

FOR VOTE BY DECEMBER 20, 2010



**IFTA FULL TRACK FINAL BALLOT PROPOSAL
#01-2010**

Sponsor

IFTA Agreement Procedures Committee

Date Submitted

March 26, 2010

Proposed Effective Date

July 1, 2011

Manual Sections to be Amended (January 1996 Version, Effective July 1, 1998, as revised)

IFTA Procedures Manual Section P1100

Subject

Annual reporting of data and data captured shall be consistent among jurisdictions.

History/Digest

Each year jurisdictions are required to provide data to IFTA, Inc. with regard to that year's number of IFTA accounts, IFTA audits, revocations, reinstatements, and decals issued. The goal of this ballot is to make the required data captured of use to other jurisdictions, and to ensure that all jurisdictions are providing the same data from their respective jurisdictions.

Intent

The intent of this ballot is to amend the IFTA Procedures Manual to provide jurisdictions with a clearer definition of the information that must be included in the IFTA annual report.

1 **Interlining Indicates Deletion; Underlining Indicates Addition**

2
3 ***P1110 ANNUAL REPORTING**

4
5 **.100 Reporting Requirement**

6
7 All jurisdictions which are members under this Agreement shall submit an annual report by
8 March 1 for the preceding calendar year to the repository for distribution to each member
9 jurisdiction.

10
11 **.200 Reporting Period**

12
13 The report shall be for the period beginning with the date of membership through December
14 31 and for each calendar year thereafter.

15
16 **.300 Required Information**

17 Content of the annual report to member jurisdictions shall include:

18
19
20 .005 Number of total IFTA accounts (this includes new accounts, active accounts and
21 accounts that were suspended, revoked or canceled during the year), which shall
22 consist of all licensees that are issued an IFTA license and decals for a licensing year
23 excluding licensees who were issued credentials in error and returned those
24 credentials to the base jurisdiction;

25
26 .010 Number of accounts cancelled and suspended/revoked;

27
28 .015 Number of accounts audited;

29
30 .020 Number of accounts audited with assessment;

31
32 .025 Number of new licensees which shall consist of all new accounts licensed, but
33 does not include licensees renewed or reinstated, for the registration year being
34 reported or previously registered in another member jurisdiction; and

35
36 .030 ~~Unusual activities within a member jurisdiction that could affect an audit.~~

37
38 .30 Number of sets of decals issued;

39
40 .35 Price per set of decals; and

41
42 .40 Application fee amounts, including license fees, reinstatement fees, and other fees.
43
44

NO REVISIONS FOLLOWING THE SECOND COMMENT PERIOD

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 1-2010
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
ALABAMA	1		1	
ALBERTA	1		1	
ARIZONA	1		1	
ARKANSAS	1		1	
BRITISH COLUMBIA	1		1	
CALIFORNIA	1		1	
COLORADO	1		1	
CONNECTICUT		1		1
DELAWARE	1		1	
FLORIDA	1		1	
GEORGIA	1		1	
IDAHO	1		1	
ILLINOIS	1		1	
INDIANA	1		1	
IOWA	1		1	
KANSAS	1		1	
KENTUCKY	1		1	
LOUISIANA	1		1	
MAINE	1		1	
MANITOBA	1		1	
MARYLAND	1		1	
MASSACHUSETTS	1		1	
MICHIGAN	1		1	
MINNESOTA	1		1	
MISSISSIPPI	1		1	
MISSOURI	1		1	
MONTANA	1		1	
NEBRASKA	1		1	
NEVADA	1		1	
NEW BRUNSWICK	1		1	
NEW HAMPSHIRE		1		1
NEW JERSEY	1		1	
NEW MEXICO	1		1	
NEW YORK	1		1	
NEWFOUNDLAND	1		1	
NORTH CAROLINA				
NORTH DAKOTA	1		1	
NOVA SCOTIA	1		1	
OHIO		1		1
OKLAHOMA	1		1	
ONTARIO	1		1	
OREGON	1		1	
PENNSYLVANIA	1		1	
PRINCE EDWARD ISLAND	1		1	
QUEBEC	1		1	
RHODE ISLAND	1		1	

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 1-2010
VOTING RESULTS**

SASKATCHEWAN	1		1	
JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
SOUTH CAROLINA	1		1	
SOUTH DAKOTA	1		1	
TENNESSEE	1		1	
TEXAS	1		1	
UTAH		1		1
VERMONT	1		1	
VIRGINIA	1		1	
WASHINGTON	1		1	
WEST VIRGINIA	1		1	
WISCONSIN	1		1	
WYOMING	1		1	
TOTALS	53	4	53	4

Bold font in the voting total columns and shading indicate that the jurisdiction did not vote.

Failure to vote for the ballot language counts as a "No" vote.

Failure to vote for the alternative effective date counts as a "No" vote.

Number of "YES" votes necessary to pass: 44

Effective Date: July 1, 2011

LANGUAGE:

NUMBER OF "YES" VOTES RECEIVED: **53**

NUMBER OF "NO" VOTES RECEIVED: **4**

NUMBER OF VOTES NOT RECEIVED: **1**

RESULT: PASSED

ALTERNATIVE EFFECTIVE DATE:

NUMBER OF "YES" VOTES RECEIVED: **53**

NUMBER OF "NO" VOTES RECEIVED: **4**

NUMBER OF VOTES NOT RECEIVED: **1**

RESULT: PASSED

Ballot Intent:

The intent of this ballot is to amend the IFTA Procedures Manual to provide jurisdictions with a clearer definition of the information that must be included in the IFTA annual report.

FTPBP #1-2010
First Comment Period Ending May 20, 2010

SUMMARY

39 Comments

Support: 17

Oppose: 14

Undecided: 8

ALABAMA

Undecided

Alabama supports the additions to P1110.300; however, we do not understand the reason for removing the "number of cancellations and suspensions/revocations" from the report.

ALBERTA

Undecided

Does not understand why the requirement for the number of cancellations and suspensions/revocations is to be removed.

ARIZONA

Support

Audit Committee

Not applicable to the Audit Committee

BRITISH COLUMBIA

Oppose

BC does not support this ballot as written. BC supports the additions but not the deletion of the "number of cancellations and suspensions/revocations" being proposed. BC believes this information is a good indicator of jurisdiction's compliance efforts regarding their IFTA carriers.

CALIFORNIA

Support

California IFTA staff supports this ballot. There appears to be an extra "and" at the end of the proposed P1110.300.200.

COLORADO

Undecided

It is important that all jurisdictions report the number of accounts consistently. However, it does not seem like it would add much value to count accounts that were issued a license and decal, and then cancel the account within days or weeks. These types of accounts could increase the number of accounts that need to be audited if counted under this ballot.

CONNECTICUT

Oppose

As stated by other members, we do not believe that eliminating the requirement to report on the number of cancellations, suspensions, and revocations is wise. Also, some of the proposed elements to be reported (as drafted, P1110.300.040) fall under jurisdictional law and thus are strictly jurisdictional issues and not under the purview of IFTA.

GEORGIA

Support

Georgia supports the effort to make the requirements of the annual report clearer.

IDAHO

Support

Idaho supports this ballot. This ballot should not require any additional reporting requirements for jurisdictions.

ILLINOIS

Oppose

This changes nothing.

.010 in the same section currently requires this information.

Why is a "clearer definition" necessary?

Were there compliance findings?

IOWA

Oppose

KANSAS

Undecided

Kansas could support this ballot but would like to ask to have .020 modified and remove the following: 020 Number of new licensees which shall consist of all new accounts licensed, but does not include licensees renewed or reinstated, for the registration year being reported or ~~previously registered in another member jurisdiction~~; and

We find it impossible to track carriers that have been licensed in another jurisdiction and keep them out of our new license count.

MAINE

Oppose

Maine opposes removing the requirement to report the number of accounts that were suspended, revoked, or cancelled during the year. In our opinion, this is important information for determining whether a jurisdiction is carrying out agreement requirements.

MANITOBA

Oppose

We agree with Alberta and Colorado's comments. We agree that the required information on the Annual Report needs to be clarified, but we don't think the proposed wording accomplishes that.

MASSACHUSETTS

Oppose

MA is not sure that dropping the number of cancellations, suspensions and revocations is a good idea.

Agrees with Maine's comments.

MICHIGAN

Oppose

We oppose removing the language of current .010.

We approve of the concept of clarifying .005 but believe the amendatory language and its placement in the sentence is not as clear as it could be.

MINNESOTA

Oppose

The proposal changes conflict with the intent to clarify the annual report information. Upon review of the new language Minnesota is uncertain the new language will provide a clearer definition and adding value to the annual report data. The new language does not seem to clarify or enhance the data reported and raises further questions. The number of IFTA licensee cancellations, suspensions and revocations is important historical and statistical data and we see no reason to remove. .300.040 Application fee amounts, including license fees, reinstatement fees, and other fees. Please explain. The "other fees" and "please explain" language begs the question, What other fees are we reporting and what are we explaining?

MISSISSIPPI

Support

MISSOURI

Support

MONTANA

Support

NEBRASKA

Undecided

Nebraska is undecided. While we agree that changes to .300 may help clarify what is meant by IFTA accounts, we are unsure for the need to delete .010 - the section that requires the reporting of cancellations and suspensions/ revocations. We also have no problem with the addition of sections .030, .035 - but note that we already provide decal information on the annual report.

NEVADA

Support

Nevada supports passage of this ballot, which will ensure jurisdictions are reporting identically and enable easier comparison for statistical purposes.

NEW BRUNSWICK

Oppose

New Brunswick opposes this ballot in its current form. We feel there is a need to keep the suspended, revoked and cancelled numbers as a separate figure. We would recommend keeping the "old" 0.10 provision along with the new added ones.

NEW HAMPSHIRE

Oppose

NEW JERSEY

Support

NEW MEXICO

Support

NORTH DAKOTA

Support

NOVA SCOTIA

Support

OHIO

Oppose

ONTARIO

Support

Ontario would be in support of the ballot but only with modifications to the proposed wording. The Annual Report includes jurisdictional decal details, yet this information is not a requirement under the current Procedures Manual. Ontario is in favour of codifying what has been accepted practice by adding the additional language proposed for .025 – .040. The removal of the requirement to report on the number of cancellations and suspensions/revocations seems to be contrary to the intent of the ballot. To do so would not add clarity but could artificially inflate the number of accounts registered to a base jurisdiction. We consider the requirement currently in .010 must be retained. We agree with the comment made by Kansas and would like to see the phrase referring to licensees "previously registered in another member jurisdiction" removed from .020. There is considerable difficulty in identifying such licensees, and in our view, the information is not helpful.

PENNSYLVANIA

Support

PRINCE EDWARD ISLAND

Oppose

We agree with Maine's comments. The number of cancellations and suspensions/ revocations should be reported.

QUEBEC

Undecided

Quebec is undecided. We agree that changes to .300 is needed to clarify the information, we are neutral to .010, we ask to modify .020 since we have no way knowing this information. We have no problem with the addition of sections .030 and .035

SASKATCHEWAN

Undecided

We are uncertain how the changes to .05 and .10 make the report more useful to the jurisdictions. Perhaps this could be further explained in the history and intent sections. We support the new sections .30, .35 & .40. This, along with the current .10, is valuable information for comparing our respective programs.

As most of the annual report is statistical (numbers), suggest that .25 be moved to the Audit Report section.

Stakeholders

American Trucking Associations
Robert Pitcher

No position.

TEXAS

Support

Support ballot, however, the number of cancellations and suspensions/revocations should continue to be reported as a separate category to show the jurisdiction's compliance with the Agreement.

UTAH

Undecided

Utah is undecided on this ballot. It is unclear as to the benefit the changes will have on the overall data reported.

VERMONT

Support

VIRGINIA

Oppose

Virginia cannot support this ballot as drafted.

Virginia does not believe the proposed change in .005 adds clarification. Rather than modifying this language one might consider providing clarification within the collection instrument used to capture this information.

Virginia prefers not to have .010 removed.

Virginia is okay with the additions in .030 and .035.

In .040 Virginia feels the "Please explain." language is inappropriate language to add to the governing documents. The collection instrument used to capture this information can prompt the jurisdiction to provide explanation.

WEST VIRGINIA

Support

FTPBP #1-2010
Second Comment Period Ending September 27, 2010

SUMMARY

45 Comments

Support: 36

Oppose: 3

Undecided: 5

ALABAMA

Undecided

We still maintain that in order to have accurate data, the number of accounts cancelled should be reported separately from the number of accounts suspended/revoked.

ALBERTA

Support

BRITISH COLUMBIA

Support

CALIFORNIA

Support

COLORADO

Support

Colorado generally supports this ballot, but has concerns about consistency in counting the accounts cancelled or suspended. A single account can cancel or suspend multiple times in one year and it is not clear how this would be counted.

CONNECTICUT

Oppose

We do not support this ballot. Section P1110 of the Procedures Manual places a requirement upon member jurisdictions to submit an Annual Report for the benefit of the fellow member jurisdictions. The proposed requirement to report decal prices and other fees that are subject to jurisdictional laws does not affect the jurisdiction to jurisdiction relationship. The reporting of these fees affects licensees, but only those licensees based in the reporting jurisdiction. The posted fees affect no other jurisdiction nor the carriers based outside of the reporting jurisdiction.

GEORGIA

Undecided

IDAHO

Support

ILLINOIS

Support

INDIANA
Support

KANSAS
Support

KENTUCKY
Support

Fully providing definitions as to what information is required to be reported would allow each jurisdiction to track and report data accurately and consistently.

LOUISIANA
Support

MAINE
Support

MANITOBA
Support

MARYLAND
Support

MASSACHUSETTS
Support

MINNESOTA
Undecided

Minnesota has concerns regarding the uniformity in counting the accounts cancelled, suspended or revoked. A single account can cancel, suspend or revoke multiple times in one year. The proposal lacks detail on how and when the count should be taken. Have we considered compiling this data from the clearinghouse demographic data?

MISSISSIPPI
Support

MISSOURI
Support

Missouri supports.

MONTANA
Support

NEBRASKA
Support

NEVADA

Support

Nevada supports this ballot, which will ensure jurisdictions are reporting identically and enable easier comparison for statistical purposes.

NEW BRUNSWICK

Support

New Brunswick supports this ballot. The changes made after the 1st comment period and the ABM are acceptable.

NEW HAMPSHIRE

Support

NEW JERSEY

Support

NEW YORK

Support

Enactment of this ballot will facilitate comparisons among different IFTA jurisdictions on several data items (e.g. # of IFTA accounts, #of decals issued, # of audits)

NORTH DAKOTA

Undecided

NOVA SCOTIA

Support

OHIO

Oppose

Agree with Connecticut & Maine.

OKLAHOMA

Support

ONTARIO

Supportt

If successful, this ballot will help to add greater clarity and potentially increased value to annual jurisdictional reporting. The inclusion of decal costs and fees certainly enhances overall transparency. We believe the additional data provided could be of benefit not only to IFTA licensees but to all member jurisdictions as well.

OREGON

Support

PENNSYLVANIA

Support

Pennsylvania supports consistent reporting of data among participating jurisdictions.

PRINCE EDWARD ISLAND

Support

QUEBEC

Support

SASKATCHEWAN

Support

Support the ballot but would suggest the following small changes such as:

.005 - Instead of "Number of total IFTA accounts" , should read *Total number of IFTA accounts*

.025 - remove the word "and" at the end of the paragraph

TENNESSEE

Support

TEXAS

Support

UTAH

Oppose

Utah is opposed to this ballot.

The changes made to clarify the Account information are understandable and we have no objection to these changes.

The addition of the requirement for the number of sets of decals issued, the price of the set of decals and any application fee amounts is not needed on an annual report. While it would be easy to add this information, we do not see the need.

VIRGINIA

Support

WASHINGTON

Support

Washington supports this ballot.

WEST VIRGINIA

Undecided

This information will have to come from GenTax, so the system will have to be configured to provide the information.

WISCONSIN

Support

The clarifications in .005, .010, and .015 may make clearer the number of annual audits a jurisdiction must complete. The additions of .30, .35, and .40 may reduce the time required to respond to a few future e-mail surveys. Support.

Stakeholders

ATA

No position.

FOR VOTE BY DECEMBER 20, 2010



**IFTA FULL TRACK FINAL BALLOT PROPOSAL
#02-2010**

Sponsor

Jurisdiction of Indiana

Date Submitted

March 26, 2010

Proposed Effective Date

July 1, 2013

Manual Sections to be Amended

(January 1996 Version, Effective July 1, 1998, as revised)

IFTA Articles of Agreement

R1200 ASSESSMENT AND COLLECTION
*R1230.100 U.S. Jurisdiction Interest Rate

Subject

An amendment of the U.S. Jurisdiction interest rate.

History/Digest

The worldwide economic downturn has had a particularly harmful effect on the trucking industry. The IFTA Articles of Agreement currently enforces an accrual of a one (1) percent per month rate of interest on delinquent tax payments. While not usurious, this can certainly have a crippling effect on an already struggling trucking operation and the industry as a whole.

In order to better adapt to changes in the economy, the Sponsors suggest that the interest rate for U.S. based fleets be changed to a rate that is adjusted annually, so that it can fluctuate and more fairly reflect what is happening with the economy. The Sponsors believe the best way to do that is to amend R1230.100 so that it ties the interest rate used for IFTA fuel taxes to the interest rate established by Section 6621 of the Internal Revenue Code. The IRS's underpayment rate is adjusted regularly to reflect changes in the economic climate, and it is already rounded to the nearest whole number. Many United State jurisdictions already make reference in their statutes to this underpayment rate. Further, the revised R1230.100 cites to IRC 6621(a)(2) specifically, so as not to confuse it with any other underpayment rates later established in the regulation regarding large corporations.

Indiana suggests that the rate of interest for U.S. based fleets be two (2) percent greater than the underpayment rate as established on an annual basis every January 1. Already, the Articles of Agreement establishes that the rate of interest for Canadian Province based fleets is the "rate equal to the Canadian Federal Treasury Bill rate plus two percent and adjusted every calendar quarter." The change to

R1230.100 will harmonize the two sections, as well as create a rate of interest that is more in line with United States federal and state tax law (however, the interest rate will not be adjusted quarterly as it is under the Canadian section because it is simpler to apply a consistent rate over a year once an audit assessment has been made then to apply a different rate each quarter).

Intent

The intent of this ballot is to amend the IFTA Articles of Agreement so that the interest rate to be used on taxes due from fleets based in the U.S. will fluctuate with the changes in the economy.

Interlining Indicates Deletion; Underlining Indicates Addition

1 ARTICLES OF AGREEMENT

2

3 R1200 ASSESSMENT AND COLLECTION

4

5 ***[SECTIONS R1210 AND R1220 REMAIN UNCHANGED]***

6

7 *R1230 INTEREST

8

9 ***[SECTIONS R1230 REMAINS UNCHANGED]***

10

11 **.100 U.S. Jurisdiction Interest Rate**

12

13 For a fleet based in a U.S. jurisdiction, interest shall ~~accrue~~ be set at a an annual rate of
14 ~~one percent per month~~ two (2) percentage points above the underpayment rate
15 established under Section 6621(a)(2) of the Internal Revenue Code, adjusted on an
16 annual basis on January 1 of each year. Interest shall accrue monthly at 1/12 this annual
17 rate. The Repository shall notify Jurisdictions of the new rate by December 1.

18

19 ***[SECTIONS R1230.200 THROUGH R1230.400 REMAINS UNCHANGED]***

20

21

22

REVISIONS FOLLOWING THE SECOND COMMENT PERIOD

- ❖ Effective date moved out to July 1, 2013

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 2-2010
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
ALABAMA	1		1	
ALBERTA	1		1	
ARIZONA	1		1	
ARKANSAS	1		1	
BRITISH COLUMBIA	1		1	
CALIFORNIA	1			1
COLORADO	1		1	
CONNECTICUT		1		1
DELAWARE		1		1
FLORIDA	1		1	
GEORGIA	1		1	
IDAHO	1		1	
ILLINOIS	1		1	
INDIANA	1		1	
IOWA	1		1	
KANSAS		1	1	
KENTUCKY		1		1
LOUISIANA	1		1	
MAINE	1		1	
MANITOBA	1		1	
MARYLAND		1		1
MASSACHUSETTS		1		1
MICHIGAN		1	1	
MINNESOTA	1		1	
MISSISSIPPI	1		1	
MISSOURI	1			1
MONTANA		1		1
NEBRASKA	1		1	
NEVADA		1	1	
NEW BRUNSWICK	1		1	
NEW HAMPSHIRE	1		1	
NEW JERSEY		1		1
NEW MEXICO	1		1	
NEW YORK	1		1	
NEWFOUNDLAND	1		1	
NORTH CAROLINA	1		1	
NORTH DAKOTA	1		1	
NOVA SCOTIA	1		1	
OHIO	1		1	
OKLAHOMA	1		1	
ONTARIO	1		1	
OREGON		1		1
PENNSYLVANIA	1		1	
PRINCE EDWARD ISLAND	1		1	
QUEBEC	1		1	
RHODE ISLAND		1		1
SASKATCHEWAN	1		1	

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 2-2010
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
SOUTH CAROLINA	1		1	
SOUTH DAKOTA		1	1	
TENNESSEE	1		1	
TEXAS	1		1	
UTAH	1		1	
VERMONT	1		1	
VIRGINIA	1		1	
WASHINGTON	1		1	
WEST VIRGINIA	1		1	
WISCONSIN	1		1	
WYOMING	1		1	
TOTALS	45	13	47	11

Bold font in the voting total columns and shading indicate that the jurisdiction did not vote.

Failure to vote for the ballot language counts as a "No" vote.

Failure to vote for the alternative effective date counts as a "No" vote.

Number of "YES" votes necessary to pass: 44

Effective Date: July 1, 2013

LANGUAGE:

NUMBER OF "YES" VOTES RECEIVED: **45**

NUMBER OF "NO" VOTES RECEIVED: **13**

NUMBER OF VOTES NOT RECEIVED: **0**

RESULT: PASSED

ALTERNATIVE EFFECTIVE DATE:

NUMBER OF "YES" VOTES RECEIVED: **47**

NUMBER OF "NO" VOTES RECEIVED: **11**

NUMBER OF VOTES NOT RECEIVED: **0**

RESULT: PASSED

Ballot Intent:

The intent of this ballot is to amend the IFTA Articles of Agreement so that the interest rate to be used on taxes due from fleets based in the U.S. will fluctuate with the changes in the economy.

FTPBP #2-2010
First Comment Period Ending May 20, 2010

SUMMARY

41 Comments

Support: 15

Oppose: 18

Undecided: 8

ALABAMA

Oppose

Alabama supports the proposal to change the US jurisdiction interest rate based on the rate published by the IRS; however, we prefer that the rate be adjusted quarterly in order to be consistent with the quarterly adjustment of the Canadian interest rate.

We suggest that the US jurisdiction interest rate language in R1230.100 closely mirror the Canadian jurisdiction interest rate language in R1230.200.

ARIZONA

Oppose

Arizona opposes this ballot with the similar concerns as Nevada. ARS 28-5721 requires us to charge 1% per month. We also feel that a punitive rate encourages timely payments.

Audit Committee

Not applicable to the Audit Committee

BRITISH COLUMBIA

Support

BC supports this ballot. However, notes that the proposed variable interest rate, set annually for US jurisdictions is different than variable interest rates, set quarterly for Canadian jurisdictions.

For the sake of consistency among all jurisdictions and recognizing the speed with which economic conditions can change, BC suggests that the ballot be revised to reflect a quarterly calculation of US interest rates using similar financial instruments and timing comparable to that contained in R1230.200 for Canadian jurisdictions.

CALIFORNIA

Oppose

California IFTA staff does not support this ballot.

COLORADO

Undecided

Colorado would also have significant programming changes to implement a new interest rate. However, we understand that the interest rate is high.

CONNECTICUT

Oppose

As with others who have commented, the proposal would pose problems for those who program this jurisdiction's returns processing system. More importantly, Connecticut's statutory interest rate is 1% per month. A change would directly conflict with our statute. Several years ago, similar attempts were made to either lower the rate or require the computation based on the IRS Code. During those debates, it was opined that perhaps the interest rate ought to be viewed as similar to tax rate; accordingly each jurisdiction's statute should be observed in the calculation of interest. That appears to have been the opinion of the NCSL report issued in 1999. If we are to undertake programming changes, perhaps we should do so based on jurisdictional law.

GEORGIA

Oppose

At this time Georgia cannot support a ballot that changes the interest rate. By statute Georgia's rate is 1 % and changing it would require a legislative change.

IDAHO

Support

Idaho supports this ballot because the 1% per month interest rate is excessive in the current economic times. This 'suggested' interest rate calculation for U S members is also consistent with the interest rate calculation currently being used by our Canadian members. There will be some resistance to this change in calculating the interest rate because it will cause some computer programming changes for U S jurisdictions; and industry may oppose this change because industry likes the ease of calculating the 1% per month interest, instead of calculating a 5%, 6%, 7%, etc. annual interest rate. Idaho presented a similar ballot to the membership 5 years ago and it failed miserably, so it will be interesting to see how the membership reacts this time.

ILLINOIS

Support

We support the concept

Industry Advisory Committee

Support

Industry strongly supports a change to the interest rate requirement of 12%, and using an adjustable rate equivalent to the calculations used by the Canadian jurisdictions. The current rate is excessive and punitive. There are already provisions in place for penalty amounts to be assessed, and excessive interest rates on tax due was not intended and should not be used to impose an additional burden on the registrant. Recognizing that there will be some programming and potentially legislative changes necessary, sufficient time should be allowed for all the jurisdictions to implement the necessary changes.

IOWA

Oppose

KANSAS

Oppose

Kansas cannot support this proposed ballot at this time, as it would require major program changes to our system.

MAINE

Support

Maine supports the concept of this ballot. We would prefer to have the interest rate set prior to the year to which it would apply. We understand that the first quarter tax return is not due until April 30th, but setting the rate after the start of the year may introduce computer programming problems for some jurisdictions or vendor systems.

With respect to Oklahoma's comments regarding differential rates for corporations and individuals, while we don't see that in section 6621 (a) (2), we definitely do not want different interest rates for corporations and real people. Oklahoma's concerns need to be addressed.

The History/Digest notes that the Canadian jurisdictions already vary their interest rate quarterly. Maine prefers an annual interest rate adjustment, as there will be some difficulties working with delinquent taxpayers to calculate interest correctly.

MANITOBA

Undecided

We will support whatever the US jurisdictions decide.

MASSACHUSETTS

Oppose

MICHIGAN

Support

We support an adjustable interest rate but believe it should be tied to the prime rate or another standard rate and not to a rate in an IRS code provision that may be changed.

The timing of when the rate is to take effect should also be considered to allow for programming changes in the various jurisdictions.

MINNESOTA

Undecided

To make an informed decision and to support a major change that has the potential for major system programming modifications, Minnesota would like to have further detail on the process and how the variable interest rate works. The major questions we have: what interest rate applies? Is it monthly, quarterly, yearly, return file date, what interest rate applies to an IFTA audit based on the prior 3 year audit period, which interest rate applies for a prior years amended return. Example 2009 3rd quarter return filed May of 2010. Which interest rate applies to the interest rate set for 3rd quarter 2009 or the interest rate for May 2010. It may be helpful to understand the Canadian jurisdictions process on the administration interest rate. Minnesota

agrees with CT that we need to refer to the National Council of State Legislatures report distributed in 1999 recommendation regarding interest rate was; the interest rate should be viewed like the fuel tax rate set by each jurisdiction's statutes; accordingly each jurisdiction's statute should be observed in the calculation of interest. Minnesota would recommend further discussions then draft proposal language.

MISSISSIPPI

Oppose

Mississippi's interest rate is set at one percent per month by statute for all taxes. In addition, we followed the national Council of State Legislatures recommendation and incorporated a number of provisions of IFTA into our Interstate Motor Carrier Fuel Tax Law, including interest at one percent. This ballot would create a real problem for us if passed i.e., we would either be out of compliance with IFTA or out of compliance with state law.

MISSOURI

Support

MONTANA

Oppose

Montana cannot support this ballot at this time. In addition, it is effective upon passage & approval and it would require major changes to our system, which cannot be implemented in this time frame.

NEBRASKA

Support

Nebraska supports the concept of this ballot and agrees that interest calculations need to be addressed in IFTA, Inc. If states have problems with statutory conflicts and/or computer changes, provide enough time for an effective date to allow states to amend their statutes and make the necessary changes in their system. Nebraska agrees that if Oklahoma's comments are correct and this would create two interest rates, that is unacceptable and changes in the ballot would be necessary to specify what rate would be used for IFTA purposes.

NEVADA

Oppose

Nevada opposes this ballot. Nevada Revised Statutes (NRS) 366.395 specifies that interest will be charged at 1% per month or fraction thereof. Therefore, passage of this ballot would place Nevada out of compliance with IFTA.

NEW BRUNSWICK

Undecided

We will support whatever the US jurisdictions decide as this ballot has little or no impact on Canadian jurisdictions. However, we do believe that rates should be similar for both countries.

NEW HAMPSHIRE

Oppose

NEW JERSEY

Oppose

NEW MEXICO

Support

NEW YORK

Oppose

We do not support the ballot. This sounds too difficult to maintain since this would involve changing interest calculations on previously billed assessments.

NORTH DAKOTA

Support

We agree that the 1% is too high of an interest rate. We would rather see that the interest rate be cut to 1/2% or 1/4% for ease of computing interest on quarterlies or audits.

NOVA SCOTIA

Support

This does not affect Nova Scotia.

OHIO

Oppose

Ohio agrees with other jurisdictions that this proposal could pose program issues. Also we agree with AZ, that a punitive rate encourages timely payments.

OKLAHOMA

Undecided

The IFTA interest rate (at 12%) has, for far too long, been unacceptably high. While it is clear that government interest rates should, in addition to compensating the jurisdiction for the time value of its money, have a punitive component to prevent the jurisdiction from becoming a "de facto" lender. The punitive portion of the current rate goes well beyond that idea. We support the concept of making the rate variable and reducing the interest rate to something more reasonable (depending on market conditions). We also support the idea of the rate only resetting once a year. In addition, the ballot will set the interest rate high enough to make it more expensive to borrow from the jurisdiction, than to arrange private financing. This is an important component. Unfortunately, by tying the rate to the IRS under/over payment rate, this ballot appears to create two interest rates, one for corporations and one for individuals. That is something that is both hard to implement and very difficult to justify.

ONTARIO

Oppose

We note there are multiple interest rates set by the Internal Revenue Code Section 6621(a) (2). Canadian jurisdictional interest incorporates quarterly Treasury bill rates to establish one uniform interest rate applicable to all Ontario-based licensees who may be subject to interest within the period. Although this ballot does not have a direct impact on Ontario, we are opposed to the proposal due to the potentially inconsistent treatment of affected IFTA licensees. The intent to address interest rates in a fluctuating economy is worthwhile; perhaps it should be questioned if the Internal Revenue Code is the appropriate vehicle to rely on for the reference.

PENNSYLVANIA

Support

PA believes this issue of interest rate adjustments is one of fairness for all jurisdictions and for the industry. We support IN's initiative to address this area of concern.

PRINCE EDWARD ISLAND

Support

We support the concept.

QUEBEC

Undecided

Quebec is undecided since this ballot refers to US jurisdiction.

We recommend that the rate be adjusted quarterly so that all jurisdictions' calculations be uniform.

SASKATCHEWAN

Support

While this ballot does not affect Canadian jurisdictions, SK supports the idea that interest should be based on the prevailing rates in the market.

Stakeholders

American Trucking Associations
Robert Pitcher

Strongly support. ATA strongly supports the effort to lower IFTA's interest rate to something more appropriate and less punitive. The other comments, however, leave little doubt that this proposal will move forward only in considerably altered form.

TEXAS

Undecided

Support the concept of a variable interest rate. In our opinion the ballot requires some modification. The IRS publishes the short term interest rate for the next year's 1st quarter in November each year. IFTA Inc. could notify the jurisdictions of the next year's interest rate by December 1. The ballot should also specify how the monthly rate should be rounded (i.e., to the nearest one tenth of one percent) to make sure that every jurisdiction is applying the same interest rate. For example; with a 7% annual rate would the monthly rate would be .0058, .00583 or .0059. We would also need sufficient time to implement programming changes.

UTAH

Support

Utah supports this ballot; it is long past the time when 12% was a fair rate.

VERMONT

Oppose

VIRGINIA
Undecided

The current 1% rate conforms to Virginia statute as well as the interest rate charged for other Virginia taxes. However, we appreciate the concerns expressed by the sponsor and other jurisdictions. We look forward to discussion at the annual business meeting.

WEST VIRGINIA
Oppose

FTPBP #2-2010
Second Comment Period Ending September 27, 2010

SUMMARY

47 Comments

Support: 28

Oppose: 17

Undecided: 2

ALABAMA

Support

ARIZONA

Undecided Arizona has changed its position from Opposed to Undecided, because we are neutral on this change. We were originally opposed to this change because we do feel that the interest rate discourages late payments and it is also a statutory rate that was set by the Legislature. However, in reconsidering our position, we recognize that the interest rate is higher than the current market rate and having a rate that fluctuates with the economy is a realistic alternative that is also used by other government entities. If passed, ADOT would incur some programming expense and it would also require a legislative change.

BRITISH COLUMBIA

Support

CALIFORNIA

Oppose

While California would support a change in the interest rate and some kind of annual review of that rate. California does not support connecting IFTA's interest rate to the IRS and cannot support this ballot the way it is currently written.

COLORADO

Support

Colorado supports the concept of changing the interest to a more equitable rate. However, for all other taxes, Colorado uses the interest rate established in the wall street journal at a particular time each year. Using the IRS rate could create some problems for Colorado.

CONNECTICUT

Oppose

We do not support this ballot. The issue of imposing interest is one of exercising substantive taxing authority. The subject "line" of the IFTA return and the fuel use tax realized on said line belongs to that member jurisdiction. The only portion of that line that is common to all other member jurisdictions is the use of the overall fleet MPG. All other data is subject to jurisdictional law (i.e. taxable distance, vehicle exemptions, etc.). As such, we recommend that any changes made to the language relative to the establishment of an interest rate be based on jurisdictional law. That is, to treat interest rate as we do tax rate. This would be consistent with the recommendations set forth in the National Council of State Legislatures (NCSL) report issued in 1999.

GEORGIA

Oppose

Georgia cannot support this ballot; it will require a system change and a regulation change.

IDAHO

Support

Idaho supports this ballot because the 1% per month or any part of a month US interest rate is excessive in the current US economic conditions. This change to the US interest rate would also be consistent with the interest rate currently being used by our Canadian members. This interest rate change will cause some minor programming changes and some very small costs for the US jurisdictions and the Regional Processing Center in NY; but the benefits to the licensee and trucking industry far outweigh the very small costs associated with this change that will be borne by the US jurisdictions. The IFTA membership already has a very adequate penalty of \$50 or 10% of tax due on the licensee for negligent non-filing or the underpayment of fuels tax on an IFTA return or audit. The membership does not need an excessive interest rate as a 2nd penalty on the licensee. Also, the open market "cost" (interest) of US money has decreased tremendously since the inception of IFTA in 1983. Therefore, the 1% per month "cost" of US money for IFTA licensees should be reduced by the IFTA membership to reflect current economic conditions in the US.

ILLINOIS

Support

INDIANA

Support

Indiana, supports this ballot. It will allow the interest rate to fluctuate with the economy and allow US jurisdictions and Canadian jurisdictions to have similar interest rate calculations.

Industry Advisory Committee

Support

Industry strongly supports this ballot, for the sake of fairness in the intended use of interest calculations and to bring all jurisdictions into uniformity in the application of the Plan components. The current rate of 12% is excessive and punitive. There are already provisions for penalty amounts to be assessed, and excessive interest on tax due (noting that rarely is interest paid on tax overpaid) should not be used to impose an additional penalty and burden on the taxpayer. And you should all recognize that this was not the intent of the interest rate when the Plan was written, that it was appropriate for that time, and this time is different. The variable rate, potentially adjusted once a year, is more in keeping with the economy applicable for that period. Fair and equitable treatment should compel this correction.

The Canadian member jurisdictions have been able to handle a like arrangement easily enough, and I am sure they could assist any US jurisdiction that might be concerned with the program adjustment that might be required. The ballot becomes effective July 1, 2012, the first new rate would be issued December 1, 2012; surely the program adjustment to accommodate a single change, once a year, can be accomplished without too much pain with a 2 year deadline. After all, you all can currently handle multiple tax rate changes on a quarterly basis, this should not represent a heavy task.

KANSAS

Oppose

Kansas cannot support this ballot, as it would require major changes to our current system.

KENTUCKY

Oppose

The fact that the current interest rate, as pointed out by the sponsor state in the ballot proposal, is not an exorbitant rate. The systematic changes necessary on our end would likely be a substantial cost, as the proposal indicates that the rate would change annually, thus requiring our system to be able to modify the rate with each change. The cost to make the system enhancements accompanied with the potential loss of revenue with a lower interest rate makes no financial sense for the Commonwealth to support this proposal.

LOUISIANA

Oppose

MAINE

Support

Maine supports this ballot.

MANITOBA

Support

MARYLAND

Oppose

MASSACHUSETTS

Oppose

Massachusetts does not support this ballot.

MINNESOTA

Oppose

The proposal lacks detail on the computation regarding the interest rate and how to apply across multiple quarters and years. Minnesota believes the issue of imposing interest belongs to the taxing authority and subject to jurisdictional law. Interest rates should be treated the same as jurisdictional fuel tax rates. Minnesota stand is the IFTA community should adhere to the recommendations set forth in the National Council of State Legislatures (NCSL) report issued in 1999 recommending each jurisdiction's statute should be observed in the calculation of interest,

MISSISSIPPI

Oppose

The interest rate for all taxes administered by the Department of Revenue is 1% per month. This ballot would require a legislative change since the 1% rate is incorporated in our motor carrier statute. If this ballot passes and our legislature did not amend the statute, we would be faced with being out of compliance with IFTA or in violation of state laws.

MISSOURI

Support

Missouri supports this ballot. The interest rate of 1% is punitive and the current economic times are a hardship for our industry and they are struggling to stay in business. A fluctuating interest rate is consistent and fair as it fluctuates with economy and is not excessive.

MONTANA

Oppose

This would require major changes to Montana's system.

NEBRASKA

Support

The current rate is unreasonable. Nebraska supports a variable rate and changing it yearly should not be a burden on jurisdictions.

NEVADA

Oppose

Nevada cannot support this ballot at this time. Annual programming changes would be required and different interest rates during an audit period would complicate the audit process. However, Nevada currently has the statutory authority to waive interest and, during these hard economic times for the trucking industry, Nevada will work with the Nevada Trucking Association and carriers licensed through our jurisdiction to enable greater usage of the waiver option. For IFTA, Nevada Revised Statutes (NRS) 366.395 specifies that interest will be charged at 1% per month or fraction thereof. Additionally, 1% interest is consistently charged for late payments throughout NRS, including late fuel supplier tax returns for all fuels, including motor fuels, jet and aviation fuels, clean up fees, and county fuels. A 1% interest rate is also included for late registration fees. Nevada's enabling legislation does not specify that the IFTA supersedes state law; therefore, passage of this ballot would place Nevada out of compliance with the IFTA.

NEW BRUNSWICK

Support

New Brunswick supports this ballot. However, we do believe that the adjustment periods should be similar for both countries in order to maintain uniformity in IFTA.

NEW HAMPSHIRE

Support

New Hampshire supports this ballot. However, would need approximately six month implementation period in order to amend it administrative rules regarding how interest is calculated. Currently the administrative rule is 1% per month in accordance with the agreement.

NEW JERSEY

Oppose

New Jersey cannot support this ballot due to increased program costs at a time of budgetary constraints.

NEW YORK

Oppose

We could not make this change without a legislative amendment. Per Section 527(a) of the tax law: Interest on tax due. *If any amount of tax is not paid on or before the last date prescribed in this article for payment (determined without regard to any extension of time for payment), interest on such amount at the rate of one percent per month or fraction thereof shall be paid for the period from such last date to the date paid.*

NORTH DAKOTA

Support

NOVA SCOTIA

Support

OHIO

Support

Ohio supports this ballot proposal.

OKLAHOMA

Support

Oklahoma fully supports this ballot. In this economic climate, a 12% interest rate borders on usury. Add to that the prohibition of using credits to offset debits (within the same period), gives a system that is wholly unfair to the taxpayer. Most tax systems allow debits to be offset by credits prior to calculation of interest. Understanding that IFTA prohibits such treatment, the least we can do is charge an interest rate that is tied to real world market conditions.

ONTARIO

Support

Ontario agrees with the principle of establishing a fluctuating interest rate tied to economic conditions which is similar to the Canadian jurisdictional practice. Our earlier opposition related to a potentially inconsistent application of interest rates however, with the more specific reference now in place, this factor has now been removed.

We note that several jurisdictions have expressed concerns over system difficulties that may be encountered to achieve this change. It is our suggestion to offer a reasonable transition period to allow for implementation.

OREGON

Oppose

PENNSYLVANIA

Support

Pennsylvania believes this issue of interest rate adjustments is one of fairness for all jurisdictions and for the industry. We support Indiana's initiative to address this area of concern and will vote yes. Pennsylvania does not believe a system upgrade will be complicated and that the proposed effective date of July 21, 2012 will allow jurisdictions ample administrative time to address and implement programming upgrades to their systems.

PRINCE EDWARD ISLAND

Undecided

QUEBEC

Support

SASKATCHEWAN

Support

SK agrees that the fixed Interest Rate prescribed in R1230.100 is currently excessive and a move to a more market based rate is fair for the jurisdictions and the industry.

SOUTH CAROLINA

Support

Stakeholders

Support

ATA

Strongly support. ATA strongly supports the effort to lower IFTA's interest rate to something more appropriate and less punitive. This is especially necessary when so few IFTA jurisdictions pay licensees any interest at all on licensee overpayments. A system similar to that proposed for the states in this ballot has been in effect for the provinces for years, evidently without causing any significant problems.

TENNESSEE

Support

TEXAS

Support

There is still a rounding issue when the federal short term rate plus two is not evenly divided by 12.

UTAH

Support

Utah supports this ballot. This change will allow the US interest rate to change with the economy. The purpose of Interest is to cover the cost of late payments, not as a penalty.

VIRGINIA

Support

WASHINGTON

Support

Washington supports this ballot.

WEST VIRGINIA

Oppose

No. I see no reason to change the Interest calculation. If the IRS rates go up, will we will want the rate changed back again to 1%?

WISCONSIN

Oppose

A major source of pride in IFTA is simplicity, efficiency, and fairness. This ballot would unnecessarily complicate the Agreement for carriers and jurisdictions. Interest for delinquent taxes applies to very few carriers, but this proposal would require endless annual IT changes, ongoing attention to the matter by jurisdiction administrative and audit staff, and explanations to affected carriers. A carrier is not subject to interest if they correctly file and pay on time. By complicating the interest rate, this ballot draws staff and carrier resources away from time better spent in pursuing the bigger goal of compliance with the Agreement. Strongly oppose.

WITHDRAWN FOLLOWING THE FIRST COMMENT PERIOD



**IFTA FULL TRACK PRELIMINARY BALLOT PROPOSAL
#03-2010**

Sponsor

Jurisdiction of Indiana

Date Submitted

March 26, 2010

Proposed Effective Date

Upon Passage

Manual Sections to be Amended

(January 1996 Version, Effective July 1, 1998, as revised)

IFTA Articles of Agreement

Article III APPLICATION AND RENEWAL
R345 License Renewal

Subject

An amendment to establish a deadline for IFTA licensees to submit their annual renewal application.

History/Digest

Currently, within the IFTA Articles of Agreement there is no deadline for IFTA licensees to file a renewal application. Indiana believes that this has led to many licensees taking advantage of this lack of a deadline by not filing their renewal applications in a timely manner. This has put pressure on the base jurisdiction to complete by January 1 those renewal applications that were not filed in a timely manner. This has also made it necessary to implement a "grace period," currently found under Section R605, to allow licensees who have filed their renewal applications the ability to display the prior year's IFTA licenses and decals for an additional two months into the new year, if they have not yet been issued the license and decals for the current year by that time.

Indiana proposes a deadline of September 1 for a licensee to remit renewal applications with their base jurisdiction, if such a deadline is not already prescribed under the laws of the base jurisdiction. With a set deadline in place for the filing of renewal applications, this will hopefully make it easier for jurisdictions to realistically complete renewal applications before January 1, and it will hopefully curb the filing of late renewal applications while promoting the filing of timely renewal applications.

This will also make it unnecessary for a "grace period" for the licensee, because if the licensee files their application by the deadline, then the licensee should have their decals and license by January 1. Indiana believes that any licensee who doesn't file their renewal application by the deadline should not be given

IFTA Full Track Preliminary Ballot Proposal
#03-2010

March 26, 2010
Page 1 of 3

leniency with a “grace period.” Therefore, in a separate ballot, Indiana proposes to amend the “Grace Period” section, R655, so that there is no “grace period” for late filers. There is a possibility that if the renewal application is not filed in time, the licensee may not be issued their current year’s credentials before January 1. A licensee therefore has an incentive to file their renewal application in a timely manner, because the licensee would not be able to operate without a “grace period.”

In conjunction with the amendment to R655, the amendment to R345 includes a provision for jurisdictions that anticipate that the jurisdiction will have trouble issuing credentials for the next year by January 1 to issue a document notifying law enforcement that licensees that have filed their renewal application may operate with the prior year’s credentials.

Intent

The intent of this ballot is to amend the IFTA Articles of Agreement so that there will be a deadline for renewing IFTA credentials.

WITHDRAWN

1 **Interlining Indicates Deletion; Underlining Indicates Addition**

2
3 **ARTICLES OF AGREEMENT**

4
5 **ARTICLE III APPLICATION AND RENEWAL**

6
7 ***[SECTIONS R305 THROUGH R340 REMAIN UNCHANGED]***

8
9 **R345 LICENSE RENEWAL**

10
11 .100 A renewal license and decals for the following calendar year will be issued upon
12 application if the license is not revoked, suspended or canceled, all tax returns
13 have been filed, and all motor fuels use taxes, penalties and interest due have
14 been paid and the applicant is in compliance with the base jurisdiction's laws.

15
16 .200 In lieu of renewal application, jurisdictions may notify a licensee that meets the
17 requirements of R345.100 that their license will automatically be renewed for the
18 following calendar year.

19
20 .300 Jurisdictions have the right to cancel or deny renewal of an IFTA license to a
21 carrier that does not leave the confines of the borders of the base jurisdiction and
22 reports zero or base jurisdiction distance only for three (3) or more consecutive
23 quarters. The base jurisdiction has the right to require proof of out of jurisdiction
24 travel prior to allowing the carrier to get licensed again under the IFTA
25 agreement. Proof may be in the manner of out of jurisdiction fuel permits
26 purchased and/or amended IFTA returns showing actual distance traveled during
27 a quarter already filed or for those reasons the base jurisdiction deems
28 necessary to reissue the license including but not limited to the list included in
29 R345.100.

30
31 .400 An application for renewal must be submitted by the date set by the laws of the
32 licensee's base jurisdiction. If no deadline is mandated by law, then the deadline
33 to submit an application for renewal will be September 1.

34
35 .500 A base jurisdiction that has been granted an extension period under R655.200
36 shall issue a document to a carrier that has submitted an application for renewal
37 on or before the deadline under R345.500, which will notify law enforcement
38 officers that the carrier has submitted an application for renewal with the base
39 jurisdiction that is still being processed and is permitted to operate under the prior
40 year's license and decals.

41
42 ***[SECTIONS R350 THROUGH R370 REMAIN UNCHANGED]***

43

REVISIONS FOLLOWING THE FIRST COMMENT PERIOD

FTPBP #3-2010
First Comment Period Ending May 20, 2010

SUMMARY

42 Comments

Support: 2

Oppose: 34

Undecided: 6

ALABAMA

Oppose

Alabama does not believe this proposal improves the existing license renewal provision. A document will still be required to be issued by jurisdictions to extend the renewal period, carriers will still be required to carry a document in the vehicle and law enforcement will still be required to examine a document; however, the document will no longer be uniform since it will be issued by each jurisdiction, instead of the IFTA repository.

ALBERTA

Undecided

We are not sure of the benefits from the ballot.

ARIZONA

Oppose

Audit Committee

Not applicable to the Audit Committee

BRITISH COLUMBIA

Oppose

BC does not support this ballot. BC agrees with the comments of others that this ballot provides no significant value to the renewal process, jurisdictions are still obligated to issue IFTA credentials to carriers applying after the due date, and this change weakens IFTA compliance (e.g., issuing renewal credentials before a carrier's Q3 return and payment are processed).

CALIFORNIA

Oppose

California IFTA staff does not support this ballot.

COLORADO

Undecided

Colorado supports the idea of getting better compliance with renewals and understands the problems that carriers impose on the jurisdictions when they wait until the very last minute to submit their renewals. However, September 1 may be too early for carriers to determine if they will be renewing for the next year. In addition it would be up to each jurisdiction to determine what to do with those carries that submit renewals after September 1. Colorado also agrees that this could create additional responsibility on law enforcement.

Perhaps an alternative to this problem is to add a section to R1220, that says something like:

.400 The base jurisdiction may assess the licensee a penalty \$? for failure to file a renewal application on or before December 31

CONNECTICUT

Oppose

This ballot seems to impose additional restrictions and requirements on the member jurisdictions when the responsibility to renew in a timely fashion rests with the carrier. The proposal, by its mandated issuance of an additional document, creates an additional requirement that could be subject to a compliance review citing. The September 1 date is extraordinarily early, renewal documents would need to be sent several weeks earlier to meet the deadline; we are concerned about the potential for two quarterly returns (3rd and 4th) going into delinquency because of a desire to meet these deadlines. There appears to be a desire to do away with the "grace period" as defined in Article R655. We question why that is; have there been widespread problems associated with it? If not, then why change? If so, the answer should not be to impose further requirements upon the member jurisdictions.

GEORGIA

Oppose

Georgia cannot support a ballot that implements a date of September 1st as the deadline for an applicant to submit a renewal application.

We do however strongly support the removal of the grace period.

IDAHO

Oppose

Idaho does not support this ballot. Idaho does not believe a ballot is necessary to authorize jurisdictions to have an annual renewal deadline. The stated problem can easily be eliminated if a jurisdiction exercises its authority found in R345.200, e.g. automatically renewing all IFTA accounts in "good standing" if the licensee pays its renewal & decal fees. Also, the licensee has to buy temporary fuels tax trip permits if it does not renew its IFTA license & decals by the end of the grace period. So, it is the licensee's responsibility to renew its IFTA license and obtain the new year decals on time. Idaho also suggests reducing the grace period to 30 days in lieu of setting a renewal application deadline.

ILLINOIS
Support

Perhaps an option for the jurisdictions to choose a deadline date would be more acceptable. IE Sept may not work for Illinois (for 2011 and perhaps 2012) or, pending systemic changes, it might.

Some flexibility in choosing the deadline would still allow the elimination of the grace period, which we support.

Industry Advisory Committee
Oppose

Industry strongly opposes this ballot because it is unreasonable to demand that applications are submitted 4 months before the effective date of the device. That is one-third of the effective life of an annual decal. Would you like to renew your car registration 4 months in advance because it took a state that long to issue a sticker and a registration card? September 1 is too early a deadline. A lot can happen to a carrier's business over 4 months, especially at year end. If the jurisdictions wish to set a deadline, it should be later and have no monetary penalty if an application is filed later, just no guarantee that the decals would be issued in time for display by 12/31. Most jurisdictions efficiently issue renewed credentials year after year, and the process should not be changed to accommodate a few jurisdictions that are unwilling or unable to devote sufficient resources to the process.

Of course, if we developed a carrier registration verification process that did not involve the archaic and labor intensive process of displaying decals, this whole issue would go away.

IOWA
Oppose

KANSAS
Undecided

Need help to understand why we need a deadline of September 1 to have the renewal in office? What happens if renewal is not here September 1? Do you not allow carrier to renew? How will this be enforced? I see no penalty provision that could be applied for renewals received after this date.

Kansas opens the renewal period October 1, and requires that 3rd qtr return is filed before renewal can be processed. If they send the renewal in after December 31st we require the 4th qtr return be filed before we will process.

Kansas understands the need to give the carrier's time to get the decals and license to the vehicles to be placed on the vehicle and we do not want to burden the carrier or our jurisdiction and that is why we open October 1, with our renewals.

Kansas suggests that a jurisdiction should open the renewal season early enough to take care of their carrier base, and see that all are issued by 15th of December, and remove the grace period. Carriers need to understand that if they wait until the last two weeks in December they may have issues getting decals and license due to holidays, etc

MAINE

Undecided

The intent of this ballot is laudable; to expedite the renewal process, and obviate the need for a grace period. However, we believe the ballot is flawed.

The onus should be on a jurisdiction to provide timely renewal notices, and to set a deadline for return that guarantees licensees receiving their credentials before January 1. Those dates will vary among jurisdictions and even within a jurisdiction from year to year. The dates should be set administratively, based on each jurisdiction's laws.

Failure of a jurisdiction to comply with its self-imposed deadlines should be a compliance issue analogous to failing to meet the CH funding deadline.

A rough suggestion for alternative language:

"Each member jurisdiction annually shall establish the date by which license renewal applications should be returned. The member jurisdiction shall provide renewal notices at least 30 days prior to the deadline date for timely renewals. Licensees submitting timely renewal applications must receive their renewal credentials by December 31."

All dates based on postmarks.

MANITOBA

Oppose

MASSACHUSETTS

Oppose

MICHIGAN

Oppose

Jurisdictions should be allowed to set their own deadline for applications.

If the ultimate goal is to eliminate the grace period, the ballot should focus on that.

MINNESOTA

Oppose

The new language forces additional requirements and responsibilities on the member jurisdictions to enforce IFTA renewal filing by September 1. In the majority of cases the IFTA renewal process is very straight forward and an efficient process. As a member of the agreement it is the jurisdictions responsibility to provide timely renewal notices and it is the carrier's responsibility to timely renew to ensure receipt of the IFTA credentials by December 31. Several questions that come to mind are: what happens if the renewal is not filed by September 1, how will this be enforced, do we deny renewals if not filed by September 1, what is the penalty for failure to renew by the deadline. The proposed language will not resolve or prevent an IFTA licensee from applying for renewal on December 30 or the enforcement date of February 28,

MISSISSIPPI

Oppose

Mississippi mails its renewal information to its licensees at the end of August and request the licensees return the completed renewal applications October 15 so we can issue credentials before the end of the year. Since each state can set its own deadline, what is the benefit of Section 4? Also, if the application is submitted later than September 1, what will you do?

R345.500 we are somewhat confused regarding what this proposed amendment is trying to accomplish

MISSOURI

Oppose

MONTANA

Oppose

Montana opposes this ballot for it does address all licensing scenarios.

NEBRASKA

Oppose

Nebraska cannot support this ballot. In order to have carriers' file renewals by September 1, jurisdictions would have to mail them out by August 1 (at least!) That seems incredibly early -

We understand that the reason for imposing a due date is to support the extension process proposed in ballot 4 – but we believe there is a better way to eliminate the grace period.

Nebraska suggests something like:

Jurisdictions shall provide clear instructions to their base carriers establishing due dates for their renewal applications. Due dates may vary from jurisdiction to jurisdiction but must give the jurisdiction ample time to complete renewal processing by December 31.

NEVADA

Oppose

Nevada opposes this ballot; however, we would support passage if the language was changed to reflect 'no earlier than September 1st or later than December 1st.' Nevada currently has administrative fines in place for late paperwork if the renewal is received after December 1st

NEW BRUNSWICK

Oppose

New Brunswick requires 3Q returns to be submitted before renewal but it is not an IFTA requirement. Our suggestion would be that the jurisdictions should have the option of setting their own dates so that it works for them. Nov 15 is good for NB but it might not be good for other jurisdictions.

NEW HAMPSHIRE

Oppose

NEW JERSEY

Oppose

NEW MEXICO

Oppose

NEW YORK

Oppose

We cannot support the ballot as written with the deadline of September 1, 20xx to submit an application for renewal. We would suggest November 30, 20xx as an alternate date for a deadline.

NORTH DAKOTA

Oppose

R345-400 September 1 is way too early. Date should be after the 3rd quarter (November 1).

R345-500 Not in favor of an individual carrier extension. In favor of a blanket jurisdiction extension.

NOVA SCOTIA

Support

OHIO

Oppose

Ohio agrees that a deadline is needed for control purposes. However, the deadline should be determined by the individual jurisdiction depending on their system, the number of renewals and other relating issues.

OKLAHOMA

Oppose

The goal of this ballot is easy enough to understand, to remove the ability of some licensees to abuse the grace period, and to force jurisdictions to timely process license applications. But creating new deadlines for everyone just because of the deficiencies of a few isn't the answer.

ONTARIO

Oppose

Ontario would not support this ballot in the current form. While there may be merit in establishing deadlines for licensees to submit a renewal application, each jurisdiction should retain discretion to determine the most appropriate date in order to accommodate potentially conflicting priorities. We also consider this ballot does not address the other side of the coin – situations where jurisdictions may be untimely in processing renewals despite receiving licensee applications well beforehand.

PENNSYLVANIA

Undecided

Enforcement issues need to be addressed.

PRINCE EDWARD ISLAND

Oppose

QUEBEC

Oppose

September 1st is too early to have the renewals on hand. We would prefer fixing our own dates. We also oppose to send a letter to the carriers that have renewed, we can advise IFTA, Inc. to notify the other jurisdictions. It's our responsibility to issue the license and decals on time if the renewals are received on time.

SASKATCHEWAN

Oppose

SK understands how a deadline for submission of a renewal application may be of benefit for a jurisdictions with a large number of carriers, however, our renewals are not as troublesome and an earlier deadline is not required. We suggest that the language in the ballot allow for such deadlines but not require it.

Stakeholders

American Trucking Associations
Robert Pitcher

Oppose. The September 1 deadline is much too early to be fair to licensees, and would needlessly complicate the renewal process for many carriers and jurisdictions. If this proposal is to proceed, it appears it will have to be changed significantly.

TEXAS

Oppose

Cannot support ballot as written, but would support reducing the grace period to only the month of January.

UTAH

Undecided

At this time Utah is undecided on the ballot. More discussion needs to take place concerning what actions would take place if a carrier does not apply by Sept 1. Utah does not have a deadline established by law, so based on this ballot we would, by default, have Sept 1. If a carrier applied after Sept 1, Utah would still accept the application and in all likelihood process it well in enough time to have the credentials back to the carrier before Dec 1. So what is the reason for the deadline, no penalty exists. The deadline should be on the Jurisdiction to send out renewal notices by a certain date; this date would vary from Jurisdiction to Jurisdiction. The deadline would be based on the workload and time needed to process a renewal and return the credentials to the Carrier in a timely manner.

VERMONT

Oppose

VIRGINIA

Oppose

WEST VIRGINIA

Oppose

FOR VOTE BY DECEMBER 20, 2010



**IFTA FULL TRACK FINAL BALLOT PROPOSAL
#04-2010**

Sponsor

Jurisdiction of Indiana

Date Submitted

March 26, 2010

Proposed Effective Date

July 1, 2011

Manual Sections to be Amended

(January 1996 Version, Eff. July 1, 1998, as revised)

IFTA Articles of Agreement

Article VI VEHICLE IDENTIFICATION
R655 Grace Period

Subject

An amendment of the "grace period" provision.

History/Digest

Indiana believes that the section providing for a "grace period," R655.200, should be removed. Several attempts have been made in the past to amend R655.200, or to eliminate R655 entirely. However, these attempts have not been successful.

The main concern that Indiana has with R655.200, and which many other jurisdictions have had in the past, is that during the "grace period" (January and February), enforcement is difficult, as each jurisdiction may have different means of renewing IFTA credentials and different means of enforcing the requirements to have current licenses and decals. Another problem is that without a set deadline for renewal in the IFTA Articles of Agreement, the "grace period" causes many IFTA licensees to take a lax attitude during the license renewal period by filing their renewal applications in an untimely manner. In effect, this extends the renewal period in many jurisdictions, creating headaches for the agencies that process the renewal applications and issue the IFTA credentials, because more and more applications come in beyond the renewal period.

Indiana believes that any licensee who doesn't file their renewal application by the deadline set by their jurisdiction should not be given leniency with a "grace period." It puts undo strain on the base jurisdiction to process applications for licensees who did not file by the deadline. It also causes too much confusion for law enforcement in each jurisdiction.

Indiana does not believe that R655.100 should be eliminated or amended, since many jurisdictions think that there is a chance that new jurisdictions may join IFTA sometime in the future.

Intent

The intent of this ballot is to amend the IFTA Articles of Agreement to delete the provision for a “grace period” found in R655.200.

Interlining Indicates Deletion; Underlining Indicates Addition

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ARTICLES OF AGREEMENT

ARTICLE VI VEHICLE IDENTIFICATION

R600 VEHICLE IDENTIFICATION

[SECTIONS R605 THROUGH R650 REMAIN UNCHANGED]

***R655 GRACE PERIOD**

.100 Carriers from new member jurisdictions shall be allowed a two-month grace period from the date of the new member's IFTA program implementation to display the IFTA license and decals. However, carriers must maintain the proper credentials for traveling in member jurisdictions until they display the valid IFTA license and decals.

~~**.200** Carriers renewing their IFTA license and decals have a two-month grace period (January and February) to display the renewal IFTA license and decals. To operate in IFTA jurisdictions during this grace period, carriers must display either valid current or prior year IFTA license and decals from the jurisdiction in which they were operating or a valid single-trip permit from the IFTA jurisdiction in which they are operating.~~

[SECTION R660 REMAINS UNCHANGED]

NO REVISIONS FOLLOWING THE SECOND COMMENT PERIOD

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 4-2010
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
ALABAMA	1		1	
ALBERTA	1		1	
ARIZONA		1		1
ARKANSAS		1		1
BRITISH COLUMBIA	1		1	
CALIFORNIA		1		1
COLORADO	1		1	
CONNECTICUT		1		1
DELAWARE		1		1
FLORIDA		1		1
GEORGIA	1		1	
IDAHO		1		1
ILLINOIS	1		1	
INDIANA	1		1	
IOWA		1		1
KANSAS		1		1
KENTUCKY		1		1
LOUISIANA	1		1	
MAINE	1		1	
MANITOBA		1		1
MARYLAND		1		1
MASSACHUSETTS		1		1
MICHIGAN	1		1	
MINNESOTA		1		1
MISSISSIPPI		1		1
MISSOURI	1			1
MONTANA	1		1	
NEBRASKA	1		1	
NEVADA		1		1
NEW BRUNSWICK	1		1	
NEW HAMPSHIRE		1		1
NEW JERSEY		1		1
NEW MEXICO		1		1
NEW YORK		1		1
NEWFOUNDLAND	1		1	
NORTH CAROLINA				
NORTH DAKOTA	1		1	
NOVA SCOTIA	1		1	
OHIO		1		1
OKLAHOMA		1		1
ONTARIO	1		1	
OREGON		1		1
PENNSYLVANIA		1		1
PRINCE EDWARD ISLAND		1		1
QUEBEC		1		1
RHODE ISLAND		1		1
SASKATCHEWAN		1		1

**IFTA FULL TRACK FINAL BALLOT PROPOSAL 4-2010
VOTING RESULTS**

JURISDICTION	LANGUAGE		EFFECTIVE DATE	
	YES	NO	YES	NO
SOUTH CAROLINA		1		1
SOUTH DAKOTA	1		1	
TENNESSEE	1		1	
TEXAS		1	1	
UTAH	1		1	
VERMONT	1		1	
VIRGINIA		1		1
WASHINGTON		1		1
WEST VIRGINIA		1		1
WISCONSIN		1		1
WYOMING	1		1	
TOTALS	23	34	23	34

Bold font in the voting total columns and shading indicate that the jurisdiction did not vote.

Failure to vote for the ballot language counts as a "No" vote.

Failure to vote for the alternative effective date counts as a "No" vote.

Number of "YES" votes necessary to pass: 44

Effective Date: July 1, 2011

LANGUAGE:

NUMBER OF "YES" VOTES RECEIVED: **23**

NUMBER OF "NO" VOTES RECEIVED: **34**

NUMBER OF VOTES NOT RECEIVED: **1**

RESULT: FAILED

ALTERNATIVE EFFECTIVE DATE:

NUMBER OF "YES" VOTES RECEIVED: **23**

NUMBER OF "NO" VOTES RECEIVED: **34**

NUMBER OF VOTES NOT RECEIVED: **1**

RESULT: FAILED

Ballot Intent:

The intent of this ballot is to amend the IFTA Articles of Agreement to delete the provision for a "grace period" found in R655.200.

FTPBP #4-2010
First Comment Period Ending May 20, 2010

SUMMARY

43 Comments

Support: 10

Oppose: 27

Undecided: 6

ALABAMA

Oppose

Alabama does not believe this proposal improves the existing license renewal (grace period) provision. A document will still be required to be issued by jurisdictions to extend the renewal period, carriers will still be required to carry a document in the vehicle and law enforcement will still be required to examine a document; however, the document will no longer be uniform since it will be issued by each jurisdiction, instead of the IFTA repository.

ALBERTA

Oppose

Not sure about the benefits of the ballot. In addition, a new document is introduced which may lead to more confusion. The use of the word "petition" is a concern.

ARIZONA

Oppose

Audit Committee

Not applicable to the Audit Committee

BRITISH COLUMBIA

Oppose

BC supports the concept of eliminating (or reducing) the grace period to improve compliance but cannot support the ballot as written. The requirement for jurisdictions to petition and obtain IFTA approval seems unnecessary and burdensome.

CALIFORNIA

Oppose

California IFTA staff does not support this ballot.

COLORADO

Undecided

Colorado supports the idea of eliminating the grace period. Colorado experiences a high number of carriers that do not submit renewals by December 31. As stated in our comments to ballot #3, perhaps an alternative would be to add the following section to R1220:

.400 The base jurisdiction may assess the licensee a penalty of \$? for failure to file a renewal application on or before December 31.

CONNECTICUT

Oppose

We do not support this ballot. This places an additional requirement upon the members who cannot meet the December 31 deadline. The requirement to "petition" IFTA, Inc. is left open-ended; by its silence we interpret it to be an "automatic" approval. Is that the intent? Under what authority will the repository approve or deny such "petitions"? The grace period has existed for many years; several members have applauded the efforts to eliminate the grace period. Has the concept of a grace period failed in its intent and has it ill-served this membership and the licensees?

GEORGIA

Oppose

IDAHO

Oppose

Idaho does not support this ballot. Idaho does not believe an 'extension period' for the licensee to file its license renewal application / obtain its new decals is necessary. Section R345 of the IFTA Agreement gives the jurisdiction the option of using an 'automatic renewal' process, so that option would solve Indiana's problem and eliminate the need for a ballot to change the IFTA Governing Documents. Secondly, it is the licensee's responsibility to get its IFTA license renewed for the new year on time; if the licensee does not want to buy temporary fuels tax trip permits to operate its IFTA qualified vehicles in other jurisdictions. A jurisdiction should not be creating a 'license renewal application extension period' to accommodate the licensee's tardiness in completing the license renewal paperwork.

ILLINOIS

Support

We support the intent of providing jurisdictions the ability to address any processing concerns, however, we don't believe a "petition" is the proper way to achieve the goal.

We believe the jurisdictions should retain their ability to extend the period without a "petition" and that a "notification" to IFTA Inc. is sufficient. Of course IFTA, Inc. would need to be charged with notification to the other Jurisdictions.

Industry Advisory Committee

Oppose

Industry cannot support this ballot as written. With each jurisdiction potentially issuing their own variety of "renewal notification documents", enforcement will be hard pressed to know if a carrier is in compliance, and it will lead to a cycle of receiving a citation and trying to solve it later. And it

does not appear to provide any clear improvement. Ultimately, all that is accomplished is that the dates of display enforcement are moved around. If jurisdictions wish to eliminate the grace period, then carriers should be allowed early display of the renewal license and decals with only the current license (not the decals) displayed prior to 12/31.

IOWA

Oppose

KANSAS

Support

MAINE

Support

Maine supports the concept of repealing the grace period. If there were no grace period, jurisdictions would be forced to send out and process application timely; and carriers would return their renewals expeditiously, or suffer the consequences. We understand that emergencies happen, and jurisdictions should be able to claim an extension. (However, repeated extensions should be a compliance issue.)

We are concerned about "petitioning" IFTA, Inc. for an extension. This implies that IFTA, Inc. will make a decision whether to grant the extension. Either the jurisdiction should notify IFTA, Inc. that the jurisdiction is enacting an extension; or the jurisdiction should petition the Board, and the Board makes a decision. We recommend the first option.

MANITOBA

Undecided

MASSACHUSETTS

Oppose

MICHIGAN

Support

We agree with eliminating the grace period.

We are undecided whether a jurisdiction should have to petition IFTA, Inc. for an extension or whether it should be sufficient for the jurisdiction to simply notify IFTA, Inc with an explanation for why they cannot meet the deadline (programming issues, problem with decals, etc.)

MINNESOTA

Oppose

Minnesota is not convinced the proposal improves the existing renewal grace period provision. Minnesota agrees with the concept to eliminate the grace period. Repeal of the grace period would force both jurisdictions and carrier compliance pertaining to the renewal, display and tax reporting requirements. There is the potential for emergencies and extenuating circumstances to occur in a jurisdiction that would lead to an extension; historically this has not been a widespread issue. Minnesota is concerned with the language petitioning IFTA, Inc for an extension as the language fails to address guidelines regarding the approval or denial process.

MISSISSIPPI

Oppose

MISSOURI

Support

Jurisdictions should be diligent in returning license and decals to carriers at least by December 1 without this being a mandate.

MONTANA

Support

Montana supports elimination of the grace period, since it allows those carriers who do not renew two additional months in which to operate.

NEBRASKA

Undecided

Nebraska strongly supports the concept of eliminating the grace period. But...jurisdictions should be able to manage their own renewal process without establishing filing dates in the IFTA governing documents. Nebraska also does not support the concept of "petitioning" IFTA, Inc. for extension permission.

Suggestion for R655

.100 A jurisdiction that is having or is expecting to have issues completing the processing and issuance of timely filed renewal applications by December 31 may issue extensions to their base carriers. Unless there are extreme extenuating circumstances beyond the jurisdictions control, extensions should not be issued for longer than 60 days.

.500 Jurisdictions needing to issue extensions shall advise IFTA, Inc. so that they may distribute the information to the membership.

NEVADA

Oppose

Nevada opposes this ballot; however, we would support it if there was language included that this would not be a compliance issue if a jurisdiction had computer programming problems and was unable to meet the deadline.

NEW BRUNSWICK

Support

New Brunswick supports this ballot. In our opinion, if vehicles are required by IRP to have a valid registration and stickers by a certain date without a grace period, then shouldn't the same be possible for IFTA licenses and decals.

NEW HAMPSHIRE

Oppose

NEW JERSEY

Oppose

NEW MEXICO

Oppose

NEW YORK

Support

We agree with the concept of Indiana's definition of grace period.

NORTH DAKOTA

Undecided

We support not having a grace period. However we do not support R655-200 the requirement to provide the motor carrier with a renewal notification document.

NOVA SCOTIA

Support

OHIO

Oppose

OKLAHOMA

Oppose

Oklahoma has some very large carriers who return their IFTA renewal applications on a timely basis. Most of our largest carriers have their renewals back to us by the second week in October. Carriers with over 4,000 to 5,000 vehicles can have a very difficult time rounding up all those vehicles by the end of the grace period. Doing away with the grace period would have the effect of creating a greater regulatory burden on companies who are filing and remitting timely, and in all other respects compliant with the provisions of the IFTA Agreement.

There has got to be a better way to handle the few licensees and jurisdictions who are taking advantage of the grace period or not timely processing their applications without placing greater burdens on everyone else.

ONTARIO

Oppose

We do not support the proposal to turn the grace period into an extension of time for jurisdictions experiencing processing issues. Several jurisdictions have experienced extraordinary events in the past that have impeded the normal course of business operations. In such circumstances, each situation has been managed as a stand alone issue – there is no need to establish a new “petition” process.

OREGON

Oppose

PENNSYLVANIA

Support

PRINCE EDWARD ISLAND

Oppose

This would make enforcement more difficult. There could be numerous expiry dates.

QUEBEC

Undecided

Quebec supports the idea but we have concern about petitioning IFTA. If we have a problem we will notify IFTA Inc to send it to the other jurisdictions.

Many carriers still think they have up to end of February to renew their IFTA license and we don't need to send a letter to each of our carriers. This will put a lot of stress on everybody.

SASKATCHEWAN

Oppose

Stakeholders

American Trucking Associations
Robert Pitcher

Oppose. This proposal could cause more problems than it would cure. We urge the IFTA community to devote more of its energy to finding an acceptable alternative to decals.

TEXAS

Oppose

Cannot support the ballot as written, but would support reducing the grace period to only the month of January.

UTAH

Undecided

Utah supports the idea of removing the "grace" period from the IFTA language. This ballot could be modified to accommodate the removal of the grace period, without additional responsibilities on the Jurisdiction.

VERMONT

Oppose

VIRGINIA

Oppose

WEST VIRGINIA

Oppose

FTPBP #4-2010
Second Comment Period Ending September 27, 2010

SUMMARY

44 Comments

Support: 17

Oppose: 26

Undecided: 1

ALABAMA

Support

ALBERTA

Support

Alberta supports the ballot. However, together with the elimination of the grace period for displaying the credentials, a deadline for renewal application should also be in place to provide enough time for jurisdictions to process the renewal application and for carriers to distribute and display the credentials.

BRITISH COLUMBIA

Support

CALIFORNIA

Oppose

California needs the grace period to issue decals and allow time for our carriers to place them on their trucks. While CA understands some jurisdictions don't need the grace period and don't have the challenge of getting new IFTA credentials out to 20,000 different carriers. I would hope when voting they would consider the jurisdictions that do need it and oppose removing the grace period from the agreement.

COLORADO

Support

Colorado supports this ballot and understands the need to address this problem. Colorado will also consider the impact this would have on other jurisdiction and the industry. Colorado also agrees with comments made by other jurisdictions that the absence language establishing a renewal deadline could create problems if this ballot were to pass.

CONNECTICUT

Oppose

We do not support this ballot. We believe the elimination of the grace period, while a noble intent, will result in several unintended consequences for member jurisdictions and licensees alike; such as, the potential for an extraordinary increase in the number of citations issued immediately after January 1 of any given year and/or a huge increase in the number of requests made by licensees to secure temporary decal permits from their base jurisdiction until the permanent credentials are issued. Both potential consequences will place "undue strain" on the staffs of the licensees and the member jurisdictions; perhaps more so than the issues currently encountered through the use of a grace period.

GEORGIA
Support

IDAHO
Oppose

Idaho does not support this ballot. Idaho concurs with Indiana that the 2-month grace period presents problems for the compliance / law enforcement staff in many member jurisdictions. However, before we eliminate the "grace period" the membership needs to solve the real problem, which is ... "no license renewal deadline" in the IFTA governing documents. Until the membership changes the IFTA governing documents to set a deadline for all member jurisdictions to issue license renewals, we cannot do away with the "grace period" ... because too many of our larger licensees have IFTA qualified motor vehicles all over the US and Canada and need a little time to get the new year decals on each vehicle and a copy of the new year IFTA license in the cab of each vehicle. Also, there are sometimes winter weather issues for some licensees and jurisdictions that affect the application of the decals. Idaho would support a "no grace period" ballot if the membership changes the IFTA governing documents to set the license renewal deadline as December 1st of each year.

ILLINOIS
Support

WE ABSOLUTELY SUPPORT THIS BALLOT.

THIS IS LONG OVERDUE.

INDIANA
Support

Industry Advisory Committee
Oppose

Industry opposes this ballot. There are simply too many jurisdictions that have a difficult time issuing their credentials to the registrants in time for them to be displayed by the deadline, even when the registrant has submitted their renewal in a timely manner. Industry is sympathetic to the concerns and enforcement issues involved, but would rather see the effort and resources devoted to finding an alternative to decal display requirements and finally put this beast away.

KANSAS
Undecided

KENTUCKY
Oppose

Based on our available personnel, it sometimes is to our advantage to have that cushion. That is also the timeframe for several other renewals we are coordination (i.e. UCR and KIT). To move the deadline up may be counterproductive. Timing would almost compromise the renewal process as carriers are not going to be able to keep up with a renewal at that early of a date.

LOUISIANA
Oppose

MAINE
Support

Maine supports repeal of the grace period.

MANITOBA
Oppose

MARYLAND
Oppose

MASSACHUSETTS
Oppose

Massachusetts opposes the deletion of the "grace period".

MINNESOTA
Oppose

Minnesota is concerned that the elimination of the grace period for display has the potential to lead to issues that will burden the jurisdictions as well as the industry. The current process grace period process is well known and documented. Should the proposal pass, we need to consider resources required to educate and inform changes to industry, jurisdictions and roadside enforcement

MISSISSIPPI
Oppose

MISSOURI
Support

Missouri supports.

MONTANA
Support

Montana supports elimination of the 'grace period'. The present grace period allows two additional months for carriers who do not renew to operate.

NEBRASKA
Support

Nebraska supports this ballot. Jurisdictions know, *or should know*, how many carriers they renew annually and how long it takes them to process renewal applications. If they have unforeseen complications, ie. decals are poor quality, late in arriving from the vendor etc., they send out a notice to enforcement and IFTA, Inc. - no different than what we see today, and request delayed enforcement.

The grace period is confusing for enforcement, administration and carriers - it is time to eliminate it.

NEVADA

Oppose

Nevada opposes this ballot; however, we would support it if there was language included that this would not be a compliance issue if a jurisdiction had computer programming problems and was unable to meet the deadline.

NEW BRUNSWICK

Support

New Brunswick supports this ballot.

NEW HAMPSHIRE

Oppose

NEW JERSEY

Oppose

NEW YORK

Oppose

Removing the grace period may create transitional confusion, will require system, publication and form updates, as well as additional pressure on staff due to the time constraints.

NORTH DAKOTA

Support

NOVA SCOTIA

Support

OHIO

Oppose

OKLAHOMA

Oppose

Oklahoma opposes this measure simply because there are those carriers so large, that even if the carrier submits their renewal timely and the jurisdiction processes it timely, there is not enough time to get the decals on all the vehicles before the licensing year expires.

ONTARIO

Support

Our understanding of the "grace period" provision is that it was initially established to specifically address situations of new member jurisdictions. The intention was not to create an extension of time to support the jurisdictional renewal process. Where jurisdictions are utilizing this period to complete licensee renewals, perhaps consideration needs to be given to starting the process at an earlier time of year.

Ontario strongly supports this ballot and believes the grace period should only be implemented in accordance with the original concept.

OREGON

Oppose

PENNSYLVANIA

Oppose

Pennsylvania will vote no to an amendment of the "grace period" provision proposed on #04-2010.

PRINCE EDWARD ISLAND

Oppose

QUEBEC

Support

Stakeholders

Oppose

ATA

Strongly Oppose. This proposal could cause more problems than it would cure, especially for the industry, but also potentially for many jurisdictions. Years of experience have shown that jurisdictions do not always get IFTA credentials to their licensees – including those who file within the period allowed for renewal – in a timely manner. We urge the IFTA organization to devote more of its energies to finding an acceptable alternative to decals.

TRANSCORE

This ballot for the third or fourth time is not in the best interests of the IFTA jurisdictions or the motor carrier industry!

This grace period has worked extremely well for years. The jurisdictions are able to control the filing of prior quarters IFTA tax report filings with proper controls on issuing both the license renewal and decals for the new year.

The carriers are able to renew IRP registrations and IFTA decals in a better coordinated manner, for only those vehicles renewing during the December thru March license renewal periods. The distribution of all permits and registration type credentials to vehicles all over North America is best suited to the current 60 day grace period.

This ballot can only cause confusion and resentment from the carrier industry for requiring early display and additional decal costs associated with elimination of the grace period.

I do agree that if the carrier has not made application for renewal of the IFTA license and decals before the December 31st expiration, it should be charged or assessed a proper penalty or sanction.

Trying to catch up with a fleet of 2,000 vehicles and their drivers traveling 10,000 plus miles per month to attach the IFTA decal is a real logistical nightmare. I know, I have been there!

The states and provinces have the same logistical problems in ordering, receiving and distributing the IFTA credentials in a timely manner.

Rollie Marr of Illinois said it best when he indicated he had the good sense not to reintroduce a similar ballot at the Baltimore 21st annual meeting in 2004.

I look forward to your good judgment in defeating this type ballot once and for all!

TEXAS

Oppose

Cannot support elimination of the grace period without also having a clear date that jurisdictions are required to issue the next years license and decals.

UTAH

Support

Utah supports the removal of the grace period

VIRGINIA

Oppose

Virginia supports the elimination of the grace period, but it appears there is additional work that needs to be done before the membership and industry are ready for such a drastic change.

WASHINGTON

Oppose

Washington does not support this ballot.

WEST VIRGINIA

Oppose

The current language under R655.200 just says they have Jan. and Feb. to DISPLAY the IFTA license which I think means to put them on the qualified vehicle.

It is sometimes difficult for the very large carriers to get the decals out to the drivers or terminals where the trucks are based and I think that industry needs this additional time.

WISCONSIN

Oppose

One of the sources of pride in IFTA is that a carrier can rely on more uniform treatment across jurisdictions than would be the case without IFTA. A stated premise of this ballot is that "the 'grace period' causes many IFTA licensees to take a lax attitude by "filing renewal applications in an untimely manner." This need not be the case. The grace period in R655.200 is clearly a grace period for display, not for actual application for renewal. Carriers in many jurisdictions fully understand that if they have not applied for renewal by December 31, the jurisdiction will in very early January revoke/cancel the carrier's license, thus subjecting the carrier to reinstatement/application fees and potential fines if stopped. By applying uniformly by December 31, the carriers act in their best interest, and in the best interest of member jurisdictions. In such jurisdictions, we are not aware of serious problems with administration or enforcement. The display grace period is a uniform, fixed and well known period across all jurisdictions. The alternative of no grace period would require carriers, especially those with IFTA accounts in multiple jurisdictions, to apply for renewal by a variety of changeable dates across jurisdictions. Strongly oppose.

**DID NOT RECEIVE SUFFICIENT NUMBER OF VOTES AT THE
2010 ANNUAL BUSINESS MEETING TO CONTINUE**



**IFTA SHORT TRACK PRELIMINARY BALLOT PROPOSAL
#05-2010**

Sponsor

Jurisdiction of Colorado

Date Submitted

May 7, 2010

Proposed Effective Date

January 1, 2011

Manual Sections to be Amended

(January 1996 Version, Effective July 1, 1998, as revised)

IFTA Articles of Agreement

Article XII Assessment and Collection
R1220 Penalties

Subject

An addition/amendment to the penalties regarding the grace period for renewals.

History/Digest

There has been discussion and concerns over the intent of the grace period under R655.100 and the problem with carriers waiting until the end of the grace period to file the renewals. Those carriers that do not submit renewals by December 31 create an imposition on the jurisdiction to get those licenses and decals issued in less than the 60 day grace period.

Intent

The intent of this ballot is to improve compliance and timely submittal for annual renewals. This ballot would still give jurisdictions a grace period for those carriers that file by December 31. This ballot would also give the jurisdictions the discretion to impose a penalty on those carriers that file their renewals after December 31.

Interlining Indicates Deletion; Underlining Indicates Addition

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***R1220 PENALTIES**

- .100** The base jurisdiction may assess the licensee a penalty of \$50.00 or 10 percent of delinquent taxes, whichever is greater, for failing to file a tax return, filing a late tax return, underpaying taxes due.
- .200** Penalties paid by the licensee shall be retained by the base jurisdiction.
- .300** Nothing in the Agreement limits the authority of a base jurisdiction to impose any other penalties provided by the laws of the base jurisdiction.
- .400** **The base jurisdiction may assess the licensee a penalty of \$50 for failure to file a renewal application on or before December 31.**

Failed