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SBLC URGES SENATE SMALL BUSINESS COMMITTEE TO PROMOTE TAX LEGISLATION THAT BENEFITS ALL SMALL BUSINESSES

The Small Business Legislative Council (SBLC), of which PMAA is a member, has submitted a statement for the record in response to the Senate Small Business & Entrepreneurship Committee's hearing on "Expanding Opportunities for Small Businesses Through the Tax Code" urging Congress to further improve the tax situation for pass through entities and avoid proposals that would cause significant harm to the small business retirement plan system. The SBLC applauds the Committee for taking the time to consider this very important issue.

Specifically, the SBLC urged that the Section 199A deduction for pass through entities be made permanent and that more businesses be permitted to take advantage of the 199A deduction. "Section 199A currently excludes a large number of pass through entities from the deduction through the concept of a Specified Service Trade or Business" wrote the SBLC. According to SBLC President, Paula Calimafde, "This exclusion adds a significant level of complexity to the tax code and forces small businesses to struggle with new and extremely complicated rules that will require professional assistance to navigate. These rules are the antithesis of tax simplification. Moreover, it is simply unjust to favor certain types of businesses over others."

The SBLC emphasized the importance of making the increased estate and gift tax permanent while maintaining the step-up in basis at death. The SBLC also stressed its opposition to proposals that would quickly force savings out of a plan after the owner's death or otherwise do anything to make owners fearful of saving too much in a retirement plan. The SBLC noted that while it supports many elements of the "Retirement Enhancement and Savings Act of 2018" (S.2526) it strongly opposes this element of the bill which the SBLC believes "could provide a significant deterrent to individuals continuing to save in a small business retirement plan and result in the freezing or termination of many small business plans (by small business owners who have saved "enough" in the plan)."

EPA SENDS 2019 BIOFUELS PROPOSAL TO OMB FOR REVIEW

This week, EPA sent RFS volume obligations to the White House Office of Management and Budget (OMB) for review. The White House is expected to complete its review of the proposed rule within the next 90 days for the 2018 RVO's and the Biomass Based Diesel Volume for 2019.

The EPA is proposing to increase total renewable fuel volume by 590 million gallons from 19.29 billion gallons in 2018 to 19.88 billion gallons for 2019. The renewable fuel volume for biomass-based diesel (biodiesel) was set in a 2017 rulemaking at 2.1 billion gallons, the same as required in calendar year 2018. Renewable fuel volumes for cellulosic biofuel will increase by 93 million gallons from 288 million gallons in 2018 to a proposed 381 million gallons in 2019. Under the proposed rule, advanced biofuels will increase from 4.29 billion gallons in 2018 to 4.88 billion gallons in 2019, an increase of 590 million gallons. Corn ethanol will remain at the 15 billion-gallon statutory maximum set by Congress under the RFS. The rulemaking also proposes to set the 2020 renewable fuel volume for biomass-based diesel at 2.43 billion gallons, up 330 million gallons when compared with the 2019 and 2018 2.1 billion gallons requirement. The 2019 obligated volume for bio-massed based biofuel (biodiesel) was previously set in a 2017 rulemaking.

GM PROPOSES NATIONWIDE MANDATED INCREASE OF ELECTRIC VEHICLES TO SEVEN MILLION

General Motors (GM) has proposed a National Zero Emissions Vehicle Program which would require all car manufacturers to increase production of electric vehicles to seven percent in 2021, and 25 percent by 2030. These increases would put seven million new electric vehicles on the road by 2030.

GM submitted this suggestion to the EPA in response to the Administration's proposed vehicle emissions rule, the Safer Affordable Fuel-Efficient rule, which would replace the CAFE standard implemented by the Obama Administration, and one that would undermine California's standard.

Most car manufacturers prefer a unified national plan and California is threatening to sue the Trump Administration over the new rule which will result in a long delay for a true national standard. GM believes their proposal is a compromise between the Administration's standard and what California hopes to achieve.

Rival car manufacturers were taken by surprise by the proposal and have criticized the announcement.

COMPLIANCE BULLETIN REMINDER: SHIPPING PAPER HAZMAT SEQUENCING REMINDER

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The U.S. DOT issued a final rule on December 29, 2006 that implemented a change to hazardous materials shipping papers beginning January 1, 2013. However, some petroleum marketers remain unaware of these important changes. The DOT's final rule harmonized federal hazardous material regulations (HMR) with international standards but applies to domestic shipments as well. The rule is important to petroleum marketers because it changed the way shipping papers for hazardous materials are prepared. Specifically, the final rule changed the sequence of hazardous material product description that must be placed on shipping papers for petroleum products. Under the new requirement, the hazardous material identification number must be entered first, followed by the product shipping name. Until now, the HMR required that the product shipping name be entered first, followed by the hazard class then the hazardous material identification number. The U.S. DOT allowed for voluntary compliance with the new hazardous material sequencing beginning January 1, 2007 but it became mandatory in 2013. The following is a comparison of the old and new hazardous material product information sequence for shipping papers (Note: bold type face used for purposes of illustration only):

INCORRECT SEQUENCING	**CORRECT SEQUENCING**
Diesel Fuel, 3, NA1993, PG III	NA1993, Diesel Fuel, 3, PG III
Fuel Oil, (No. 1,2,4,5 or 6) 3, NA1993, PG III	NA1993, Fuel Oil (1,2,4,5 or 6), 3, PG III
Gasoline, 3, UN1203, PG II	UN1203, Gasoline, 3, PG II
Kerosene, 3, UN1223, PG III	UN1223, Kerosene, 3, PG III
E-10	
Gasoline, 3, UN1203, PG II	UN1203, Gasoline, 3, PG II
Ethanol blends over E-10 including E-85	
Ethanol and Gasoline Mixture, 3, UN3475, PG II	UN3475 Ethanol and Gasoline Mixture, 3, PG II

(Remember all product sequences must be preceded or followed by quantity ex: "1 cargo tank truck" or "500 gals", etc.)

ENVIRONMENTAL GROUPS CALL FOR EPA TO MEASURE FARMLAND LOSS DUE TO THE RFS

This week, twelve environmental groups filed a petition asking EPA to end its policy of calculating total farmland used to grow feedstocks and instead require farmers producing biofuel feed to prove they are using land that was farmland before the Renewable Fuel Standard (RFS) was expanded in 2007. The law expanding the RFS in 2007 prohibited farmers from plowing into non-farmland to grow biofuel feedstocks.

The twelve environmental organizations petitioning EPA are the Earthjustice and Clean Air Task Force, National Wildlife Federation, ActionAid USA, American Bird Conservancy, Association of Northwest Steelheaders, Conservation Northwest, Hoosier Environmental Council, Illinois Stewardship Alliance, Mighty Earth, Sierra Club, Union of Concerned Scientists, and Wild Idea Buffalo.

In a statement, the groups said, "EPA has completely ignored its legal obligation by refusing to enforce these crucial environmental protections." The groups also stated that "millions of acres of previously uncultivated land have been converted to cropland" to satisfy the RFS mandate "with far-reaching, deleterious environmental impacts. Our air, water, land and wildlife are all suffering as a result." The groups claim more than seven million acres of wildlife habitat have been converted to cropland since 2007.

The petition acts as a warning that if EPA doesn't address the issue, the groups could sue the agency.

PMAA TEAMS UP WITH WORLDPAY TO OFFER PETROLEUM MARKETERS DISCOUNTED PROCESSING RATES

PMAA has negotiated a new contract extension with Worldpay that went into effect recently. The exclusive agreement offers discounted processing rates (0.029 cents) that cannot be increased during the term of the agreement to state association members. Efforts to receive superior pricing were achieved by partnering with NACS. Both PMAA and NACS combined their number of locations on the credit card program which will result in lower transaction fees to member companies as both programs grow. Other than combining the total number of locations to receive lower fees, the two programs will be managed and run separately with procedures in place to ensure members of both associations are placed in the correct program.

Worldpay is a significant player in the unbranded and mid-tier payments industry and leader in value-added services. Please reach out to Dan Fisher for additional information on the program and endorsement opportunities. He can be reached at Daniel.Fisher@worldpay.com or at 972-213-6954.

PLAN TO ATTEND THE 2019 WPMAEXPO

Mark your calendars for February 19-21, 2019. Make plans now to attend the 2019 WPMAEXPO.
It will be held once again at the Mirage in Las Vegas, Nevada.

MARK YOUR CALENDARS FOR UPCOMING EVENTS

October 25, 2018 – Hawaii (HPMA) Golf Tournament – Hapuna Beach GC, Kamuela, HI

February 19-21, 2019 – WPMA Convention & Expo – Mirage Hotel– Las Vegas, NV
May 2-3, 2019 – Nevada (NPM&CSA) – Big Dogs – Las Vegas, NV
June 4-6, 2019 – Montana (MPMCSA) Convention – Fairmont Hot Springs Resort – Fairmont, MT
June 20, 2019 – Utah (UPMRA) Summer Golf Classic - South Mountain Golf Course, Draper, UT
June 17-20, 2019 – Washington (WOMA) Convention – Suncadia Resort, Cle Elum, WA
August 5-7, 2019 – Idaho (IPM&CSA) Convention – Sun Valley Resort, Sun Valley, ID
August 19-21, 2019 – New Mexico (NMPMA) Convention – Sandia Resort & Casino, Albuquerque, NM
September 11-13, 2019 – Utah (UPMRA) – Convention – Zermatt Resort, Midway, UT

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Petro Pete: "*Whatever you do always give 100 %. Unless you are donating blood.*"