, the team recommended that FTA should not convert to EIA codes at this time. It was recommended to

move forward with adopting products codes for the following:

- Ultra low sulfur diesel (Undyed)
- Ultra low sulfur diesel (dyed)
- CBOB (meets the definition of a taxable product)
- CBOB (does not meet the definition of a taxable product)
- RBOB (meets the definition of a taxable product)
- RBOB (does not meet the definition of a taxable product)

A recommendation was made to use the first three (3) digits of the EIA code whenever possible.

Product code Request – A proposal was made for two (2) new product codes for Mixed Stream Fuels:

- NGL mixed stream requiring further processing to be gasoline blendstock
- Mixed stream of butanes and pentanes plus that does not require processing to be used as gasoline blendstock

After much discussion, no state felt the need to track mixed stream, natural gas liquids (LPG/Propane)

Uniform Alternative Fuels Tax Report – A team was put together with the following mission:

1. Determine if a uniform form is necessary.
2. If necessary, design a form with instructions that can be used to file and pay alternative fuel tax.

Alabama Forms Review – Alabama updated their returns and provided revisions to the Forms Review Team. The Team

and the subcommittee members reviewed the changes and could not find additional problems.

Schedule Code Project – A survey was sent to each state asking them to list the uniform schedule codes they are currently using of the motor fuel tax returns. Twenty-six (26) states responded, 15 states did not respond and 9 states were identified as not using uniform schedules. The forms team is going to contact the states that did not respond and present an update at the next meeting.

Schedule Code 15C – The Electronic Commerce subcommittee asked the uniformity committee if they can move forward with adding 15C to EDI X12 and XML since 15C is currently in the uniformity guide as a uniform schedule.

Filing Frequency (monthly/annual) – A suggestion was made to make changes to the document for “Proposed” Best Practice Prior Period Transaction reporting and the table of contents to the uniformity guide. The changes would remove language that would infer proposed versus actual best practices for reporting prior period transactions.

Industry Concerns:

- Texas-Ownership of fuel on a barge can change hands between being loaded and delivered. Texas wants supplier to provide a trail.
- Connecticut-new schedule has a cap at \$3.00 per gallon. Difficult for industry to provide

information and changes require system changes.

- States netting motor fuel refunds against outstanding bills for non-fuel related taxes creates hardship for industry.
- A state issued a lien based on a bill. Industry never received paper work for the bill.

Approved by the Full Committee

The following Alabama forms were approved as uniform:

- Terminal Operator
- Transporter
- Supplier/Permissive Supplier
- Importer/Exporter
- Blender

Add Schedule 15C to both EDI X12 and XML schemas.

The following changes were approved for the “Proposed” Best Practice Prior Period Transaction Reporting document:

- Remove “Proposed” from FTA Motor Fuel Tax Uniformity Committee “Proposed” Best Practice Prior Period Transaction Report.
- Delete Goal: To create a suggested practice to benefit both States and Industry, regarding prior period transaction reporting Issues.
- Remove “proposed” from “Proposed: Best Practice Prior Period Transaction Reporting”.

Table of Contents

- Remove “proposed” from “Proposed: Best Practice Prior Period Transaction Reporting”.

Approved Product Codes

- 313 – Ultra low sulfur diesel (undyed)

- 314 – Ultra low sulfur diesel (dyed)

- 301 – CBOB

- 302 – RBOB

Note: The Uniformity Committee decided that there is not a need to have a product code for “meets the definition of a taxable product” and “does not meet” the definition of a taxable product for CBOB and RBOB. Taxability will be based on the schedule type.

A motion was approved not to add verbiage regarding filing frequency to the uniformity guide.

The Electronic Commerce Subcommittee

Hal Lovell (California) reported there were nine (9) in attendance. The subcommittee discussed the following:

Impact of product code issues on EDI – Continue to monitor, make recommendations for incorporating EDI changes once solution is approved.

XML Update – It was reported this would be an on going project. The committee will continue to monitor the progress of the guide.

XML Schema 1.0 version and 2.0 versions – Group went over minor tweaks to the Motor Fuels Schema section of the 1.0 Version of XML. Discussed the ability to track ending inventory in the terminal by position holder. The committee approved this new reporting element with the suggestion that “ending inventory” by Position Holder be a “Mandatory” field. Everyone agreed to the modification and the modification will also be

implemented with Version 2.0 of the XML schema.

Foreign diplomat reporting with PID number – The committee discussed how a state tax system could capture a PID (8 digit number) for consulate sales in the buyer field. The EDI/XML schema will not allow this entry. The committee decided that there is no easy solution and that at this time it does not appear to be a big issue. The committee closed this issue,

Ending Inventory by Position Holder in a Terminal – The committee discussed and agreed that they need to review and recommend a method to report position holder inventories in a terminal for EDI X12 reporting.

Diversion number for X12 – It was discussed how states will report a diversion number in the X12 map. The committee recommended adding to the XML schema an enumerated list that will include the Mexican States as displayed in Appendix F of the FTA Guide and in the X12 Data Dictionary. Team members will work on the recommendation.

Mexico exports – The XML schema (Postal Table) does not allow a Mexican state to be reported for a fuel movement out of Mexico into the US.

Import/Export Data Exchange – The committee has discussed a need for more uniformed data from the other states that share data. The goal is to provide a “uniformed” sample that will encompass the most common

fields being reported between states.

Report Filing Type Issue – SDR

There is confusion between Supplier/Distributor reporting requirements on SDR form. A state is using the SDR report filing type for both Supplier and Distributor tax activities. Recommendation is to add two (2) new report types in lieu of SDR report types as follows:
 SUR Supplier Report
 DIS Distributor Report

XML documentation available to stakeholders

Subcommittee feels that they should look at incorporating the XML business rules and review procedures in the existing EDI guide or creating a second Implementation Guide for XML. A “new” committee will be formed to look at this matter.

ExSTARS Data review and analysis – Majority of the files continue to be 826’s (826 files must be handled according to the IRS confidentiality rules)

Approved by the Full Committee

Approved the following changes to the Appendix I in the EDI Guide Book:
 TOR –Terminal Operator
 SDR—Supplier/Distributor Report
 SUR – Supplier Report (added this)
 DIS – Distributor Report (added this)
 CCR – Common Carrier Report
 RET – Retailer Report
 DLR – Dealer Report

Approved to update the EDI Guide to add Schedule 15C

Approved XML Schema 2.0 version to be adopted and moved into production

Approved to remove the word "Proposal and goals" out of the booklet (page 59)

The Communication and Coordination Subcommittee

Christy Dixon (OK) reported that eighteen (18) were in attendance.

The subcommittee discussed the following and the June 2012 Uniformer was distributed.

Buy/Sell Agreement – Anne Nicholson with Exxon Mobil is going to work on draft language for Buy-Sell Agreements for Model Legislation and a diagram for Renewable fuels to be discussed at the next meeting.

Definitions – The subcommittee was asked to do definitions for the following:

- Liquefied natural gas (LPG)
- Compressed natural gas (CNG)
- Natural Gas

Bill of Lading project – this project has been tabled until October 2012 meeting.

ExTOLE – Since the IRS has shut down this system; the committee feels a white paper on this system should be placed in the Uniformity Booklet for history purposes.

2012 Taxation Diversion and Alternative Fuels Booklet The booklet will be updated for 2012 and the information will be sent

out to the states for revisions, edits, etc.

Import/Export information

Continued a discussion on the how the States are going to share the import/export information electronic now that ExTOLE system has been shut down.

Approved by the Full Committee

Definitions

- Liquefied natural gas (LNG): Natural gas (primarily methane) that has been liquefied by reducing its temperature to 260 degrees Fahrenheit at atmospheric pressure.
- Compressed natural gas (CNG): Natural gas compressed to a pressure at or above 200-248 bar (i.e., 2900-3600 pounds per square inch) and stored in high-pressure containers. It is used as a fuel for natural gas-powered vehicles.
- Natural gas: a gaseous mixture of hydrocarbon compounds, the primary one being methane.

New Business

IRS Update – Rich Little with the IRS gave an update on ExSTARS and the new highway bill.

Canadian Update – Rick Callaway gave an update on the Canadian Fuel Tax Council. The Council is working on:

- System information binder
- Audit best practice binder
- Enforcement binder
- Exchange of information MOU
- Electronic reporting standards
- Alternative review of tax evasion

Emerging fuels
Industry changes

Old Business

The Committee reviewed the Mission Statement, Goals and the roles of the subcommittee of the Uniformity Committee. It was **approved** that we remove ExTOLE from the goals and role of the subcommittee.

Next Meeting

The next Uniformity Committee meeting is scheduled for October 26-27, 2012 in Providence, RI

FTA Motor Fuel Tax Training Courses

Advanced Training Course is scheduled for November 25-29 in Savannah GA

For more information on the classes please visit FTA's website at www.taxadmin.org

UPCOMING MEETINGS 2012

Advanced Training Course
November 25-29, 2012
Savannah, Georgia

UPCOMING MEETINGS 2013

Uniformity Meeting
January 25-26, 2013
Long Beach, California

Pacific Region
April 21-23, 2013
Virginia City, Nevada

Northeastern Region
Currently being schedule for May

Uniformity Meeting

Currently being schedule for May
or June 2013

Southern Region

June 16-18, 2013
Little Rock, Arkansas

Uniformity Meeting

September 20-21, 2013
Fargo, North Dakota

Motor Fuel Annual Meeting

September 22-25, 2013
Fargo, North Dakota

**MOTOR FUEL STEERING
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National Vice Chair

Edie Martin, Kansas

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Wilda Ice, West Virginia

State Uniformity Chair

Jeremy Neeck, Minnesota

Industry Uniformity Chair

Robert Donnellan

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Northeastern Region

Chuck Ulm, Maryland

Pacific Region

Steve Holbrook, Idaho

Southern Region

Rodney Richards, Arkansas

Editor

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**COMMUNICATION & COORDINATION SUBCOMMITTEE
TENTATIVE AGENDA – FRIDAY, JANUARY 25, 1013
LONG BEACH, CALIFORNIA**

1. WELCOME
2. APPROVAL OF MINUTES FROM THE OCTOBER 25, 2012 MEETING.
3. DISTRIBUTE THE LATEST EDITION OF THE UNIFORMER – CINDY ANDERS-ROBB, FEDERATION OF TAX ADMINISTRATORS
4. ALTERNATIVE FUELS BOOKLET-DISCUSS DRAFT OF ADDITIONAL QUESTIONS TO BE ADDED TO THE BOOKLET: (CONVERSION RATES, TAX RATES FOR CNG, LNG AND CNG, ADD THE CANADIANS) AND ANY OTHER QUESTIONS THE SUBCOMMITTEE FEELS THAT NEED TO BE ADDED..
5. DISCUSS DRAFT OF MODEL LEGISLATION FOR BUY/SELL AGREEMENTS AND RENEWABLE FUELS ALONG WITH DIAGRAMS- ANNE NICHOLSON-EXXONMOBIL.
6. DISCUSS THE REVISIONS THAT NEED TO BE MADE TO THE ALTERNATIVE SECTION OF THE MODEL LEGISLATION.
7. DISCUSS THE WHITE PAPER DOCUMENT TO BE COMPLETED FOR INVENTORY GAINS AND LOSSES.
8. OLD BUSINESS
9. NEW BUSINESS
10. NEXT MEETING : TO BE ANNOUNCED.

**FTA MOTOR FUEL UNIFORMITY COMMITTEE
COMMUNICATION & COORDINATION SUBCOMMITTEE
PROVIDENCE, RHODE ISLAND
OCTOBER 26, 2012**

MINUTES

The Communication & Coordination Subcommittee met on Friday, October 26, 2012. State Co-Chair Christy Dixon and Industry Co-Chair, Anne Nicholson conducted the meeting. The meeting was called to order at approximately 1:00 PM. There were 23 attendees present.

The minutes from the June 1, 2012 meeting were approved.

The latest edition of the Uniformer (October, 2012 copy) was distributed.

General

The Taxation, Diversion and Alternative Fuels Booklet was updated for 2012 FTA Motor Fuel Annual Meeting. The subcommittee wants to add tax rates, conversion rates, etc for Compressed Natural Gas, Liquefied Natural Gas, Propane, etc and add the Canadians to the booklet. A draft of additional items to be added will be discussed at the next uniformity meeting in January, 2013.

There were no current definitions discussed at the meeting for any revisions.

Bill of Lading Project-Wilda Ice of West Virginia presented the following white paper document concerning Shipping Documents. The subcommittee discussed the document and approved it. The document was also approved by the Full Uniformity Meeting on Saturday, October 27, 2012.

**Shipping Documents
Points to Consider Relative to Fuel Tax Administration
September 2012**

Introduction: What is a Bill of Lading? It is a document signed by a carrier (a transporter of goods) or the carrier's representative and issued to a consignor (the shipper of goods) that evidences the receipt of goods for shipment to a specified designation and person.

Carriers in all modes of transportation issue bills of lading when they undertake the transportation of cargo. A bill of lading is, in addition to a receipt for the delivery of goods, a contract for their carriage and a document of title to them. Its terms describe the freight for identification purposes; states the name of the consignor and the provisions of the contract for shipment; and directs the cargo to be delivered to the order or assigns of a particular person, the consignee, at a designated location.

The Code of Federal Regulation Title 49, part 172.201 authorizes the data requirement for common carriers.

In the motor fuel industry, a manifest or bill of lading is the document that must be issued by the refinery, terminal and/or bulk plant for each withdrawal from that specific location. The manifest or bill of lading shall show the following information: a unique number for the document, date shipped, name of carrier, origin (name and address of the terminal, refinery or bulk plant where product was loaded), the terminal or refinery control number (as issued by the IRS), name of the supplier, the receiving party (consignee), the destination, particular description of the product loaded, and the number of gallons. Some states may require supporting documentation or a separate bill of lading for split loads.

Any manifest, bill of lading, shipping paper or invoice for special fuel which is indelibly dyed in accordance with regulations prescribed pursuant to 26 U.S.C. 4082 shall include the statement "**DYED DIESEL FUEL, NONTAXABLE USE ONLY, PENALTY FOR TAXABLE USE.**"

Some states require the tax due and/or the responsible party for tax to be included on the shipping document. Most states require printed bills of lading although few will authorize the use of hand written bills of lading.

Problem: One of the biggest problems with shipping documents is that shipping document formats vary by industry and by terminal operator. When printing several copies of the bill of lading, the print becomes illegible. The format of some documents does not clearly identify the physical address of the terminal, refinery and/or bulk plant. The bill of lading number may not be legible or may be confused with other numbers on the document because it is not required to be uniform. The name of the supplier may or may not be on the shipping document.

Solution: A standardized shipping document with a uniform format that designated a specified area for: the name and address of the location where the fuel was loaded; the unique document number; the supplier name; the date product was loaded; identification of product; gallons loaded (net and gross). Any other information required by the domiciled state or the Federal government could be placed on the shipping document in an area according to each terminal's specification.

Much of the information on a bill of lading is already transmitted electronically to the suppliers. This format must already be standardized. The idea solution would be to transfer that information to a standardized hardcopy which is printed for the transporter.

The project for draft language to be put in the Model Legislation Section for Buy-Sell Agreements and something for Renewable Fuels along with some type of diagram is tabled until the next meeting in January, 2013. Anne Nicholson with ExxonMobil is going to look at this project and give an update at the next meeting.

The subcommittee has been asked to re-look at the Alternative Fuels Section of Model Legislation for any revisions that need to be made. This will be added to the agenda for our next meeting in January, 2013.

The subcommittee has also been asked to do a White Paper Document concerning Inventory Gains and Losses.

There was a discussion about retailers adding their own additives and not paying the tax for the additional gallons when blended with the gasoline and/or diesel.

Cindy reported that the states' will not be able to use the FTA's Website in order to exchange import/export information.

The next meeting will be on January 25, 2013 in Long Beach, California.

Christy Dixon, State Co-Chair, State of Oklahoma
Anne Nicholson , Industry Co-Chair, ExxonMobil

COMPLIANCE SUB-COMMITTEE

AGENDA – January 25, 2013

Long Beach, CA

1. Welcome
2. Approval of Minutes from October 2012 meeting
3. Training Schedule Update
4. Dyed Fuel Stats: Jeremy Neeck
5. IRS Update:
6. Old Business:
 - a. CNG White paper? Update on the review of
“Motor Fuel Tax Issues with Natural Gas and Other Alternative Fuels”
 - b. Compliance Tools document – Wilda Ice, Cindy Mongold & Edie Martin
7. New Business:
 - a. New projects to work on for 2013
 - b. Open discussion
8. Next Meeting

**FTA MOTOR FUEL UNIFORMITY COMMITTEE
COMPLIANCE SUB-COMMITTEE
PROVIDENCE, RI
OCTOBER 26, 2012**

MINUTES

The Compliance Sub-Committee met on Friday, October 26, 2012. State Co-Chair Cindy Mongold and Industry Co-Chair Rae Takai conducted the meeting. The meeting began approximately 2:45 PM. There were 25 in attendance, which included 13 state representatives, 1 FTA, 2 IRS and 9 industry.

The minutes from the June 1, 2012 were approved as presented.

Training Schedule Update

Motor Fuel Basic Training Course was held in Minneapolis, Minnesota July 29 – August 2, 2012. There were 57 students which consisted of 30 from States and 27 from Industry. The group took a tour of a terminal in addition to the classroom training.

The Advanced Training class will be held November 25 – 29 in Savannah, GA at the DeSoto Hilton. Currently there are 18 students registered.

There is no Investigation Training scheduled for this year.

ExSTARS Training course is planned to be provided at the Regional conferences in 2013.

Dyed Fuel Stats

Jeremy Neeck of Minnesota reported on the dyed fuel stats. Tracking spreadsheet is being updated as information is received, he will e-mail completed spreadsheet once all data is received. Since the start of collecting additional information regarding vehicle type and industry, pickup trucks have been the most common vehicle receiving a violation.

There were questions regarding the authority to stop pickups. Stops of pickup trucks can be made when commercial placards are displayed on the vehicle.

Received clarification regarding the IRS 916 was provided. States are not to hand out form 916 nor reference the 916 as their authority to stop and test for dyed fuel. The IRS will be redoing MOU with the states. States will not be taking samples as IRS authorized agents but will be sharing the sample with the IRS.

IRS Update

IRS reported Mobile Machinery is prohibited from using dyed fuel. They are required to use clear fuel but can apply for a refund.

IRS also reported that millions of dollars of Alternative Fuel tax credits are being applied for.

CNG White Paper

A suggestion was made to create a White Paper on CNG at the June 2012 Uniformity meeting. On review it was found a White Paper “Motor Fuel Tax Issues with Natural Gas and Other Alternative Fuels” is on page 197 of the 2011 Uniformity Book. The White Paper was created in 2009 and includes CNG. It was decided that the document needs to be reviewed and updated. Wilda Ice of West Virginia has volunteered to review the document.

Barge Statistics

Dean Reinauer provided a high level barge facts and statistics report and will be e-mailing the report to Cindy Mongold.

Compliance Tools

A White Paper regarding Compliance Tools was discussed. Wilda Ice of West Virginia, Edie Martin and Cindy Mongold of Kansas volunteered for this project. Some points of discussion for the document would be; Audit, Terminal Manifest Matching, Diversion Review, Import/Export Information Exchange between states, Dyed Fuel Inspections & Publicity of Prosecuted Fuel Tax cases. If you have information to contribute please provide it to one of the three people listed above.

New Projects for 2013?

Asked for projects/topic suggestions for the Compliance Sub-Committee to work on in 2013.

Open Discussion

Discussion regarding separate auxiliary power unit on trucks. This unit is used to run trucks AC/heater and fuel supply warmer. This is a separate motor but pulls from the same fuel supply tank as the trucks engine.

A couple of states reported that a Producer License has been applied for or issued for producing Alternative Fuel from garbage.

Next Meeting

January 25 & 26, 2013 in Long Beach, CA

Cindy Mongold, State Co-Chair, State of Kansas
Rae Takai, Industry Co-Chair, Shell Oil Products



E-Commerce Meeting Agenda

Date	January 25, 2013 - Long Beach, CA
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Agenda:

No.	Topic(s)
1	Review progress on the Update to E-file Implementation Guide – Adding XML Section – Target completion date June 2013
2	Review the new XML postal code table (XML Schema) against the FTA Appendix F Postal Code table. Suggest necessary changes to synchronize these two lists.
3	Review the EDI segment related to transaction information to see if the IRS still needs this segment in their EDI file
4	Look for a status update on the IRS subproject to review if moving ExSTARS reporting to and XML format is a good solution to the rapidly changing e-file world.
5	New Topics



E-Commerce Meeting Agenda

Type of Meeting	FTA – E-Commerce
Date	October 26, 2012
Venue	Providence, Rhode Island
Start Time	1:00 pm

Agenda:

No.	Topic(s)
1	Review of Minutes from last E-Commerce meeting (June 1, 2012)
2	Status on the sub-committee project – To Update the E-file Implementation Guide – Adding XML Section - How is the revision to this guide progressing?
3	Reviewed the proposed solution for capturing ending inventory by Position Holder in the terminal for reporting in the EDI X12 4030 map.
4	Final solution on XML table issue for origin state being reported out of Mexico. Currently, the XML Schema does not allow for Mexico states (like EM) and jurisdictions in the allowable table.
5	Related item on XML solution for Mexico State Postal Codes – Do we want to consider adopting a 3 alpha/numeric code for the country codes? This idea was explored related to the fix for the Mexico state issue in item 4.
6	New Topics

Meeting Minutes:

No.	Discussion item	Meeting Minutes
1.	Introduction	Total attendees – 16 in person (no one by phone) Industry 3 Misc (Vendors, etc.) 5 States 8
2.	Minutes	We discussed/reviewed minutes from the June 2012 meeting in San Antonio, Texas. No changes were recommended. Notes were approved by committee
3.	Position Holder reporting of inventory in terminal	The suggested draft segment to allow for EDI reporting of position holder end inventory in the terminal submitted by Ray Grimm was approved. This reporting segment was needed to “sync” EDI with the FTA Paper and XML formats that allow for this reporting transaction. The E-commerce reviewed the EDI segment and voted to approve this in committee today. This issue will be closed by committee after we present to Uniformity



E-Commerce Sub-committee Agenda

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No.	Discussion item	Meeting Minutes
4.	Mexico import transactions in XML Schema	<p>Issue with transactions on imports from Mexico into US in XML Schema – How to handle transactions coming out of Mexico as imports where the State abbreviation code was not being allowed for legitimate Mexican states per the FTA Postal code list.</p> <p>Our committee reviewed this and recommended the following:</p> <p>We recommend adding to the XML schema an enumerated list that will include the Mexican States as displayed in Appendix F of FTA Guide. Jonathan and Stan will review this and make the recommended changes for this enumerated list in XML schema. We plan to close out this item at the next E-Commerce meeting once this task has been completed. As stated above, Stan reports this issue has been fixed and we have a new postal code enumerated list that was updated to fix this issue.</p> <p>Follow up assignment is to review this list with the Appendix F list and make sure both lists are the same.</p> <p>Issue Closed for reporting issue related to imports from Mexico</p>
5.	Related to the Postal Code list the group discussed the concept of increasing the Postal Code to a 3 digit alpha/numeric field	<p>Sub-committee reviewed the concept of surveying the need to increase the Postal Code field to a "3" alpha numeric field that would allow for more flexibility and less conflicts with other postal code abbreviations. After some discussions the group agreed unanimously to monitor this issue going forward, but there is no business need that would require us to analyze this issue in any greater detail at this time.</p> <p>This issue will be closed by committee.</p>
6.	Discussed the status on updating the E-filing Guides	<p>On-Going -Implementation Guide Approval Procedures – The group reviewed and approved the "new" approval procedures that added XML. We would like to get this document on the FTA website ASAP and then next year we will add this procedure to the Uniformity books. We also discussed the need to clarify the definitions on Original/Amended filing options to assist the states and taxpayers in the best method of submitting corrections on uniformed forms.</p>
7.	IRS exploratory project to transition to XML format	<p>New - Rich Little presented a quick pitch for volunteers from Industry and State Reps to join the IRS in the XML project for ExStars reporting. The IRS is trying to determine with their e-file efforts if XML might be a better platform for ExSTARS moving forward. Rich asked us to work with the Point of Contact (Larry Porter) who will be the lead on this project for the IRS. Rich was able to get a few committee members to volunteers on this project.</p>
8	EDI REF segment	<p>New - Group discussed the fact that the IRS might not need this segment anymore. We will be reviewing this issue moving forward and will see if this REF segment can be deleted from the FTA guide next year.</p>



Action Items:

No.	Discussion Item	Resource	Action Required	Status (NS, IP, Done)
1	Excel – common state format	Hal Lovell	Hal Lovell will lead the effort to address a common Excel format for exchanging data between states. Hal will also draft a letter addressing benefits of following a uniform format.	IP
2	Add XML to e-commerce implementation guide	XML Work Group	Review draft XML guide when it is ready for peer review (ecommerce group) and provide input to XML work group developing this guide.	IP
3.	Review Postal Code List	Stan and XML group	Stan will provide the group a listing of the XML table for Postal Codes so we can review this list with the FTA Appendix F list to make sure they are in sync with each other.	NS
4	REF segment on Relationship to The Transaction	Undecided	Relationship to the transaction Information will need to be reviewed to see if the IRS still needs this data transaction in the EDI file.	NS



Meeting Agenda and Minutes

Type of Meeting	FTA – Forms Subcommittee
Date	October 26, 2012
Venue	Providence, Rhode Island
Start Time	8:00 am

Agenda:

No.	Topic(s)	Update Provided (Yes/No)
1	Introduction	Lee Gonzalez
2	Review of Minutes (June 2012)	Cheryl Gilson
3	Old Business a) Crosswalk (FTA and STCC Codes) b) Uniform Alternative Fuels Tax Report c) Uniform Alternative Fuel Unit Conversions d) Eliminating Schedule Codes (Uniformity Guide)	Michael Grammer Edie Martin Cindy Mongold Lee Gonzalez
4	New Business a) IRS Update (ExSTARS/Conversion to EIA Codes) b) Industry Issues c) State ExSTARS Update	Rich Little/Mike Conner Scott Louie Edie Martin/Rich Little
5	Recap and Adjournment	Lee Gonzalez

Meeting Minutes:

No.	Discussion item	Meeting Minutes (27 attendees)
1	June 2012 minutes	Minutes from June 2012 reviewed and approved.
2	Cross Walk (FTA and STCC Codes)	Team provided a status update of the team's accomplishments to date. Team currently has a product code list from a single railroad company. Team will reach out to other railroad companies to get a comprehensive list of product codes. List will be matched to FTA codes to create a true crosswalk between rail and FTA codes.
3	Uniform Alternative Fuels Tax Report	Alternative Fuel Tax Report Team presented a rough draft of a Uniform Alternative Fuel Form. The group determined a separate summary schedule was needed to address exempt sales by product types. Team will add additional summary schedule to the form and present at the next meeting.
4	Uniform Alternative Fuel Unit Conversions	<p>A request was received to add uniform product conversions for alternative fuel on the proposed alternative fuel tax return. Cindy Mongold made a presentation on uniform conversion factors for alternative fuel. Presentation outlined the fact that many states use either IRS standards or stand-alone conversion factors based on state legislation. Committee discussed the following options.</p> <ul style="list-style-type: none"> • Piggy back IRS factors. • Piggyback IFTA recommendations (note – There is currently a team reviewing alternative fuel conversions and rates) • Recognize each state is different and legislation dictates conversion factors. <p>A decision was made to refer alternative fuel conversions to Model Legislation Committee.</p>
5	Eliminating Schedule Codes (Uniformity)	Forms Committee reached out to determine which uniform schedule codes were not being used by a state. Survey indicated four codes (1D, 5O, 5U, and 13L) are currently not being used. The initial purpose of the survey was to eliminate codes that were not being used from the guide. Committee determined that it would not be cost efficient to eliminate only 4 codes. However, notes will be added to the uniformity guide that will classify the four schedules as inactive.



Forms Sub-committee Agenda

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No.	Discussion item	Meeting Minutes (27 attendees)
6	EIA Code Presentation	<p>During previous uniformity meetings, the Forms Committee considered converting FTA product codes to EIA product codes. In order to facilitate this process, Rich Little conducted a conference call with EIA (Mike Conner). The purpose of the call was:</p> <ul style="list-style-type: none"> to educate the committee on the format of EIA codes for petroleum products. to determine how often the codes are updated. to determine how new product codes are created. to educate the committee on the number of product codes available for use. <p>Committee determined there are numerous issues that had to be addressed before FTA would consider converting from FTA to EIA codes. An example of some of the issues include:</p> <ul style="list-style-type: none"> Multiple EIA product code lists (duplicate codes). Incomplete EIA code list. No process for FTA to request new codes. Time it takes to get new product codes approved. <p>The committee agreed to work with EIA to create a list of product codes that potentially could replace FTA codes in the future. Tracy Halubka and Bill Gray agreed to represent FTA for this project.</p>
7	Industry Issues	<p>Fuel industry addressed the following concerns:</p> <ul style="list-style-type: none"> Industry is having trouble reporting blends associated with multiple product codes. States do not have a clear definition of renewable fuels. Industry is having a difficult time tracking the point of destination for products being moved by barge. Issue related to change in ownership. Some states require a prepayment of estimated fuel tax. Collection of tax up front from distributors is becoming problematic. The purpose of uniformity is to propose guidance as it pertains to filing forms, proposing legislation, compliance techniques, etc. Recent uniformity meetings have avoided providing guidance by claiming individual state legislation mandates tax policy. Recommendation was made to follow the initial intent of uniformity and that is to provide guidance. Reminder – States need to remember to follow the test guidelines outlined by Uniformity when implementing new electronic filing applications.
8	State Issues	<p>Florida announced new electronic filing requirements for the terminal operator report, terminal supplier return, and possibly the petroleum carrier return. Effective 01/2013, Florida will begin transitioning from EDI to XML. Dual systems (EDI and XML) will be in place until 01/2014. Also, legislation may be proposed in the up and coming session that will move the collection of the inspection fee from the Department of Agriculture to the Department of Revenue.</p> <p>Georgia announced they will be moving towards new electronic filing requirements (XML) in the near future.</p>
9	State EXSTARS Update	<p>Edie provided an EXSTARS update for information filed in Kansas and Mississippi. In summary, the majority of the returns were filed using an 826 designation. This trend has been consistent since both states starting tracking this data. However, Kansas did not receive any files that were designated as 813 and 826 data.</p> <p>Rich will reach out to industry to see if companies can convert to 813.</p>
10	IRS EXSTARS Update	<p>Rich indicated the IRS is considering a move from EDI to XML for terminal operator and carrier reports.</p>

Action Items:

No.	Discussion Item	Resource	Action Required	Status (NS, IP, Done)
1	Schedule Code Project	Lee Gonzalez	Forms Committee will reach out to states who did not respond to determine which uniform schedules they are currently using.	Done



Forms Sub-committee Agenda

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2	Alternative Fuel Report	Edie Martin	Team will design report and instructions that can be used to report and pay alternative fuel tax. Team members will consist of the following. Edie Martin (KS) – Team Lead, Stan Hook (WI), Melanie Branch (Shell).	IP
3	FTA to STCC Product Codes	Michael Grammer	Create cross walk between FTA and STCC codes. Team Members - Michael Grammer, Ray Grimm, Bob Donellan, Vicky Freedman, Winston Stein, and Gene Holland	IP