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WPMA OFFICES WILL BE CLOSED FEBRUARY 19 - 23

The WPMA offices will be closed the week of February 19 thru February 23 for our 2018 WPMAEXPO. There will be no WPMA Weekly Update sent out on Friday, February 23. We hope to see you at the convention.

CHRIS CHRISTIE - 2018 WPMAEXPO KEYNOTE SPEAKER!

WPMA is pleased to announce our new Keynote Speaker for the 2018 WPMAEXPO is Chris Christie, governor of New Jersey from January 2010 to January 2018. During his time as Governor, Christie became a leader among his fellow Governors and in his party at the national level. He served as Chairman of the Republican Governors Association (RGA) in 2014 and led the organization to a fundraising record and the election of a record number of Republican Governors. He was the keynote speaker at the 2012 Republican National Convention and was Chairman of the Trump transition from May-November of 2016, after his own campaign for the Republican nomination for President.

We are disappointed that Mitt Romney was unable to honor his commitment to speak at the WPMAEXPO. We look forward to hearing from Mr. Christie.

Thank You **WPMAEXPO** 2018 TOP SPONSORS

*Presidential***ExxonMobil****FEDERATED
INSURANCE***Premier**Diamond***PRESIDENT TRUMP MAY BE OPEN TO FEDERAL GAS TAX INCREASE**

Yesterday, a few days after releasing his budget and infrastructure plans, President Trump held a meeting at the White House with a group of lawmakers to discuss his plan for infrastructure improvement and ways to help pay for it. In the meeting, Trump brought up the idea of increasing the current federal gas tax by 25 cents numerous times throughout the meeting, according to Sen. Tom Carper (D-DE). However, some Republicans in the meeting downplayed his comment, saying that it was nothing more than an idea blurted out in a private meeting. A White House official declined to comment on the closed-door meeting but said the gas tax "has its pros and cons, and that's why the president is leading a thoughtful discussion on the right way to solve our nation's infrastructure problems."

The 18.4 cents-per-gallon federal gas tax has been the main source of transportation funding for decades, but it has not been increased since 1993. If the gas tax were to have been indexed to inflation since it was enacted in 1993, drivers would be paying about 30 cents per gallon on their gasoline purchases now.

Many Democrats support an increase in the gas tax and a few Republicans are open to discussing it, but with a Republican

majority in Congress, the tax will likely not be raised anytime soon. Furthermore, there currently isn't even a bill to negotiate that would raise the gas tax. Interest groups are divided on the issue as well, with the Chamber of Commerce and American Trucking Associations being in support of a gas tax increase and groups like Freedom Partners and Americans for Prosperity being in opposition to a gas tax increase.

The bottom line is that it is almost a certainty that Congress will not pass a gas tax increase this Congress.

HOUSE APPROVES BILL TO DETER "DRIVE BY" LITIGATION

Yesterday, the House of Representatives approved H.R. 620, the "ADA Education and Reform Act" by a vote of 225 to 192. The bill aims to put teeth back into the rules to deter harmful litigation. The strain of litigation on the parties involved has created an opportunity for those who wish to make a quick buck, particularly in the small business sphere. The mere threat of a lawsuit, even one unsupported by the facts, can force a small business owner to quickly settle a claim. In 2015, 60 Minutes highlighted the rise of "drive by" litigation under the Americans with Disabilities Act (ADA). In some cases, lawyers simply drive down the street, or use Google Maps, to look for any technical violation of the ADA by local businesses. This is quickly followed up by a demand letter to the business.

Business owners should have the confidence to challenge a bogus claim, knowing that they will be compensated for their time and resources spent fighting back. Unfortunately, current litigation rules don't provide much help. Under current law, even if a lawsuit is found to be frivolous, a judge can decide against sanctioning the offending party.

PMAA strongly supported the ADA Education and Reform Act to put a stop to these outrageous lawsuits. H.R. 620 now faces an uphill battle in the Senate.

PRESIDENT RELEASES 2019 BUDGET AND INFRASTRUCTURE PLAN

On Monday, the Trump administration released its Fiscal Year (FY) 2019 budget proposal totaling \$4.4 trillion in spending. The proposal recommends cuts in non-military spending that would lower the federal budget deficit by \$3 trillion over 10 years.

The budget seeks \$30.6 billion for the Department of Energy (DOE), less than a 1 percent cut compared to what Congress appropriated for it in FY 2017, to reflect a \$1.6 billion increase as part of the budget deal struck by Congress last week. The proposal requests \$696 million for the Office of Energy Efficiency and Renewable Energy and \$502 million for the Office of Fossil Energy. The proposal also provides \$195 million for petroleum reserves, including the Strategic Petroleum Reserve, Naval Petroleum and Oil Share Reserves, and Northeast Home Heating Oil Reserve. The Strategic Petroleum Reserve oil will continue to be sold for the Energy Security and Infrastructure Modernization Fund.

Under the White House proposal, funding for the Leaking Underground Storage Tank (LUST) program would be reduced to \$47 million. This is problematic. PMAA is concerned that if states do not receive funding, then they will find other ways to cover their costs including increasing tank fees. In previous years, Congress has appropriated between \$90 - \$100 million each year; an amount PMAA urges Congress to continue to appropriate. Republican appropriators have noted that EPA's budget had already been dropping over the past few years, and lawmakers from both parties criticized the president's blueprint for cutting popular programs.

For the second straight year, Trump's budget plan seeks to close the Northeast Gasoline Supply Reserve, an emergency stockpile of one million barrels of gasoline created in 2012 after Hurricane Sandy left some New York gas stations without fuel. Furthermore, the proposal eliminates the Low-Income Home Energy Assistance Program (LIHEAP) as well as the Weatherization Assistance Program (WAP). In recent years, the LIHEAP program has provided more than \$3 billion annually to states in support of their fuel assistance programs, with a current budget of \$3.39 billion. Both programs are vital in serving low income consumers of home heating fuel, with LIHEAP helping consumers with fuel funds and the WAP helping with acquiring more efficient equipment. PMAA is a member of the National Energy and Utility Affordability Coalition (NEUAC) which is aggressively fighting the elimination of LIHEAP. Lastly, the proposal calls for \$214 billion in cuts over a decade to the Supplemental Nutrition Assistance Program (SNAP).

Like all presidential budgets, ultimate passage of the blueprint is not likely, especially provisions such as the elimination of LIHEAP which will not be supported by a majority in the Senate. In both chambers, most domestic programs have bipartisan advocates. And in the Senate, bipartisan support will be imperative because it takes 60 votes to move spending bills past delaying tactics.

Meanwhile, the Trump administration also released its infrastructure plan which essentially shifts the responsibility for financing infrastructure projects from the federal government to the states and the private sector. The plan also does not mention an increase in the motor fuels excise tax. Unfortunately, the proposal calls for rest area commercialization. PMAA is adamantly opposed to rest area commercialization and will continue to make that clear in our communications to the White House and Congress. PMAA is a member of the Rest Area Commercialization Coalition that has been meeting with lawmakers to oppose the commercialization of rest areas. Commercializing rest areas could jeopardize private businesses that have operated under the current law for the past 50 years at established locations at highway exits. Due to their convenient locations for motorists, state-owned commercial rest areas have established virtual monopolies on the sale of

services to highway travelers. The ban on the commercialization of rest areas has resulted in a strong, competitive economic environment with over 60,000 businesses developing along U.S. interstate highways. Prohibiting publicly-run rest areas from competing with private sector businesses has been an undeniable success, resulting in industries that provide valuable services such as gas stations, travel plazas, truck stops, restaurants, and hotels.

The infrastructure proposal faces tough odds in Congress, however, with some conservative Republicans already expressing concerns at the total price tag and Democrats saying that the share coming from the federal government would be too little to fill the backlog of crumbling roads, bridges, railroads, tunnels, and airports.

TRUMP PROPOSAL WOULD REPLACE SOME SNAP BENEFITS WITH MEAL BOXES

The Supplemental Nutrition Assistance Program (SNAP) provides nearly 46 million low-income families with an allowance to choose the foods they wish. However, under a proposal in President Trump's new budget plan released earlier this week, many participants in the program would be given half their benefits in the form of a "Harvest Box" full of food such as peanut butter, pasta, canned goods, and cereal. This means the government would be choosing what the SNAP recipients would eat instead of the recipients themselves.

The idea behind the proposal is to reduce the federal budget deficit by about \$21 billion over the next 10 years. However, the proposal was largely met with a negative reaction. Democrats believe this proposal is an attack on the poor and business retailers feel that it is a direct attack on their businesses because many retailers rely on SNAP recipients to make purchases from their stores.

Administration officials on Tuesday admitted that the food-box plan had no chance of being implemented anytime soon. Many lawmakers and others believe the proposal was created as a distraction from Trump's other proposal in the budget that would slash SNAP funding by around 30 percent.

PMAA opposes this proposal and will be working with Congress to ensure it is not passed into law.

REMINDER: IRS FIELD INSPECTORS CHECK DISPENSERS FOR PROPER LABELING

IRS field agents are always on the lookout for dispenser labeling violations. The IRS requires labels for dyed diesel, dyed kerosene and untaxed clear kerosene dispensers. IRS fines for faded, incorrect or missing dispenser labels are significant - \$10 for every gallon of fuel in the storage tank connected to the noncompliant dispenser. The labeling requirement has been in place for diesel dyed diesel dispensers since 1993 and for dyed and clear kerosene dispensers since 1998.

The following IRS labels must be posted on any retail dispenser or other delivery facility (skid tank, consumer dispensers at bulk plants or card locks) where dyed diesel fuel and/or dyed kerosene are dispensed for use by a purchaser/consumer:

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

"DYED KEROSENE, NONTAXABLE USE ONLY, PENALTY FOR TAXABLE USE".

In addition, the following label must be posted on all blocked pumps that sell clear, untaxed kerosene:

"UNDYED UNTAXED KEROSENE, NONTAXABLE USE ONLY".

The labels must be affixed to the dispenser in a conspicuous place within easy sight of the person dispensing the fuel either on the face of the dispenser (on both sides) or on the side of the dispenser just above the nozzle housing. Many petroleum equipment vendors sell IRS compliant labels online.

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IRS REQUIREMENTS FOR TAX FREE SALE OF CLEAR KEROSENE FROM A DISPENSER

The IRS has specific rules for the tax-free sale of undyed kerosene from a dispenser which applies to all petroleum marketers making such sales. Under IRS regulations, no tax is due on kerosene used in a space heater. Since red dye required for nontaxable kerosene can damage various space heater components, only clear kerosene may be used. However, all clear kerosene is taxed at the terminal rack. The only way for customers to file a claim for the tax paid on clear kerosene is on their annual income tax return. In order to relieve customers of the trouble of filing a claim for the tax paid, the IRS allows tax free sales of clear kerosene from a dispenser under certain conditions. Petroleum marketers should comply with the following requirements to sell tax free, clear kerosene for use in space heaters:

Credit or Refund Process - The retail vendor selling the undyed kerosene is the only party allowed to file a claim for a credit or refund of the federal excise tax provided the following conditions are met:

- The undyed kerosene is sold for a non-taxable use,
- The undyed kerosene is dispensed from a “blocked pump”
- The retail vendor has an IRS 637 UP certificate (available at www.irs.gov)
- The claim is filed on IRS Form 8849 or 4136, and
- The retail vendor writes “KEROSENE” at the top of the form submitted to the IRS.
- A credit or refund may be submitted every seven days for claims exceeding \$100.

Purchase Receipt Requirement - For purchases of five gallons or more, the vendor must:

- Record the date of sale, name and address of the buyer, and
- The number of gallons of kerosene sold to the buyer.

Blocked Pump Definition - A blocked pump is a dispenser that meets the following conditions:

- The dispenser is used to make retail sales of undyed kerosene for use by the buyer for any non-taxable use.
- The dispenser is identified with a legible and conspicuous notice stating:

“UNDYED UNTAXED KEROSENE, NONTAXABLE USE ONLY”

- The dispenser it is in a fixed location, and
- The dispenser meets *either* of the following conditions:
 - The dispenser cannot reasonably be used to dispense fuel directly into the tank of a diesel-powered highway vehicle or train. This can be achieved by using a short hose that cannot reach the tank of a diesel-powered highway vehicle or the use of barriers that prevent the vehicle from reaching the hose, *OR*
 - The dispenser is locked by the vendor after each sale and unlocked by the vendor only in response to a buyer’s request for undyed kerosene for use as fuel other than in a diesel-powered highway vehicle.

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MARK YOUR CALENDARS FOR UPCOMING EVENTS

- February 20-22, 2018** – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada
- May 3-4, 2018** – NPM&CSA Big Dogs – Red Rock Casino – Las Vegas, Nevada
- June 5-7, 2018** – MPMCSA Convention & Expo – Fairmont, MT
- June 18-21, 2018** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington
- August 8-10, 2018** – Idaho (IPM&CSA) Convention – Coeur d’Alene Resort – Coeur d’Alene, Idaho
- August 20-22, 2018** – New Mexico (NMPMA) Convention – Sandia Resort & Casino, Albuquerque, NM
- September 12-14, 2018** – Utah (UPMRA) Convention – Doubletree by Hilton, Park City, UT

WPMA MEMBER SERVICES



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Petro Pete: “I’ve learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

CLASSIFIED ADS

FOR SALE:

1996 Kenworth Delivery Truck

- 355 Caterpillar motor
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- 4200 gallon
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- 2 Roper Pumps
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Cell 575-749-0847

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