

FTA MOTOR FUEL UNIFORMITY COMMITTEE

Glendale, Arizona

January 19, 2008

Minutes

The FTA Motor Fuel Tax Section Uniformity Committee met at the Renaissance Glendale in Glendale, Arizona on January 19, 2008. George Higdon (MS), Uniformity State Co-Chair called the meeting to order. Forty-seven (47) were in attendance. (See attached list of attendees)

Minutes

The minutes of the September 2007 Uniformity Committee meeting in Baton Rouge, Louisiana were approved.

Presentation

Sherri Alston, Mike Dougherty and consultant Ben Perez gave a representation on the FHWA new website for State Administrators. Sherri Alston also announced a Motor Fuel Tax Evasion Research and Technology Forum to be held on March 4-5 in Dallas, Texas. More information on this forum will be coming.

Uniformity Chairs

State Co-Chair George Higdon – State of Mississippi
Industry Co-Chair Bob Donnellan – Global Companies

Subcommittee Chairs

Compliance Subcommittee

State Co-Chair Wilda Ice – State of West Virginia
Industry Co-Chair Sharon Templin – Shell Oil

Communication and Coordination Subcommittee

State Co-Chair Christy Dixon – State of Oklahoma
Industry Co-Chair Ron Travis -- ExxonMobil

Electronic Commerce Subcommittee

State Co-Chair Darrell Wissink – State of Nebraska
Industry Co-Chair Gene Holland, ConocoPhillips

Forms Management Subcommittee

State Co-Chair Matt Hotchkiss – State of New Hampshire
Industry Co-Chair Brian Serafino – Chevron/Texaco

Subcommittee Reports

The Compliance Subcommittee Wilda Ice (WV) reported there were twenty-five (25) in attendance. The compliance sub-committee had a guest speaker from Gilbarco Veeder-Root. Mr. Veeder-Root explained how the system, which was designed for EPA compliance, can be used to verify inventory at retail stations. The committee discussed the following:

- Railroad Issues
- Alcohol and biodiesel producer reports
- Inland Waterway movement of fuel
- Monitor the Energy Bill

(See the minutes of this subcommittee for more details)

The **Electronic Commerce Subcommittee** Darrell Wissink (NE) reported there were twenty-four (24) in attendance. The subcommittee discussed the following:

- Industry raised several issues regarding EDI procedures
 - Spreadsheet filing in lieu of EDI
 - Requirement that return is approved by state prior to making payment
 - Establish a sub-group to suggest guidelines for EDI testing
 - Mandates vs. non-mandates
 - Florida 4030 beta testing phased mandate
- State to State information exchange
- EDI/EC Survey
- Approved KY EDI Guide with footnotes
- XML Schema update
- ExSTARS Update

(See the minutes of this subcommittee for more details)

FULL COMMITTEE APPROVED

Approved Kentucky's EDI Guide

The **Forms Management Subcommittee** Herman Wisneski (MN) reported that this committee met with Electronic Commerce. There were twenty-four (24) in attendance. The subcommittee discussed the following:

- Product Codes
 - Racing Gas (MI)
 - Sales to Indiana tribes-fees exempt (ID)
 - Alcohol enhanced gasoline not 90/10 mixture
- Forms approved request
 - New York still working on them
 - Arizona still working on them
- Canadian/FTA product code comparison
- Railroad STCC and FTA product codes
- IRS request for product codes
 - Agri biodiesel
 - Non agri biodiesel
- Development of forms for:
 - Blenders return
 - Alcohol-Biodiesel Manufacturers/Producers information return

(See the minutes of this subcommittee for more details)

FULL COMMITTEE APPROVED

5Z – Gallons sold for Racing Use-tax collected
 6Z – Gallons sold for Racing Use-tax not collected
 13L – Credit for gallons sold for Racing Use-tax collected
 10U – Gallons delivered fees-exempt

10T be renamed to “Gallons delivered to Indian Tribes” from “Indian Tribe Use”

The **Communication and Coordination Subcommittee** Christy Dixon (OK) reported that nineteen (19) were in attendance. The subcommittee discussed the following and the January 2008 *Uniformer* was passed out. (See minutes for the publication)

- Checklist for Natural/National Disasters
- White paper/issue paper on ethanol
- Definition:
 - Jurisdiction
 - Points of Taxations
 - Producer/Manufacturer
- Bill of lading project
- Document for the Model Legislation for two party exchange

(See the minutes of this subcommittee for more details)

FULL COMMITTEE APPROVED

Producer/Manufacturer – Any person who produces, refines, prepares, blends, distills, manufacturers or compounds accountable product/motor fuel. (See “accountable product/motor fuel”)

Revised Definition for Distributor

Distributor – A person who transports motor fuel into a state (imports) or exports motor fuel out-of-state; or who is engaged in distribution of motor fuel primarily by tank car or tank truck, or both; and who operates a bulk plant where he has active motor fuel bulk storage (capacity may be specified by individual state). May also include a person who produces, refines, blends, compounds, or manufacturers motor fuel. It does not, however, include a person who receives or transports into this state and sells or uses motor fuel under such circumstances as preclude the collection of the tax herein imposed, by reason of the provisions of the Constitution and Statutes of the United States. However, a person operating a motor vehicle into the state, may transport motor fuel in the ordinary fuel tank attached to the motor fuel vehicle, and use the fuel for the operation of the motor vehicle without being considered a distributor).

White Papers on “Bio Diesel” and “Alcohol”

These two white papers will be added to the Uniformity Booklet.
The Uniformity Booklet will have a section added that will be called “White Paper Documents”.

Canadian Update Charles Greenough with the Canadian Fuel Tax Council reported that the Council created and passed By Laws. The following are the newly elected Chairs:

Fuel Tax Council

Chair – Andre Brisebois

Advisory Committee

Doug Lambert – Government Co-Chair

Brian Cooke – Industry Co-Chair

Communications and Transition Subcommittee

Bruce Mitchell – Government Co-Chair

Brian Cooke – Industry Co-Chair

Uniform Reporting Subcommittee

Pat Marshall – Government Co-Chair

Lori Burrows/Linda Branson – Industry Co-Chair

Training Subcommittee

Brian Warbey – Government Co-Chair

Rob Tersigni – Industry Co-Chair

Audit and Enforcement Subcommittee

Pat Parkinson – Government Co-Chair

Terry Hing – Government Co-Chair

Old/New Business

Marc Papandrea (CT) passed out a survey on different events to attend on the Saturday night of Uniformity at the Annual Meeting.

Cindy Anders-Robb requested that all minutes from this meeting and the agenda for the June meeting be submitted to her no later than February 22, 2008.

Next Meeting

The next Uniformity Committee meetings are scheduled as follows:

May 30-31, 2008 – Jackson, Wyoming

September 19-20, 2008 – Hartford, Connecticut

January 9-10, 2009 – Seattle, Washington

The meeting was adjourned.