

July 30, 2021

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CONGRESSIONAL UPDATE

Protect Small Business Energy Marketers in Senate Infrastructure Bill

This week, the Senate voted in favor of moving forward on a Bipartisan Infrastructure Deal (BID), although, legislative text has not been released. The deal reportedly includes \$550 billion in new spending, which includes funding for roads, bridges, and major projects, electric grid upgrades, rail and Amtrak improvements, broadband expansion, clean drinking water, transit, ports and airports, and electric vehicle (EV) chargers. The deal proposes repurposing \$205 billion in unspent pandemic relief funds and another \$53 billion in unspent unemployment benefits to offset its cost. Consequently, a draft discussion legislative text includes provisions which would allow EV charging at rest areas on the Interstate right-of-way which will harm small business energy marketers. Permitting EV charging at rest areas or on the Interstate right-of-way will discourage the investment in charging by private businesses especially small businesses along Interstate exits. In addition, allowing charging at rest areas could lead to a slippery slope with EV users demanding additional relaxations of the commercialization ban, ultimately decimating hundreds of thousands of off-highway businesses. **Click [here](#) to reach out to Congress ASAP!**

Once text is released, the Senate is expected to work this weekend and next week on finalizing the package with the hope of passing it before the chamber adjourns for the August recess. Senate Majority Leader Chuck Schumer (D-NY) would also like the Senate to vote on a \$3.5 trillion budget resolution before the August recess, which would allow the Senate to begin a Democrat-only reconciliation process addressing priorities not included in the BID. Although, Senator Kyrsten Sinema (D-AZ) has already raised concerns over the \$3.5 trillion price tag so it remains uncertain how the House and Senate will move forward on a reconciliation package. It also remains uncertain how the House will treat the Senate's BID. Speaker of the House Nancy Pelosi (D-CA) has said that the House will not consider the BID without also advancing a reconciliation package, and House Transportation and Infrastructure Chairman Peter DeFazio (D-OR) has repeatedly criticized the BID as being inadequate.

Also this week, Senator Dianne Feinstein (D-CA) introduced legislation that would offer a tax credit for purchasing used EVs. The bill would grant buyers up to \$2,500 in rebates, and would apply for EVs at least two years old that cost less than \$25,000.

SBA ANNOUNCES OPENING OF PAYCHECK PROTECTION PROGRAM DIRECT FORGIVENESS PORTAL

The U.S. Small Business Administration (SBA) has launched a new online application portal that allows borrowers with PPP loans of \$150,000 or less to apply for forgiveness directly through the SBA instead of through participating lenders. The new application portal is designed to streamline and simplify forgiveness for small businesses. According to the SBA, most businesses (6.5 million) waiting for forgiveness have loans under \$150,000. The new forgiveness portal will begin accepting applications from borrowers on August 4, 2021.

In addition, the SBA has set up a fully staffed PPP call-in number to answer borrower questions and assist filling out their forgiveness applications. Borrowers with questions or needing assistance with their PPP forgiveness application should call (877) 552-2692, Monday through Friday, from 8 a.m. to 8 p.m. EST. The forgiveness application portal can be accessed by clicking [here](#).

EMA COMMENTS ON ZERO EMISSIONS HOME ACT OF 2021

Yesterday, the Energy Marketers of America (EMA) and its heating fuel state associations sent a letter to Senator Martin Heinrich (D-NM) regarding the Zero-Emissions Homes Act of 2021, a bill he recently introduced to incentivize the purchase of new energy efficient heating appliances through federal rebates and tax credits. Unfortunately, the tax credits are limited to purchasers of new heating appliances powered by electricity while not recognizing clean renewable biodiesel used for heating which can achieve far greater reductions in greenhouse gas emissions than any alternatively powered heating appliance on the market today, including heat pumps.

Many states and liquid energy marketers are steadily increasing the biodiesel content in heating oil for use in residential and commercial heating equipment. Currently, heating fuel marketers in the Northeast, Pacific Northwest, Midwest and the Southeast are blending biodiesel into heating oil at percentages ranging from 5 to 100 percent. Pure biodiesel reduces carbon emissions by 80 percent when used in existing heating oil appliances. EMA encouraged the Senator to expand the tax credits for liquid fuel heating appliances that are Energy Star rated and certified by Underwriters Laboratory (UL) to operate with biodiesel. Click [here](#) to read the full letter.

EMA NATIONAL SURVEY ON THE INABILITY TO OBTAIN INFORMATION ON EMV CHARGEBACKS

Since EMV at retail motor fuel dispensers became mandatory on April 17th, 2021, there have been several issues raised related to the lack of information concerning the reason (e.g., fraud, non-EMV compliance, or a customer complaint) for the chargeback and inability to obtain that information (e.g., processor, majors, processing bank).

EMA created a survey to see how widespread of an issue this is across the country. Click [here](#) to access the survey. **Deadline to respond is Friday, August 6th.**

IRS EXPANDS EMPLOYER TAX CREDITS FOR PROVIDING EMPLOYEES PAID SICK AND FAMILY LEAVE DUE TO COVID

The IRS has updated frequently asked questions (FAQs) on the paid sick and family leave tax credits available under the American Rescue Plan Act of 2021 (ARP). The paid sick and family leave tax credits reimburse eligible employers for the cost of providing paid sick and family leave for reasons related to COVID-19. The revised FAQs make clear this includes leave taken by employees to care for certain individuals to obtain immunization relating to COVID-19 or to recover from immunization relating to COVID-19. The tax credits under the Tax Relief Act, cover leave taken beginning April 1, 2020, through March 31, 2021. The ARP amends and extends these credits to leave taken beginning April 1, 2021, through Sept. 30, 2021. The FAQs include information on:

- How employers may claim the paid sick and family leave credits,
- How to file for and compute the applicable credit amounts, and
- How to receive advance payments for and refunds of the credits.

Under the ARP, eligible employers, including businesses and tax-exempt organizations with fewer than 500 employees, may claim the sick and family leave tax credits for qualified leave wages along certain other wage-related expenses (such as health plan expenses and certain collectively bargained benefits).

REMINDER: IRS ISSUES HEFTY FINES FOR FAILURE TO DISPLAY NONTAXABLE USE DISPENSER LABELS

EMA continues to hear from energy marketers who have received hefty fines for failure to display IRS nontaxable use warning labels on dispensers. The IRS requires all dyed diesel and dyed kerosene dispensers to have a specific label indicating that the fuel is for nontaxable use only. Dispensers supplying undyed, untaxed kerosene sold from a blocked pump must also display an IRS nontaxable use warning label. The labeling requirement has been in place for diesel dyed diesel dispensers since 1993 and for dyed and clear kerosene dispensers since 1998. IRS field agents continue to enforce the dispenser label requirement in all regions of the country. Under IRS regulations marketers who fail to post the required labels are **presumed to know** the fuel will not be used for a nontaxable use and responsible for paying the 24.3 cpg federal excise tax on the fuel (the back-up tax). In addition, the IRS will assess a penalty of \$10 per gallon for every gallon **of nontaxable fuel in the storage tank connected to the dispenser** at the time of the violation.

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. The IRS issues violations for any IRS required label that is missing, faded, ripped or obscured in any from the consumers view. Marketers should frequently inspect dyed diesel fuel, dyed kerosene and clear untaxed kerosene dispensers to ensure the IRS label is properly placed and legible. Labels can be ordered online from most petroleum and c-store supply vendors.

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MIDWEST REPUBLICAN SENATORS RAISE CONCERNS OVER EVs, URGE BIDEN ADMINISTRATION TO SUPPORT BIOFUELS

On Wednesday, midwestern GOP Senators Jerry Moran (R-KS), John Thune (R-SD), Chuck Grassley (R-IA), Roy Blunt (R-MO), Deb Fischer (R-NE), Mike Rounds (R-SD), Joni Ernst (R-IA) and Ben Sasse (R-NE) sent a [letter](#) to President Biden over their concerns with the Administration's all-in approach for electric vehicles while not supporting biofuels as an immediate way to lower transportation emissions using the existing consumer vehicle fleet and fueling infrastructure.

Specifically, the senators said, "Unfortunately, the promise of homegrown biofuels and our agriculture sector appear to be woefully underrepresented in your administration's energy, environmental, and transportation agenda. You have made clear your interest in going all-in on electric vehicles (EVs) despite the outstanding costs, critical mineral constraints and related labor exploitation, electricity generation and transmission demands, consumer needs, and other unresolved aspects of this ambition. While we recognize that EVs will eventually play an increased role in America's transportation and energy future, and that American innovation and ingenuity will overcome some of the hurdles faced by this nascent industry, we urge you to not look beyond the current generation of biofuels technology and forgo the meaningful reduction in carbon emissions they can provide."

EMA OPPOSES TREASURY DEPARTMENT PROPOSAL REQUIRING BURDENSOME FINANCIAL REPORTING

This week, EMA joined several small business associations in a [letter](#) opposing a Treasury Department proposal which would require financial institutions to report to the IRS on the deposits and withdrawals of all business and personal accounts, as well as transfers between accounts of the same owner. EMA objected to the proposal due to the broad, untargeted nature of the Treasury proposal which is likely to create taxpayer complexity and confusion. Taxpayers will likely have to receive new or modified 1099s for every account they hold containing funds flow information that may not be relevant to their tax liability.

Simply put, the letter urged Congress to reject the Treasury proposal and explore less intrusive means of reducing the tax gap.

MEMBERS AND ASSOCIATES - YOU CAN CONTRIBUTE!

WPMA welcomes industry-related articles for publication in the WPMA News magazine. All members and associate members of WPMA are eligible to submit items for publication. Articles will be included as space allows, and no self-promoting articles or editorials will be accepted. WPMA reserves the right to edit and make adaption of such contributions to accommodate the magazine's space and style. Please submit articles or content to Jan Roothoff, WPMA Administration/IT Director at janr@wpma.com, or mail to Jan Roothoff, Western Petroleum Marketers Association, PO Box 571500, Murray, UT 84157-1500. Submissions for the Winter edition of WPMA News magazine are due before November 1st. Later submissions will be considered for the Spring issue.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

August 4-6, 2021 - Idaho (IPM&CSA) Convention - Sun Valley Resort - Sun Valley, ID

August 23-25, 2021 - New Mexico (NMPMA) Convention - Sandia Resort & Casino - Albuquerque, NM

September 2, 2021 - Idaho (IPM&CSA) Teton Valley PAC Fund Golf - Teton Reserve GC - Victor, ID

September 15-17, 2021 - Utah (UPMRA) Convention - Sheraton Park City Hotel - Park City, UT

February 22-24, 2022 - WPMA Convention & Expo - Mirage Hotel - Las Vegas, NV

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Petro Pete: "I used to have a handle on life, but then it broke."

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