



## *FTA Motor Fuel Tax Section*

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

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**TO:** Uniformity Subcommittee Participants

**FROM:** Cindy Anders-Robb  
Manager – Motor Fuel Tax

**SUBJECT:** **Uniformity Meetings**

**DATE:** May 9, 2012

The **June 2012** Motor Fuel Tax Section Uniformity Committee meeting is scheduled for San Antonio, Texas. The Subcommittees will meet all day **June 1, 2012**. The Main Uniformity meeting is scheduled for **June 2, 2012**. (*The meetings are on Friday and Saturday*) The meeting will be at the San Antonio Marriott Rivercenter. The special rate at the Marriott is \$106.00 plus 16.75% tax. Make your reservations directly with the hotel by calling **(800) 228-9290 or (210) 223-1000**. 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 101 Bowie Street, San Antonio, Texas 78205. Please note that the cut-off date for the hotel reservation is **May 9, 2012**.

The **October 2012** Motor Fuel Tax Section Uniformity Committee meeting is scheduled for Providence, Rhode Island. The Subcommittees will meet all day **October 26, 2012**. The Main Uniformity meeting is scheduled for **October 27, 2012**. (*The meetings are on Friday and Saturday*) The meeting will be at the Renaissance Providence Downtown. The special rate at the Renaissance is \$139.00 plus 13% tax. Make your reservations directly with the hotel by calling **(866) 630-0704 or (401) 919-5000**. 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 5 Avenue of the Arts, Providence, Rhode Island 02903. Please note that the cut-off date for the hotel reservation is **October 3, 2012**.

**PRELIMINARY AGENDA**  
**FTA Motor Fuel Tax Uniformity Committee**  
**San Antonio, Texas**  
**June 1-2, 2012**

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**Friday 8:00am – 5:00pm**  
**June 1, 2012**

**Subcommittee**

**Room One**

**Room Two**

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

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

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

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**Saturday 8:30 am to noon**  
**June 2, 2012**

**FTA Full Uniformity Committee**

1. Introduction
2. Approval of minutes
3. Presentation
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. Canadian Update
6. Old Business
7. New Business
8. Next Meeting
9. Adjourn

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

**PRELIMINARY AGENDA**  
**FTA Motor Fuel Tax Uniformity Committee**  
**Providence, Rhode Island**  
**October 26-27, 2012**

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**Friday 8:00am – 5:00pm**  
**October 26, 2012**

**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)**

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**Saturday 9:00 am to noon**  
**October 27, 2012**

**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**

# The Uniformer

## MESSAGE FROM THE NATIONAL CHAIR DAWN LIETZ

Greetings! Happy New Year and welcome to 2012. What an honor to write my first article for the Uniformer as the Motor Fuel Tax Section National Chair. It is an honor to serve you and I look forward with excitement to the year ahead.

There is a saying that "time fly's as you get older". Whether it is the busyness of our lives or that time really does fly, one thing is certain, life is short. Take advantage of every opportunity to enjoy it with those you love while you still can.

Times continue to be uncertain for government and industry. While the economy seems to be showing signs of recovery, often-complete recovery doesn't return to government until things are booming in the private sector again. This means many of you, like Nevada will continue to see restrictions on travel.

Fortunately, one of the things that make the Motor Fuel Tax Section so unique is the camaraderie and the "can-do" attitude of the people who participate. Together we can (and often do) accomplish the seemingly impossible, even overcoming travel restrictions, budget cuts, and technical disparities to make it happen. This is due largely to the role played by the partnership fostered between industry and states through the Uniformity Committee. For years, this committee has worked to provide

forms, communication, technical support and compliance across industry and jurisdictional lines through its 11-point plan. This support benefits us all and provides a simplistic approach to complex Fuel tax issues. Sharon Gostovich (WY) stepped down in September due to other obligations and responsibilities. However, I would like to take this opportunity to "thank" Sharon and all of those who served, and continue to serve, on this committee. Bob Donnellan is the Industry Co-Chair and Jeremy Neeck (MN) replaced Sharon as the State Co-Chair. Their leadership and commitment to Uniformity will certainly allow the Motor Fuel Tax Section to grow and take on the ever-changing challenges facing the Motor Fuel Industry. I look forward to working closely with the talented and knowledgeable people leading Uniformity Committee and Sub-Committees.

As we continue to move into an electronic age, we have a lot of work to do to move into a realm that has never been charted before. Just a year ago, if someone told you to look at the clouds, you would look up at the sky. Today, you just might logon to your computer. Times are changing, technology is changing, but transportation still relies on roads. Therefore, we must use the resources available to find the most efficient way of collecting and protecting the revenues that keep them functional. To shift from paper auditing to virtual auditing takes a great deal of planning. The Compliance Subcommittee has taken on this task and will be

developing a white paper with the standards necessary for a successful transition.

Together we can make 2012 one of the most memorable years for the Motor Fuel Tax Section. If you have any ideas or recommendations for the Uniformity Committee to consider, they would love to hear from you.

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 into the future. I can be reached at [dlietz@dmv.nv.gov](mailto:dlietz@dmv.nv.gov) or (775) 684-4626. Thank you and I hope to see you at one of the FTA events during 2012.

## MESSAGE FROM THE UNIFORMITY COMMITTEE STATE CO-CHAIR JEREMY NEECK

New Beginnings.... As we ring in the New Year and welcome 2012, we also bring with us new beginnings in FTA Motor Fuel Tax Uniformity. We have elected Dawn Lietz from Nevada as our FTA National Chair and Eddie Martin from Kansas as our Vice-Chair. I have been selected as the State Uniformity Chair and really look forward to working with Bob Donnellan as the Industry Uniformity Chair.

We were also very fortunate to have other great advocates with FTA to step up and fill vacancies as committee chairs that have been opened up by movement within our organization. I would like to personally thank Cindy

Mongold from Kansas for accepting the State Co-chair for the Compliance Subcommittee and Hal Lovell from California for accepting the State Co-chair for the Electronic Commerce Subcommittee.

I also want to extend a big THANK YOU to those who agreed to be Co-chairs for another year! Without your hard work and dedication to Uniformity, we would not be as successful as we are as a team of States and Industries working for a common goal!

As with all new beginnings, we must say good-bye to old friends and colleagues that have either retired or moved on from motor fuel. With the loss of these people from Uniformity we lose years of knowledge and expertise and we need to find new and innovative ways to bring new people and ideas to our committees.

To accomplish this, we plan on offering an educational presentation during the group session at the three Uniformity meetings to help states and industry see the additional benefits of attending and participating in Uniformity.

Combining this education with the valuable networking that takes place among states and industry we feel we can grow our attendance at Uniformity meetings and achieve even greater success!

I am looking forward to a very productive and fruitful year working with the Uniformity

Committee and I hope I can live up to the high standards that have been placed before me by the great work of previous State Chairs.

We are always looking for topics, suggestions, input and constructive feedback on what we are doing in this committee, if you have anything that you would like to offer, please feel free to contact me.

Thank you all for all your hard work and dedication to the FTA Motor Fuel Uniformity Project.

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

As we approach another year we find ourselves again faced with more issues that need to be addressed in 2012. Not only Renewable fuels and Bio Diesel entering the market place but a more pressing issue is Product Codes and the fact that we are starting to find ourselves running out of them.

I feel that this is going to be the biggest challenge that Uniformity will face this year and I know with all the capable and dedicated individuals both on the State side as well as the Industry side we will make this happen.

I would also like to take this opportunity to inform all colleagues both in Industry and in Government that I have left Global Companies LLC after 26½ years and I am now working for an Interrelated Financial Services (IFS) and I look forward to my

continued role as your Industry Uniformity Co-Chair.

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

Happy New Year to everyone and hope the best for 2012. The Fuel Tax Council (FTC) held its last semi-annual meetings in Ottawa, Ontario on September 28 and 29, 2011. The next meeting will be Quebec City, Quebec on May 15 and 16, 2012.

The FTC's recent accomplishments and current priorities are in four main areas. These areas and the current priorities are:

1. Audits and Enforcement

A project team continues to work on a framework for drafting and maintaining a System's Information Binder to be developed for each fuel tax collector. The binder will document a collector's systems and will be used by any jurisdictions' auditors to reduce effort and increase accuracy during the course of a fuel tax audit. The project team has developed a number of key components of the framework including the scope, contents and format of the binder, as well as, the governance process to ensure approvals and controls are in place. The project team is currently expanding its consultation process and planning for preparation of the first binder.

Other priorities in the area of audit and enforcement include the development of Best

Practices for fuel tax audits providing a framework of objectives, procedures, documentation standards and context for jurisdictions evaluating or enhancing their audit programs. An Enforcement Binder to identify and document the various types of “below the rack” evasion with proven practices to detect, audit and enforce compliance. The FTA is working with the federal government to improve information sharing concerning fuel imports and exports, as well as, with industry on analyzing unverified inventory losses allowed with the goal of ensuring the losses and methods of delivering them are as fair and equitable as possible.

## 2. Communications

The FTC continues to convert and update its Fuel Tax Guide from paper to electronic form. The Guide provides a catalogue of current tax rates, exemptions, refunds, licensing requirements and other elements of Canadian tax programs by jurisdiction in a comparative table format.

The FTC website is being updated and re-formatted to offer public and secured communication to more devices. Expanding industry participation at the semi-annual meetings is being explored to respond to greater demand for involvement while effectively maintaining and achieving the objectives and mandate of the FTC. The By-Laws are being reviewed to introduce a number of important changes to the operation of the FTC including the extension of terms for its officers and changes to the meeting format to increase

participation and provide effective leadership.

## 3. Uniform Reporting

The FTC continues to enhance fuel tax reporting through examination of its generic fuel tax return for handling emerging accountable products and changing jurisdictional requirements. An initiative between governments and industry is underway to ensure that data elements and the level of detail being reported are appropriate given legislative requirements and collectors’ systems. Electronic reporting standards are also being updated as jurisdictions implement or plan for electronic filing or information exchanges.

## 4. Training

The last training session was in November 2011 in Vancouver, B.C. and offered a combination of two courses for the first time. This was intended to provide customized training to a more targeted group. The next training will be in May 2012 in Halifax, Nova Scotia and offer the Fuel Tax Audit program. All of the training materials and exercises for the three traditional courses are being reviewed and updated with a longer-term training plan under development for approval at the next semi-annual meeting.

I have been in the role of FTC Manager now for four months and have experienced a number of interesting and challenging situations and have had the opportunity to meet and work alongside many knowledgeable and energetic people. The opportunity to meet with and exchange ideas and

accomplishments with the FTA is one of these valuable and unique experiences.

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

## **UNIFORMITY COMMITTEE** **Minutes**

The FTA Motor Fuel Tax Section Uniformity Committee met at the Embassy Suites, Charleston, West Virginia on September 17, 2011. Sharon Gostovich (WY) Uniformity State Chair called the meeting to order. Thirty-four (34) were in attendance.

## **Minutes**

The minutes of the April 2011 Uniformity Committee in Oklahoma City, Oklahoma was approved.

## **Presentation**

Rick Evans with Intellifuel gave a presentation on Electronic Fuel Movement System.

Scott Louie with Chevron gave a presentation on prior period transactions.

## **SUBCOMMITTEE REPORTS**

The **Compliance Subcommittee** Jeremy Neeck (MN) reported there were twenty-four (24) in attendance. The Committee discussed:

**Training Schedule for 2012** – FTA is starting the planning on training for 2012.

**Dyed Diesel Stats** – The dyed fuel final statistics for 2010 along with first quarter and second

quarter for 2011 were reviewed. The committee wants everyone to review their results for their State.

**IRS Update** – It was reported that ethanol credits will probably expire at the end of the year and Congress is trying to extend the biodiesel blenders credit and offer a credit for blender pumps at the retail stations.

### Old Projects

**Expanding the dyed fuel states report** – the committee will be looking at adding type of vehicle and industry to this report

**Scanned documents v original and their laws** – States didn't want to commit to one way or another, the committee decided to let each state handle this situation independently.

**Airport "stale" fuel issued and taxation** – it was suggested that the committee look at a case that happened at Miami Airport and find the results of that case and share it with the group at the next meeting.

**Sale of "off spec" military fuel** – the committee discussed how the DMRS handles this for the military and it was suggested we table this until next meeting so we could get more information.

### New Projects

Open discussion on:

- MT request if any state is using a canned system for Dyed Fuel Enforcement tracking.

### Approved by the Full Committee

**Best Practices for "Virtual Audits"** – white paper has been completed and approved by the full committee.

### The Forms Management Subcommittee

Lee Gonzalez (Florida) reported that this committee met with Electronic Commerce. There were thirty-four (34) in attendance with three (3) by phone. The subcommittee discussed:

**Crosswalk (FTA and STCC Codes)** – The team had a difficult time identifying reportable products from the STCC code list. The committee wants to talk with the National Railroad Association and ask for their assistance.

**Renewable Fuels** – The team reviewed existing schedule and product code structures and determined that the existing structures may not be robust enough to capture the number and diversity of future codes. The Tier system was introduced for discussion.

### **New Jersey Forms Review** –

The team reviewed SMF-10, including schedules and has identified areas that are not uniform and will contact NJ with their recommendations.

**Terminal Operator (Gross Gallons)** – It appears fuel arriving by rail and truck to a terminal may be in gross gallons. It was suggested to survey the terminal operators to identify scenarios where gross gallons might be used.

**Product Codes Request** – A request was made for additional

product codes. The purpose of the request was two fold, first it was felt it would benefit taxing jurisdictions if they captured product codes at a more granular level and second, concern was expressed that product codes that are being used by industry but not recognized as a uniform product code of FTA.

### The Electronic Commerce Subcommittee

Hal Lovell (California) reported there were ten (10) in attendance with one (1) by phone. The subcommittee discussed the following:

**Impact of product code issues on EDI** – Expansion of the product code may mean a new EDI version. The committee will continue to monitor this item.

### **Import/Export Data Exchange** –

It was discussed instead of using the standard flat file format many States are provided Excel filing. Excel provide sample files and a standard format be developed and encourage. The committee needs to start discussing an XML version.

### The Communication and Coordination Subcommittee

Christy Dixon (OK) reported that twenty-four (24) were in attendance. The subcommittee discussed the following and the September Uniformer was passed out.

**The Taxation-Diversions-Alternative Fuels Booklet** – Has been completed and published.

**Native American Survey Update Booklet** – has been completed and published.



**MOU update** – The draft MOU was approved and will be sent back to FTA for approval.

**Buy/Sell Agreement** – The committee is working on a section for the Model Legislation section of the Uniformity booklet.

**Approved by the Full Committee**

**Definitions**

**Document/Bill of lading number** – the identifying number from the manifest issued at the terminal or other storage facility when product is removed. In the case of pipeline, railcar, or vessel movements, enter the pipeline, railcar, or vessel (voyage) number.

**Manifest number** – See document/bill of lading number – also see shipping or transport document.

**Bill of Lading** – See document/bill of lading number – also see shipping or transport document.

**New Business**

Rick Callaway was introduced as the new manager of the Fuel Tax Council. Rick replaces Mal Bruce who retired.

Everyone **THANKED** Sharon Gostovich (WY) for the great job she did as the Uniformity State Co-Chair. Jeremy Neeck (MN) was appointed the new Uniformity State Co-Chair for the next two years and Cindy Mongold (KS) was appointed the State Co-Chair of the Compliance subcommittee.

**Next Meeting**

The next Uniformity Committee meetings are scheduled as follows:

January 27-28, 2012  
Portsmouth, VA

The meeting was adjourned.

**RETIREMENTS**

**Sharon Gostovich**, State of Wyoming retired the end of December. Sharon was the Uniformity Chair for 2011 and did a great job. We are going to miss her!!!!!!

**THANKS SHARON FOR YOUR SUPPORT FOR ALL THESE YEARS!!!!**

**FTA Motor Fuel Tax Training Courses**

FTA is currently scheduling the Basic and Advanced classes for 2012. If a State or Industry would like to sponsor a class, please contact Cindy Anders-Robb at [cindy.anders-robb@taxadmin.org](mailto:cindy.anders-robb@taxadmin.org)

**UPCOMING MEETINGS 2012**

**Pacific Region**

April 29-May 1, 2012  
Helena, Montana

**Northeastern Region**

May 20-22, 2012  
Annapolis, Maryland  
**Uniformity Meetings**  
June 1 & 2, 2012  
San Antonio, Texas

**Southern Region**

June 10-12, 2012  
New Orleans, Louisiana

**Midwestern Region**

August 7-9, 2012  
Grand Rapids, Michigan

**Uniformity Meeting**

October 26-27, 2012  
Providence, Rhode Island

**Motor Fuel Annual Meeting**

October 28-31, 2012  
Providence, Rhode Island

**MOTOR FUEL STEERING COMMITTEE**

**National Chair**

Dawn Lietz, Nevada

**National Vice Chair**

Edie Martin, Kansas

**Past Chairs**

Rosemary Cleary, Connecticut  
Wilda Ice, West Virginia

**State Uniformity Chair**

Cindy Mongold, Kansas

**Industry Uniformity Chair**

Robert Donnellan

**MOTOR FUEL REGIONAL GOVERNORS**

**Midwestern Region**

Scott Horton, Michigan

**Northeastern Region**

Chuck Ulm, Maryland

**Pacific Region**

Barry Grafel, Alaska

**Southern Region**

Shirley Bonaccorso, Louisiana

**Editor**

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## Meeting Agenda and Minutes

<b>Type of Meeting</b>	FTA – Forms Sub-committee
<b>Date</b>	June 1, 2012
<b>Venue</b>	San Antonio, Texas
<b>Start Time</b>	8:00 am

### Agenda:

No.	Topic(s)	Update Provided (Yes/No)
1	Introduction	Lee Gonzalez
2	Review of Minutes (January 2012)	Cheryl Gilson
3	Old Business 1) Crosswalk (FTA and STCC Codes) 2) Alabama Forms Review 3) Methods for Reporting Renewable Fuels (Survey) 4) Mixed Stream Fuels (Product Code Request) 5) Schedule Code Project	Michael Grammer Cindy Mongold Bill Grey Lee Gonzalez Lee Gonzalez
4	New Business 1) Uniform Forms (Monthly/Annual)	Lee Gonzalez
5	Recap and Adjournment	Lee Gonzalez

### Meeting Minutes:

No.	Discussion item	Meeting Minutes
1	Minutes	
2	Crosswalk (FTA and STCC Codes)	
3	Alabama Forms Review	
4	Methods for Reporting Renewable Fuels	
5	Mixed Stream Fuels (Product Code Request)	
6	Schedule Code Project	
7	Uniform Forms (Monthly/Annual)	

### Action Items:

No.	Discussion Item	Resource	Action Required	Status (NS, IP, Done)
1	Crosswalk (FTA and STCC Codes)	Group	Create cross walk between FTA and STCC Codes. Sub-committee includes Ray Grimm, Bob Donnellan, Vicky Freedman, Winston Stein, Gene Holland, and Michael Grammer. Committee decided to reach out to the National Railroad Association and ask for assistance. Cindy Anders-Robb will reach out to association and request contacts from each rail company. Contacts will assist with product definitions and matching process. Rich Little will find team members from IRS to help define products.	In Progress



**Forms Sub-committee Agenda**

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<b>2</b>	Renewable Fuels	Bill Gray	A team lead by Bill Gray will create a document outlining “methods for reporting alternative fuel” utilizing uniform forms. Team will be responsible for making recommendations on new product codes and schedules by return type. The team members will consist of Bill Gray, Ray Mattson-Grimm, Gene Holland, Hal Lovell, and Jeremy Neeck. Committee members suggested using EIA codes or a hybrid of the EIA and smart code. Committee could not agree on product code structure. A suggestion was made to issue a survey (via list serve) and request feedback from each state. Ray will design survey and post to list serve.	In Progress
<b>3</b>	Schedule Code Project	Lee Gonzalez	Design survey to see what schedules states are using and why.	In Progress



## Meeting Agenda and Minutes

<b>Type of Meeting</b>	FTA – Forms Sub-committee
<b>Date</b>	January 27, 2012
<b>Venue</b>	Portsmouth, Virginia
<b>Start Time</b>	8:00 am

### Agenda:

No.	Topic(s)	Update Provided (Yes/No)
1	Introduction	Lee Gonzalez
2	Review of Minutes (September 2011)	Cheryl Gilson
3	Old Business 1) Crosswalk (FTA and STCC Codes) 2) Methods for Reporting Renewable Fuels (Survey) 3) Terminal Operator (Gross Gallons) 4) Mixed Stream Fuels (Product Code Request)	Ray Grimm/Cindy Anders-Robb/Rich Little Ray Grimm Lee Gonzalez/Scott Louie David Breidenbach
4	New Business 1) Alabama Forms Review 2) Nebraska – Schedule Code Request (2T - Tax Unpaid Gallons Received from Producer and Placed in Tax Free Terminal Inventory) 3) Forms Review Team	Cindy Mongold Marcia Leichner Lee Gonzalez
5	Recap and Adjournment	Lee Gonzalez

### Meeting Minutes:

No.	Discussion item	Meeting Minutes
1	<b>Minutes</b>	Minutes were reviewed and approved.
2	<b>Crosswalk (FTA and STCC Codes)</b>	Committee reached out to the National Railroad Association to ask for assistance defining product codes and matching STCC to FTA codes. Cindy Anders-Robb was able to secure contact. Contact information will be forwarded to Lee Gonzalez and Ray Grimm. In addition, Cindy Anders-Robb will reach out to association and ask for contacts within each railroad company. Contacts will assist with defining products and matching codes. Ray Grimm asked for additional team members to assist with the project. Winston Stein volunteered to join the team. In addition, Rich Little will reach out to the IRS to find volunteers to assist with defining product types. Gene Holland also volunteered to join the team.
3	<b>2) Methods for Reporting Renewable Fuels</b>	Ray Grimm submitted a survey to state and industry representatives. The survey requested feedback on the format of new product codes. Survey suggested the following options. Option 1 – 16 digit smart code. Option 2 – EIA Codes Option 3 - Hybrid of EIA code Option 4 – Other Ray received 7 responses. Due to limited feedback, survey was deemed non-representative of population (industry and state). A second survey was suggested that would ask each state to list the product types that are currently being used by each state. Survey will identify which product codes the team should focus on. Survey will be created by Ray Grimm and forwarded to Lee Gonzalez.
4	<b>Terminal Operator (Gross Gallons)</b>	Team discussed the possibility of adding gross gallons to the schedule of receipts (terminal operator report). Survey was created by Lee Gonzalez that asked industry and states the benefits of adding gross gallons to the operator report. Lee received 10 responses to the survey. Summary of results include: 1) Some states currently require gross gallons on the schedule of receipts. 2) Current XML and EDI schema currently allow for gross gallons. 3) Industry (terminal operators) captures gross gallons for truck and rail deliveries. Committee discussed additional benefits to including gross gallons. Some of the benefits were related to tracking fuel and auditing. A motion was made to add a column to the operator receipt schedule that includes gross gallons. In addition, verbiage will be added to the instructions on how to report gross gallons. Motion was approved.



**Forms Sub-committee Agenda**

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No.	Discussion item	Meeting Minutes
5	<b>Mixed Stream Fuels (Product Code Request)</b>	<p>Lee discussed three proposals submitted by David Breidenbach. Summary of proposals are as follows:</p> <ol style="list-style-type: none"> <li>1) Create a new product code for “Mixed stream NGLs requiring further processing to produce a gasoline blendstock” from or into gas plants [ie: including LPG/propane: [formerly erroneously liquefied natural gas].</li> <li>2) Create a new product code for “Mixed stream NGLs not requiring further processing to produce a gasoline blendstock from or into gas plants excluding LPG/propane.</li> <li>3) Add/Clarify definition for liquefied natural gas aka “LNG” to include “liquefied natural gas, which is methane chilled to minus 270 degrees F to liquefy the pure natural gas.</li> </ol> <p>Results of discussion are as follows:</p> <ol style="list-style-type: none"> <li>1) Clarification of LNG definition will be referred to Communication Committee.</li> <li>2) Committee members would like more time to review and consider request for new product codes on mixed stream NGL’s. Lee Gonzalez will e-mail document to Cindy Anders-Robb who will distribute information to the group.</li> </ol>
6	<b>Alabama Forms Review</b>	<p>Alabama is in the process of moving motor fuel tax to the rack. As part of the conversion they are redesigning their forms. They asked the forms committee to review the forms and identify areas that do not follow uniform guidelines. Cindy Mongold and team reviewed the forms and identified several issues that were not uniform. Response was sent to Alabama outlining issues. Cindy indicated the team could not recommend approval at this time.</p>
7	<b>Nebraska – Schedule Code Request</b>	<p>Marcia Leichner submitted a request for a new schedule type.</p> <p>2T – Gallons received from producers tax unpaid and placed into tax free inventory.</p> <p>Committee discussed ways to report information without creating a new schedule (2B/10F). Marcia will review proposal and provide feedback to committee. Schedule code request will be tabled until further notice from Nebraska.</p>
8	<b>Forms Review Team</b>	<p>Due to Cindy’s new role as Compliance Chair, Forms Committee asked for a new team lead to help review forms for uniformity. Tracey Lenius volunteered to lead form review team. In addition, committee asked for additional volunteers to help review forms. New team will consist of Tracey Lenius, Marcia Leichner, Scott Louie, and Gene Holland.</p>
9	<b>Schedule Code Project</b>	<p>Uniformity Steering Committee asks the Forms Sub-committee to survey states and find out which schedule codes are currently in use. If schedule codes listed in uniformity book are not being used, then committee will consider deleting codes from book. Lee Gonzalez will create survey question asking states to identify which product codes are being used and why they are being used. Lee will provide survey to Cindy Ander-Robb for distribution.</p>

**Action Items:**

No.	Discussion Item	Resource	Action Required	Status (NS, IP, Done)
1	Crosswalk (FTA and STCC Codes)	Group	<p>Create cross walk between FTA and STCC Codes. Sub-committee includes Ray Grimm, Bob Donnellan, Vicky Freedman, Winston Stein, Gene Holland, and Michael Grammer. Committee decided to reach out to the National Railroad Association and ask for assistance. Cindy Anders-Robb will reach out to association and request contacts from each rail company. Contacts will assist product definitions and matching process. Rich Little will find team members to help define products.</p>	In Progress
3	Renewable Fuels	Bill Gray	<p>A team lead by Bill Gray will create a document outlining “methods for reporting alternative fuel” utilizing uniform forms. Team will be responsible for making recommendations on new product codes and schedules by return type. The team members will consist of Bill Gray, Ray Mattson-Grimm, Gene Holland, Hal Lovell, and Jeremy Neeck. Committee members suggested using EIA codes or a hybrid of the EIA and smart code. Committee could not agree on product code structure. A suggestion was made to issue a survey (via list serve) and request feedback from each state. Ray will design survey and post to list serve.</p>	In Progress



**Forms Sub-committee Agenda**

01/27/2011

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<b>4</b>	Terminal Operator Report (Gross Gallons)	Lee Gonzalez	A recommendation was made by the committee to issue a survey to terminal operators. The survey will ask operators to identify scenarios where gross gallons are reported to a terminal. In addition, operators will be asked if they can provide gross gallons on a tax report if requested by a state. Lee Gonzalez, with assistance from Scott Louie, will draft question and post to list serve.	Complete
<b>5</b>	Schedule Code Project	Lee Gonzalez	Design survey to see what schedules states are using and why.	In Progress



## E-Commerce Meeting Agenda

<b>Type of Meeting</b>	FTA – E-Commerce
<b>Date</b>	June 1, 2012
<b>Venue</b>	San Antonio, Texas
<b>Start Time</b>	1:00 pm

### Agenda:

<b>No.</b>	<b>Topic(s)</b>
1	Review of Minutes from last E-Commerce meeting (January 27, 2012)
2	Follow up on the course of action for the product code project (review of EIA and FTA codes – pro’s and con’s) and determine the course this project will take moving forward
3	Excel format for exchanging data between states (import/export transactions)
4	Status on the XML Guide – How is the revision to this guide progressing
5	Update - How to allow a “State Diplomatic Tax Exemption card number” for foreign consulate staff (PID number) to be reported in a fuel transaction
6	Review suggested solution for capturing ending inventory by Position Holder in the terminal.
7	Follow up on example of how to capture diversion number are not accounted for on the X12 map.
8	Update 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.
9	New Topics



## Meeting Agenda and Minutes

<b>Type of Meeting</b>	FTA – Forms Sub-committee
<b>Date</b>	January 27, 2012
<b>Venue</b>	Portsmouth, Virginia
<b>Start Time</b>	8:00 am

### Agenda:

No.	Topic(s)	Update Provided (Yes/No)
1	Introduction	Lee Gonzalez
2	Review of Minutes (September 2011)	Cheryl Gilson
3	Old Business 1) Crosswalk (FTA and STCC Codes) 2) Methods for Reporting Renewable Fuels (Survey) 3) Terminal Operator (Gross Gallons) 4) Mixed Stream Fuels (Product Code Request)	Ray Grimm/Cindy Anders-Robb/Rich Little Ray Grimm Lee Gonzalez/Scott Louie David Breidenbach
4	New Business 1) Alabama Forms Review 2) Nebraska – Schedule Code Request (2T - Tax Unpaid Gallons Received from Producer and Placed in Tax Free Terminal Inventory) 3) Forms Review Team	Cindy Mongold Marcia Leichner Lee Gonzalez
5	Recap and Adjournment	Lee Gonzalez

### Meeting Minutes:

No.	Discussion item	Meeting Minutes
1	<b>Minutes</b>	Minutes were reviewed and approved.
2	<b>Crosswalk (FTA and STCC Codes)</b>	Committee reached out to the National Railroad Association to ask for assistance defining product codes and matching STCC to FTA codes. Cindy Anders-Robb was able to secure contact. Contact information will be forwarded to Lee Gonzalez and Ray Grimm. In addition, Cindy Anders-Robb will reach out to association and ask for contacts within each railroad company. Contacts will assist with defining products and matching codes. Ray Grimm asked for additional team members to assist with the project. Winston Stein volunteered to join the team. In addition, Rich Little will reach out to the IRS to find volunteers to assist with defining product types. Gene Holland also volunteered to join the team.
3	<b>2) Methods for Reporting Renewable Fuels</b>	Ray Grimm submitted a survey to state and industry representatives. The survey requested feedback on the format of new product codes. Survey suggested the following options. Option 1 – 16 digit smart code. Option 2 – EIA Codes Option 3 - Hybrid of EIA code Option 4 – Other Ray received 7 responses. Due to limited feedback, survey was deemed non-representative of population (industry and state). A second survey was suggested that would ask each state to list the product types that are currently being used by each state. Survey will identify which product codes the team should focus on. Survey will be created by Ray Grimm and forwarded to Lee Gonzalez.
4	<b>Terminal Operator (Gross Gallons)</b>	Team discussed the possibility of adding gross gallons to the schedule of receipts (terminal operator report). Survey was created by Lee Gonzalez that asked industry and states the benefits of adding gross gallons to the operator report. Lee received 10 responses to the survey. Summary of results include: 1) Some states currently require gross gallons on the schedule of receipts. 2) Current XML and EDI schema currently allow for gross gallons. 3) Industry (terminal operators) captures gross gallons for truck and rail deliveries. Committee discussed additional benefits to including gross gallons. Some of the benefits were related to tracking fuel and auditing. A motion was made to add a column to the operator receipt schedule that includes gross gallons. In addition, verbiage will be added to the instructions on how to report gross gallons. Motion was approved.





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No.	Discussion item	Meeting Minutes
5	<b>Mixed Stream Fuels (Product Code Request)</b>	<p>Lee discussed three proposals submitted by David Breidenbach. Summary of proposals are as follows:</p> <ol style="list-style-type: none"> <li>1) Create a new product code for “Mixed stream NGLs requiring further processing to produce a gasoline blendstock” from or into gas plants [ie: including LPG/propane: [formerly erroneously liquefied natural gas].</li> <li>2) Create a new product code for “Mixed stream NGLs not requiring further processing to produce a gasoline blendstock from or into gas plants excluding LPG/propane.</li> <li>3) Add/Clarify definition for liquefied natural gas aka “LNG” to include “liquefied natural gas, which is methane chilled to minus 270 degrees F to liquefy the pure natural gas.</li> </ol> <p>Results of discussion are as follows:</p> <ol style="list-style-type: none"> <li>1) Clarification of LNG definition will be referred to Communication Committee.</li> <li>2) Committee members would like more time to review and consider request for new product codes on mixed stream NGL’s. Lee Gonzalez will e-mail document to Cindy Anders-Robb who will distribute information to the group.</li> </ol>
6	<b>Alabama Forms Review</b>	<p>Alabama is in the process of moving motor fuel tax to the rack. As part of the conversion they are redesigning their forms. They asked the forms committee to review the forms and identify areas that do not follow uniform guidelines. Cindy Mongold and team reviewed the forms and identified several issues that were not uniform. Response was sent to Alabama outlining issues. Cindy indicated the team could not recommend approval at this time.</p>
7	<b>Nebraska – Schedule Code Request</b>	<p>Marcia Leichner submitted a request for a new schedule type.</p> <p>2T – Gallons received from producers tax unpaid and placed into tax free inventory.</p> <p>Committee discussed ways to report information without creating a new schedule (2B/10F). Marcia will review proposal and provide feedback to committee. Schedule code request will be tabled until further notice from Nebraska.</p>
8	<b>Forms Review Team</b>	<p>Due to Cindy’s new role as Compliance Chair, Forms Committee asked for a new team lead to help review forms for uniformity. Tracey Lenius volunteered to lead form review team. In addition, committee asked for additional volunteers to help review forms. New team will consist of Tracey Lenius, Marcia Leichner, Scott Louie, and Gene Holland.</p>
9	<b>Schedule Code Project</b>	<p>Uniformity Steering Committee asks the Forms Sub-committee to survey states and find out which schedule codes are currently in use. If schedule codes listed in uniformity book are not being used, then committee will consider deleting codes from book. Lee Gonzalez will create survey question asking states to identify which product codes are being used and why they are being used. Lee will provide survey to Cindy Ander-Robb for distribution.</p>

**Action Items:**

No.	Discussion Item	Resource	Action Required	Status (NS, IP, Done)
1	Crosswalk (FTA and STCC Codes)	Group	<p>Create cross walk between FTA and STCC Codes. Sub-committee includes Ray Grimm, Bob Donnellan, Vicky Freedman, Winston Stein, Gene Holland, and Michael Grammer. Committee decided to reach out to the National Railroad Association and ask for assistance. Cindy Anders-Robb will reach out to association and request contacts from each rail company. Contacts will assist product definitions and matching process. Rich Little will find team members to help define products.</p>	In Progress
3	Renewable Fuels	Bill Gray	<p>A team lead by Bill Gray will create a document outlining “methods for reporting alternative fuel” utilizing uniform forms. Team will be responsible for making recommendations on new product codes and schedules by return type. The team members will consist of Bill Gray, Ray Mattson-Grimm, Gene Holland, Hal Lovell, and Jeremy Neeck. Committee members suggested using EIA codes or a hybrid of the EIA and smart code. Committee could not agree on product code structure. A suggestion was made to issue a survey (via list serve) and request feedback from each state. Ray will design survey and post to list serve.</p>	In Progress



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<b>4</b>	Terminal Operator Report (Gross Gallons)	Lee Gonzalez	A recommendation was made by the committee to issue a survey to terminal operators. The survey will ask operators to identify scenarios where gross gallons are reported to a terminal. In addition, operators will be asked if they can provide gross gallons on a tax report if requested by a state. Lee Gonzalez, with assistance from Scott Louie, will draft question and post to list serve.	Complete
<b>5</b>	Schedule Code Project	Lee Gonzalez	Design survey to see what schedules states are using and why.	In Progress

**COMMUNICATION & COORDINATION SUBCOMMITTEE  
TENTATIVE AGENDA – FRIDAY, JUNE 1, 2012  
SAN ANTONIO, TEXAS**

1. WELCOME
2. APPROVAL OF MINUTES FROM THE JANUARY 27, 2012 MEETING.
3. DISTRIBUTE THE LATEST EDITION OF THE UNIFORMER – CINDY ANDERS-ROBB, FEDERATION OF TAX ADMINISTRATORS
4. BILL OF LADING PROJECT-WILDA ICE-STATE OF WEST VIRGINIA.
5. DISCUSS DRAFT OF MODEL LEGISLATION FOR BUY/SELL AGREEMENTS AND RENEWABLE FUELS ALONG WITH DIAGRAMS.
6. DISCUSS DEFINITION FOR LIQUEFIED NATURAL GAS (LNG).
7. UPDATE FROM CINDY ANDERS-ROBB CONCERNING BEING ABLE TO USE THE FTA’S WEBSITE FOR IMPORT/EXPORT INFORMATION.
8. OLD BUSINESS
9. NEW BUSINESS
10. NEXT MEETING WILL BE OCTOBER 26, 2012 IN PROVIDENCE, RHODE ISLAND.

**FTA MOTOR FUEL UNIFORMITY COMMITTEE  
COMMUNICATION & COORDINATION SUBCOMMITTEE  
PORTSMOUTH, VIRGINIA  
JANUARY 27, 2012**

**MINUTES**

The Communication & Coordination Subcommittee met on Friday, January 27, 2012. State Co-Chair Christy Dixon and Industry Co-Chair, Deborah Compton conducted the meeting. The meeting was called to order at approximately 1:30 PM. There were 22 attendees present.

The minutes from the September 16, 2011 meeting were approved.

The latest edition of the Uniformer (January, 2012 copy) was distributed. The deadline for submission of articles to be included in the January, 2012 Uniformer is May 15, 2012.

**General**

The subcommittee again recommended that someone from each region be the contact person again and send out the questionnaire to each of the states in their region and then send the responses back to Christy Dixon to compile all of the information so that it can be updated for the FTA Motor Fuel Annual Meeting in 2012. The information will be sent out to the states sometime in May, 2012.

The subcommittee was asked to do a definition for Liquefied Natural Gas (LNG). The subcommittee members were asked to submit their states' definition of LNG to Christy Dixon so that at the next meeting the committee can work on the definition.

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

Bill of Lading Project-Wilda Ice of West Virginia was not able to attend the meeting. This project has been tabled until June 1, 2012. Will try to get with Wilda and see what information she has compiled so that at the next meeting the subcommittee can decide what the next step is for this project. (White paper document, etc)

Cindy Anders-Robb reported that the MOU for the Motor Fuels Section for agencies that administer Motor Fuel that are not Revenue Agencies has been completed. The MOU will be sent out to be signed by the agencies that administer Motor Fuel Taxes that are not Revenue Agencies.

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 on June 1, 2012. Gene Holland with Conoco-Phillips is going to see what information he can find out about this project and let the subcommittee know.

A draft was presented by Edie Martin, Kansas, presented a draft of a white paper document to be put in the Uniformity Book about ExTol. The document explains what ExTol was and what the benefits and functionalities were. The white paper document was approved by the subcommittee members and then by the full Uniformity Committee.

Cindy Anders-Robb led a discussion concerning how the states are going to exchange import/export information since we no longer have ExTol. The states can send the information through their secure e-mail; however, this would require a password for each state. Cindy is going check about using the FTA's Website, Tax Exchange which is a secure section of the website and this way the state would only have to have 1 password instead of passwords for each state.

Cindy Anders-Robb handed out an article about G-Diesel.

The next meeting will be on June 1, 2012 in San Antonio, Texas.

Christy Dixon, State Co-Chair, State of Oklahoma  
Deborah Compton, Industry Co-Chair, Exxon/Mobil

**FTA MOTOR FUEL UNIFORMITY COMMITTEE  
COMPLIANCE SUB-COMMITTEE  
PORTSMOUTH, VA  
JANUARY 27, 2012**

**MINUTES**

The Compliance Sub-Committee met on Friday, January 27, 2012. State Co-Chair Cindy Mongold conducted the meeting. The meeting began approximately 2:10 PM. There were 22 in attendance, which included 14 state representatives, 1 FTA, 1 IRS and 6 industry.

The minutes from the September 16, 2011 were approved with one change; Ray Rhodes was changed to Wayne Rhodes.

**Training Schedule Update**

On February 28, the instructors will get together to update the Basic and Advance classes.

The State of Minnesota has agreed to host the Basic training class this year and the Advanced class will be held in Savannah, GA at the DeSoto Hilton. Dates for the classes will be announced after February 28.

**Dyed Fuel Stats**

Jeremy Neeck of Minnesota reported that he'd had good response to his request for the states dyed fuel stats. He will be sending out reminders for the remaining responses. He's working on completing the 2011 report. Rich Little (IRS) has asked to be put on Jeremy's e-mail distribution of the report.

Jeremy and Doug Arndt (ND) have expanded the dyed fuel stat reporting sheet to include vehicle type and industry. Those additional items will be included in the 2012 stats.

A dyed fuel program was started in North Dakota. Minnesota dyed fuel inspectors trained the North Dakota inspectors. In 3 days plus one follow-up day there were approximately 24 violations identified.

**Airport "Stale" Fuel Issues and Taxation**

Concerns have been raised regarding the destination/taxing of stale fuel when removed from airports. It was determined that the issue/case that was identified at the last meeting was from several years ago. Additional research will be performed as a follow-up.

**Sale of "Off Spec" Military Fuel**

At a previous meeting it was reported that off spec fuel can be mixed with fresh fuel and if the product can be brought back to spec then it is used as originally intended. If restored back to spec then the fuel is used in generators or other non-critical equipment. It was suggested that Chris Postin (703) 767-5001 be contacted to obtain additional information on "off-spec" fuel at military bases.

## **Blender Pumps Blending of E85 with Gas to Dispense E10**

Concerns have been discussed regarding the blending of E85 (lower tax rate) with gasoline at a blender pump to dispense E10 (higher tax rate). States are concerned about the tax gap in the two products. One state reported that E00 is being blended with gasoline to dispense the different %'s of gasohol. The IRS expresses concern with that, since E00 is not taxed by the federal government until it is blended.

## **Tax Laws on Fuel Used in Motorboats**

Discussion regarding states laws on taxing fuel used in boats and refund laws. Virginia reported that the fuel was taxable however refundable to the end user.

## **New Projects for 2012?**

Asked for suggestions for the Compliance Sub-Committee to work on in 2012.

Additional research will be done regarding current fuel tax evasion schemes.

## **Open Discussion**

Discussion regarding taxing/fee on electric vehicles. North Carolina and Nebraska both reported that they have a fee on electric vehicles. A list serv question will be sent out asking if states either have existing laws or are introducing laws regarding taxing/fees on electric vehicles.

States were asked if they were doing any testing for sulfur content. States present were not aware of sulfur testing in their states.

A Midwestern state shared information with several other Midwestern states recently when they identified a fraudulent motor fuel refund request. The refund involved a mother and son providing fake SSN's and FEIN's along with fake receipts to support their request. It was reported that fraudulent claims were made in at least two additional states and one of the states has filed felony charges.

Also mentioned was a criminal case regarding phony documents for racing fuel.

## **Next Meeting**

June 1, 2012 in San Antonio, TX

Cindy Mongold, State Co-Chair, State of Kansas  
Rae Takai, Industry Co-Chair, Shell Oil Products (unable to attend)