

# The Uniformer

## **MESSAGE FROM THE NATIONAL CHAIR ROSEMARY CLEARY**

It is a true pleasure to be writing my first article for the Uniformer as the Motor Fuel Tax Section National Chair. I am honored to have been elected to this position in Helena, Montana and when I look at the list of previous chairs I know that I have some big shoes to fill!

This is a time of uncertainty for government and industry. All across the country there are talks about more furlough days, layoffs, pay reductions, moving jobs overseas, etc. It is hard to stay focused and positive in such an environment but I hope that we, as members of the Motor Fuel Tax Section, can continue to do so. In my current position at the State of Connecticut Department of Revenue Services I am responsible for the administration of over twenty different tax types, ranging from fuel taxes to Inheritance taxes. With all of these various taxes, there is nothing comparable in any other tax type to the way the administrators of the fuel taxes work together to solve problems, make things as easy as possible for each other to do their job, and show their respect for one another. It makes me proud to be the National Chair and I really hope that this can continue in this tough economy. Even if many members can no longer meet face to face due to travel bans, I believe that we can keep the cooperation and camaraderie alive and continue to work together.

I would like to thank the people who have already agreed to help me in my position in the coming year. Sharon Gostovich from the Wyoming DOT has volunteered to be the State Co-Chair for the Uniformity Committee. I really appreciated this because I understand how difficult it is to get senior management to agree to allow you to take time away from your state job to do something like this. Bob Donnellan from Global Companies LLC has agreed to continue on as the Industry Co-Chair of this committee. I know how dedicated Bob is to this group and I look forward to working with him throughout the year. (Yes Bob, I really said that!) I also want to thank the chairs of the Uniformity Subcommittees. When I contacted them they all graciously agreed to continue in their positions and I am grateful for their commitment and their expertise.

One of the issues that was discussed in Helena at the Annual Meeting was virtual audits. A suggestion was made to develop a white paper discussing the standards government and industry would like to see as well as what questions and expectations there are.

The Compliance Subcommittee has volunteered to take this on and I am looking forward to seeing their final project. I am sure they will be looking for a lot of input so if you have any experience with virtual audits please share it with us as we work on the white paper.

Connecticut is just starting to make virtual audits mandatory and we would be happy to learn about other jurisdictions' successes and failures as well as what industry thinks about this subject.

In closing, I would like to give you my email address:

([Rosemary.Cleary@po.state.ct.us](mailto:Rosemary.Cleary@po.state.ct.us)) as well as my telephone number (860-541-3226).

Please contact me at any time if there are any issues you would like this group to address or if you have any suggestions of things we can do to make the Motor Fuel Tax Section better. I look forward to working with all of you!

## **MESSAGE FROM THE UNIFORMITY COMMITTEE STATE CO-CHAIR SHARON GOSTOVICH**

Happy New Year! Best wishes for a peaceful and healthy 2011. As the new State Uniformity Co-Chair, I am looking forward to working with all of you.

As we look back at 2010, it's easy to remember the disasters and failures, but there were great feel-good stories, too. In spite of all the technology we have learned to depend upon, there was a great story about Buddy, the German shepherd, who didn't need a GPS system when his owner asked him to get help. He found the rescuers and led them back to his owners to help save their home from the fire that had already destroyed their workshop. The GPS systems the rescuers were using were unable to locate

the property. Even though Buddy was presented with a silver-plated dog dish, I'm sure the real reward for him was the "good dog" praise he received from everyone.

All the people who spent so many hours working for the Uniformity Project to continue to improve forms, definitions, and electronic filing standards are the feel-good story for Uniformity and deserve our praise and appreciation. Lots of good work was done in spite of the tough economy and tight budgets. Thank you for all the hard work.

**MESSAGE FROM  
MAL BRUCE  
Fuel Tax Council (FTC)**

The Fuel Tax Council (FTC) held its semi-annual meetings in Edmonton, Alberta on October 26 and 27. Once again we were pleased with the attendance from both government and industry.

Below are some of the highlights of our current projects and initiatives:

**Website Upgrade**

Documents to be included on the new website were discussed. Many of the FTC's documents will be placed in a secure password protected area for access by members only. Documents to be added to the new website will include detailed contact information, standards, guidelines, meeting agendas, meeting minutes, and training materials. Authorized users will be able to review, print or download the documents stored in the secure area. The new

website is expected to be available in January, 2011.

**Sub-Committee Representative System**

The FTC is considering a representative system for our four standing sub-committees. Currently FTC members are recruited or volunteer to participate on a sub-committee. Under the proposed representative system each jurisdiction and industry member organization appoints a person as their representative for each of our four standing sub-committees. The purpose of this proposal to increase involvement and improve communication on projects.

**Training**

The two training courses, "Basic Fuel Tax Training" and "Fuel Tax Field Audit Training" held in 2010 were both very successful with attendance near capacity for both courses. Our next course is "Auditing Electronic Records" scheduled for May 3-6, 2011. The Training Sub-Committee has moved the desk audit training module from the basic course to the newly named "Fuel Tax Audit Training" course (formerly "Fuel Tax Field Audit Training"). Darren Weiner (Canada Revenue Agency) was appointed as the new government co-chair of the Training Sub-Committee.

**Glossary of Terms and Definitions**

The revisions to the "Glossary of Terms and Definitions" was completed and has been distributed to members for final comments before it is put forward to the Steering Committee for a vote on adoption.

**Dye Injector Specifications**

The FTC adopted the revised "Fuel Dye Injector System – Recommended Minimum Specifications and Operating Requirements." This document is used by jurisdictions to develop their specifications for controlling fuel dye injectors.

**Other Projects and Initiatives**

Various other projects and initiatives currently in progress are:

EDP Audit Binders for each major fuel tax collectors (to be developed with cooperation with industry members)

Audit best practices, common audit programs and "Joint Audit Protocol" template

Inventory losses review – government/industry issues

Audit and enforcement binder review and update

Revisions to electronic reporting standards

Our next meetings are scheduled for Halifax, Nova Scotia from May 10 and 11, 2011.

If you are a government employee working in fuel tax administration or someone who works for an organization directly involved in the distribution of fuel and you are interested in attending our meetings, or you would simply like more information on the FTC, please contact me at:

[malcolm.bruce@fueltaxcouncil.com](mailto:malcolm.bruce@fueltaxcouncil.com).

## **UNIFORMITY COMMITTEE**

### **Minutes**

The FTA Motor Fuel Tax Section Uniformity Committee met at the Great Northern Hotel in Helena, Montana on September 11, 2010. Marcia Lechner, (NE) Uniformity State Chair called the meeting to order. Forty-four (44) were in attendance. (See attached list of attendees)

### **Minutes**

The minutes of the April 2010 Uniformity Committee meeting in Oklahoma City were approved.

## **SUBCOMMITTEE REPORTS**

The **Compliance Subcommittee** Jeremy Neeck (MN) reported there were twenty-eight (28) in attendance. The committee discussed:

### **Training**

Advanced Fraud Class was held January 24-28, 2010 in Austin, Texas. There were 18 in attendance.

Basic Training Class was held August 1-5, 2010 in Portsmouth, Virginia. There were 16 in attendance.

Advanced Training Class held August 22-26, 2010 in Savannah, Georgia. There were 12 in attendance.

### **Training Schedule for 2011**

Since attendance has been low, FTA will not be offering any classes in 2011 unless it is sponsored by a State or Industry.

### **Dyed Diesel Stats**

The dyed fuel statistics for 2009 and 2010 were compared. Numbers have been somewhat down for 2010, but as a percentage overall they are on target with last year.

### **Old Projects**

Electric Vehicles how do we tax them. NE requires a annual permit of \$75.00

Dyed fuel use in Canadian vehicles coming into the USA

G Diesel LNG (enriched diesel)

### **New Projects**

Automotive Manufacturers being licensed to pay tax on the fuel in new cars shipped into the State for sale.

Bio Diesel made from corn, is it red in color?

New York exemption certificates changing to summary

The **Electronic Commerce Subcommittee** Traci Bullock (SD) reported there were thirty-six (36) in attendance. The subcommittee discussed the following:

### **ExSTARS User Group**

Update on the 4030 Data Review Analysis was discussed. The majority of the files continue to be 826's. Kansas showed a 8% increase in 813 files since April 2010sd and Mississippi showed an increase of 813 files

### **EC Survey**

Reviewed the EC survey that will be sent out October 2010.

Question 10 will be expanded to ask about export data.

### **ExSTARS Update**

The new Publication 3536 EDI guide will be handed out at the Annual meeting next week. There is still no change regarding the EIA codes.

### **XML Schema**

Utah and South Dakota are using XML. New Mexico will begin in December 2010.

### **Product ID numbers**

The Committee discussed the possibility of adding an EDI segment for railcar number, invoice number, etc as another way of tracking other than BOL.

### **Crosswalk (FTA and STCC Codes)**

The Committee discussed the possibility of developing a crosswalk from FTA and STCC Codes to help in the tracking of petroleum products by rail.

### **Volunteers**

The Committee discussed how to recruit new volunteers to participate on the subcommittee.

**Approved by the Full Committee**

***EDI Guide***

**DLR** for the jet fuel dealers

### **The Forms Management**

**Subcommittee** Lee Gonzalez (FL) reported that this committee met with Electronic Commerce. There were thirty-six (36) in attendance. The subcommittee discussed the following:

**E-mail address to all forms in Uniformity Guide**

The committee discussed adding a line for e-mail address on all the forms.

**Product Code**

Utah has requested a product code for Lube Oil. Discussion was to check with the IRS to see if they have a code already assigned. If the IRS has not assigned a number, 961 will be issued.

**Crosswalk (FTA and STCC Codes)**

The Committee discussed the possibility of developing a crosswalk from FTA and STCC Codes to help in the tracking of petroleum products by rail.

**Volunteers**

The Committee discussed how to recruit new volunteers to participate on the subcommittee.

**Approved by the Full Committee****Schedule Codes**

12A Gallons of tax-paid product sold or used below the terminal rack

12B Gallons of ex-tax product sold or used below the terminal rack

12C Gallons of ending physical inventory of product below the terminal rack

**Uniformity Booklet Update**

**E-mail address** will be added to the face of each return.

**The Communication and Coordination Subcommittee**

Christy Dixon (OK) reported that twenty-six (26) were in attendance. The subcommittee discussed the following and the September 2010 *Uniformer* was passed out.

**Annual Booklet that contains**

State Contact Information, Reference to Statutes and Rules, State Point of Taxation State Tax Rates, Rate Updates, Collection Allowance, Alternative Fuel, Diversions, Taxability & Tax rates for Biodiesel and Ethanol

**Definitions**

Document Number, Racing Fuel, Manifest, Voyage Number (finalized)

**Uniform Bill of Lading Project**

The committee will gather further information from the states for discussion in January.

**Native American Survey Update**

The committee will start the process to update this booklet

**MOU Update**

The committee will work on a draft MOU for States to sign.

**Approved by the Full Committee****Definitions**

**Voyage Number** – is a manifest number or document number in the mariner time industry.

**Other Business**

Bob Donnellan and Marcia Lechner gave out certificates of appreciation to Cindy Mongold, KS for all her hard work on the

forms update along with the Uniformity Chairs:

**Compliance**

Jeremy Neeck, Minnesota  
Sharon Templin, Shell

**Communication/Coordination**

Christy Dixon, Oklahoma  
Deborah Compton, ExxonMobil

**Electronic Commerce**

Traci Bullock, South Carolina  
Gene Holland, ConocoPhillips

**Forms**

Lee Gonzalez, Florida  
Scott Louie, Chevron

**New Business**

Bob Donnellan wanted to **THANK** Marcia Lechner for all her hard work as the Uniformity Co-Chair. Marcia's term as Uniformity Co-Chair has ended and Sharon Gostovich with Wyoming has accepted the position. **THANKS MARCIA!!!!**

**Next Meeting**

The next Uniformity Committee meetings are scheduled as follows:

January 25-26, 2011 – Austin, Texas

April 27-28, 2011 – Oklahoma City, OK

The meeting was adjourned.

**UPCOMING MEETINGS**  
**2011****Uniformity Meetings**

January 26-27, 2011  
Austin, Texas

April 27-28, 2011  
Oklahoma City, Oklahoma

September 16-17, 2011

Charleston, West Virginia

**Regional Meetings**

Pacific Region  
April 10-12, 2011  
Boise, Idaho

Northeastern Region  
May 22-24, 2011  
Hartford, Connecticut

Southern Region  
June 19-21, 2011  
Nashville, Tennessee

Midwestern Region  
TBA, State of Missouri

**FTA Motor Fuel Tax  
Training Courses**

**NO** Classes are scheduled for 2011 because of low attendance. If a State or Industry would like to sponsor a class, please contact Cindy Anders-Robb with FTA at [cindy.anders-robb@taxadmin.org](mailto:cindy.anders-robb@taxadmin.org)

**UPCOMING MEETINGS**  
**2012**

**Uniformity Meetings**  
January 27-28, 2012  
Portsmouth, Virginia

**Editor**  
Cindy Anders-Robb  
(307) 632-4144  
[cindy.anders-robb@taxadmin.org](mailto:cindy.anders-robb@taxadmin.org)