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## **IRS FIELD INSPECTORS LOOKING FOR DISPENSER LABELING VIOLATIONS**

PMAA is continuing to receive calls about IRS enforcement of dispenser labeling requirements. IRS fines for incorrect or missing labels are significant. The IRS requires all dyed diesel and dyed kerosene dispensers to have a specific label indicating that the fuel is for nontaxable use only. The labeling requirement has been in place for dyed diesel dispensers since 1993 and for dyed and clear kerosene dispensers since 1998. The IRS has recently stepped up enforcement of the dispenser label requirements nationwide. Please note that the EPA's LSD and ULSD dispenser labels - which also provide notice on nontaxable uses of these fuels – are NOT a replacement for the IRS labels. Both the IRS and EPA labels are required despite their apparent redundancy.

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”.**

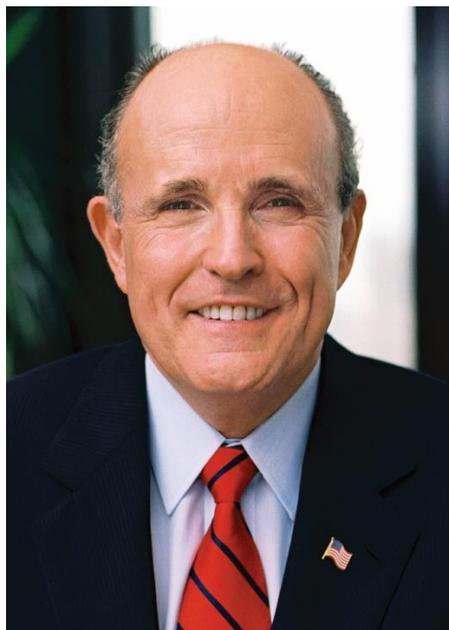
In addition, the following label must be posted on all blocked pumps that sell clear, untaxed kerosene:

**“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.

For more information contact Mark S. Morgan, PMAA Regulatory Counsel at [mmorgan@pmaa.org](mailto:mmorgan@pmaa.org)

## **2017 WPMAEXPO KEYNOTE SPEAKER**



**RUDY GIULIANI**

Rudolph W. Giuliani, the former Mayor of New York City, has been selected as the 2017 WPMAEXPO Keynote Speaker.

## **TRUMP AND CLINTON HAVE DIFFERENT PLANS FOR THE DEATH TAX**

The death tax is often the subject of political debate and this election is no exception. In a Presidential contest filled with policies related to income equality, the estate aka the "death" tax is a key issue.

Recently, Donald Trump announced that "no family will have to pay the death tax. American workers have paid taxes their whole lives. It's just plain wrong and most people agree with that. We will repeal it." Republicans have tried to repeal the death tax many times but they cannot do so without a majority in the Senate and a Republican President in the White House. However, over the years, Congress has been successful in increasing the exemption threshold to \$5.45 million and \$10.9 million for couples, as well as decreasing the death tax rate to 40 percent.

Conversely, Hillary Clinton would like to increase the death tax rate to 45 percent and decrease the exemption threshold to \$3.5 million.

PMAA strongly opposes the death tax and will continue to work closely with Congress to have it repealed.

## **FMCSA EXPECTS TO PROPOSE TRUCK SPEED LIMITER RULE BY END OF 2016**

The Federal Motor Carrier Safety Administration (FMCSA) is set to issue a proposed rulemaking requiring heavy duty commercial motor vehicles to be equipped with speed limiters. The FMCSA said the rule will likely be published later this fall. It is thought that the rule would mandate a maximum speed of 65 mph for commercial vehicles over 10,000 pound GVW. A similar mandate in Canada has reduced truck crashes by 24 percent according to the FMCSA. It is not known whether the speed limiter proposal will be required for only newly manufactured trucks or require the retro-fit of existing trucks as well.

The FMCSA has been floating the idea of a speed limiter mandate since 2006 but has postponed issuance of a proposed rule over 20 times. The proposed rule is currently under final review at the White House Office of Management and Budget (OMB), a first and last stop for all federal rules before they are finalized. The speed limiter rule has been under review at OMB since May 2015, much longer than the typical 90 day review process. Industry analysts suggest the delay likely signifies problems with data designed to measure both the costs and the benefits of the speed limiter mandate. Truck safety advocates have been putting pressure on the FMCSA to move forward with the proposed rule. Congress is also frustrated with the seemingly endless delays by FMCSA.

Included in the Senate version of the 2017 transportation funding bill is a provision calling on the FMCSA to advance the timetable on a final rule for speed limiters. Under the proposal, the FMCSA would be required to publish a final rule no later than six months after the proposed rule is issued. The trucking industry is split on the speed limiter mandate. Independent truckers say the mandate will reduce commercial trucking productivity nationwide while trucking company owners claim it is a much needed safety improvement that will keep drivers, their cargos along with the driving public safer and reduce accident and insurance costs across the board.

PMAA will monitor and respond to the speed limiter mandate as it moves through the rulemaking process.

## **REPORT BY WATCHDOG GROUP FINDS EPA COMPLIANCE FAILURES**

Yesterday, a watchdog group concluded in a report that the EPA has failed to properly study the environmental impact of the RFS program. The original RFS law created in 2005 requires the EPA to conduct testing on the environmental effects of blending various biofuels with gasoline. Auditors stated that not having these tests completed "impedes the EPA's ability to identify, consider, mitigate and make policymakers aware of any adverse impacts of renewable fuels."

The battle over the RFS program has remained steadfast since its inception in 2005 and expansion in 2007. Proponents of the program say the use of ethanol and other biofuels are environmentally beneficial while opponents argue that the agricultural practices of creating biofuels has actually harmed the environment.

The report indicated that the EPA had only completed one of its triannual reports in 2011 and failed to report on air quality testing relating to the use of biofuels. The EPA responded to this finding by stating "the state of science has not changed enough with respect to lifecycle GHG [greenhouse gas] emissions to warrant revisiting its prior GHG determinations for the 2010 fuel sources." EPA regulators also said they would complete another review by 2017. However, they said an air quality report couldn't be completed until at least 2024.

PMAA continues to fight any attempt at increasing the ethanol mandate and is actively working to cap ethanol at 9.7 percent.

## **U.S. DOT ISSUES WARNING ABOUT FRAUDULENT MARKETING TECHNIQUES TARGETING MOTOR CARRIERS**

FMCSA has issued a warning to motor carriers and new entrant applicants about confusing and misleading solicitations from service providers or third party administrators by telephone, e-mail, text and U.S. Mail. According to the FMCSA, these businesses are able to target motor carriers and obtain their business data because DOT applications and registrations along with other basic carrier information are publically available on agency websites. These companies often

contact carriers within minutes after they complete online transactions with FMCSA. Aggressive or fraudulent marketing complaints have included carriers being pressured to immediately enroll in:

- Drug and Alcohol Supervisor trainin
- General FMCSA regulatory and compliance support
- Unified Carrier Registration compliance
- Biennial Update or Unified Registration System compliance

Motor carrier service providers and third-party administrators or their employees can and do provide valuable services to motor carriers and new entrants in the motor carrier community. The use of a private entity or company to assist a motor carrier with compliance is certainly an option for motor carrier officials and new entrant applicants. However, the U.S. Government does not endorse private businesses or vendors, and the use of a service provider is NOT required by FMCSA. Under federal law, pretending to be "an officer or employee acting under the authority of the United States" in order to demand or obtain "any money, paper, document, or thing of value" can result in a fine as well as imprisonment for up to three years (18 USC § 912). If you have been the victim of fraud and experienced a loss, please report the crime to Law Enforcement. You should report any compromised banking or credit card information immediately to your financial institution or credit card issuer. If you would like to report a fraudulent request for information to DOT, please contact the Office of Inspector General (OIG) Hotline via [here](https://www.oig.dot.gov/hotline) (<https://www.oig.dot.gov/hotline>) or by calling (800) 424-9071.

### **RETAIL PAYMENTS STUDY CONSISTENT WITH MARKETERS' PERSPECTIVES**

Earlier this month, the National Retail Federation and the Forrester research and advisory firm released a [State of Retail Payments 2016](#) study. The "Securing Consumer Payment Data Continues to Dominate the Payments Agenda" survey found that EMV and the chargeback issues related to EMV are the primary concerns of the broad range of retailers (\$5.8 million in chargebacks will hit merchants in 2016) and that implementation of security efforts like encryption and tokenization follow close behind. Until these issues are resolved most will delay introducing mobile and digital wallets.

The study found 93 percent of retailers surveyed expect to have point-to-point encryption in place by the end of 2017 and 61 percent expect the same for multichannel tokenization. Near-field communication (NFC) used by many mobile payment systems is built into most EMV terminals, so 72 percent expect to be equipped for NFC by the end of 2017.

But 68 percent plan to accept only one or two types of digital wallets rather the half-dozen vying for acceptance. By the end of 2017, 76 percent of retailers are planning to accept Apple Pay, compared with 59 percent for PayPal. For petroleum marketers, most petroleum companies have their own proprietary payment systems.

### **POSITION AVAILABLE – PRESIDENT OF THE PETROLEUM MARKETERS OIL CO. (THE SPIRIT® BRAND)**

The Petroleum Marketers Oil Co. (The Spirit® Brand) is seeking a qualified individual who will be responsible for all aspects of day-to-day operations of the company.

#### **These comprehensive responsibilities include:**

- All daily business operations
- Marketing of company services
- Exploring new business opportunities
- Negotiations with vendors and suppliers
- Generation of financial and operating reports
- Maintenance of policies and procedures to manage the company
- Generation of company annual and strategic plans including budget
- Planning and organization of meetings
- Travel Nationally
- Performance of other duties as required by the Chairman and Management Committee

#### **Qualifications include:**

- Familiarity with retail petroleum operations
- Knowledge of accounting procedures, financial reports, management of medium size businesses
- Four-year college degree or equivalent experience
- Strong communication, presentation and leadership skills
- Ability to work with customers at all levels using courtesy, tact and good judgement
- Ability to work independently with minimal or no guidance
- Computer skills: Strong Microsoft Office and Quick Books skills

**Contact: Bill Herdrich [bill@herdrich.com](mailto:bill@herdrich.com) 317-694-6189**

## 2017 WPMAEXPO - LAS VEGAS, NEVADA



Mark your calendars for **February 21-23, 2017**. Make plans now to attend the **2017 WPMAEXPO**. It will be held once again at the Mirage in Las Vegas, Nevada.

### MARK YOUR CALENDARS FOR UPCOMING EVENTS

**August 22-24, 2016** – New Mexico (NMPMA) Convention – Sandia Resort & Casino – Albuquerque, New Mexico

**August 26, 2016** – Hawaii (HPMA) Golf Tournament – Honolulu Country Club – Honolulu, Hawaii

**September 8, 2016** – Idaho (IPM&CSA) Teton Valley PAC Golf Outing – Huntsman Springs GC – Driggs, Idaho

**September 14-16, 2016** – Utah (UPMRA) Convention - DoubleTree Hotel by Hilton – Park City, Utah

**December 8, 2016** – Washington (WOMA) Christmas Party – SAFECO Field – Seattle, Washington

**February 21-23, 2017** – WPMA Convention & Expo – Mirage Hotel– Las Vegas, Nevada

**March 1, 2017** – Utah (UPMRA) Day on Capitol Hill – Salt Lake City, Utah

**May, 2017**– Nevada (NPM&CSA) Big Dogs Shootout – TBD, Nevada

**June 6-8, 2017** – Montana (MPMCSA) Convention – Northern Hotel – Billings, Montana

**June 19-22, 2017** – Washington (WOMA) Convention – Suncadia Resort – Cle Elum, Washington

**June 22, 2017** – Utah (UPMRA) Summer Classic PAC Golf Outing – TBD, Utah

**August 2-4, 2017** – Idaho (IPM&CSA) Convention – Sun Valley Resort – Sun Valley, Idaho

**September 13-15, 2017** – Utah (UPMRA) Convention – Zermatt Resort – Midway, Utah

**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

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**Petro Pete:** *“If I work out for the next four years, when the next Olympics comes around I think I could get up from the couch on the first try.”*

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## **Classified Ads**

### **Now Hiring**

#### **Corporate Controller**

Cardwell Distributing, based in the Salt Lake City, Utah area, is one of the largest fuel and lubricant suppliers in the western United States. We provide retail, commercial and industrial customers in Colorado, Idaho, Nevada, Utah and Wyoming with unmatched service-oriented petroleum products distribution. We've been servicing our customers for over 50 years and we are now preparing for an expansion in our business. Our Corporate Controller will be a key person in this growth initiative.

For more information or to apply go to:

<https://cardwelldist.applicantpro.com/jobs/441759.html>