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*'Tis The Season!***PLEASE SUPPORT THE SCHOLARSHIP FOUNDATION SILENT AUCTION**

In 2011, the WPMA Scholarship Foundation will award \$32,000 in scholarships to graduating high school seniors. The Foundation receives a large portion of its working capital through income from the annual Scholarship Silent Auction held at the WPMA convention in February. Please support the Scholarship Foundation by donating an item to the 2011 Scholarship Silent Auction.

Past Silent Auction donations have included tickets to sporting events, vacation packages, decorator items, electronics, sports equipment, logo clothing, jewelry, tools, accessories, etc. Silent Auction donation forms are available on the WPMA website, www.wpma.com, under the Scholarship link. The donation is tax deductible, and donors will receive recognition on convention signage, in the Expo program, in the Silent Auction brochure, and next to the item in the auction. If you have questions, please contact Kathy Michaelis at the WPMA office: 888-252-5550, or e-mail kathym@wpma.com.

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CONGRESS PASSES PARTIAL BUSH TAX CUT EXTENSION**Ethanol and Biodiesel Tax Credits Included**

Late Thursday night, the House passed a two year extension of some 2001 and 2003 Bush tax cuts by a vote of 277 to 148. Earlier in the week, the Senate approved the tax package by an overwhelming 81 votes. The President is expected to sign the legislation once it reaches his desk. The \$858 billion tax package includes extensions of the vital ethanol and biodiesel tax credits that PMAA members have frequently urged Congress to pass.

The "Middle Class Tax Cut Act of 2010" extends the Bush income tax cuts for all income earners. Included in the massive tax bill is an extension of the current 45 cents-per-gallon ethanol tax credit thru 2011. The bill also extends the one-dollar-per-gallon biodiesel tax credit through 2011 and is applied retroactively to December 31, 2009. Additionally, the measure extends the current 54 cents-per-gallon import tariff through 2011.

The bill would reinstate for two years the estate tax at 35 percent of estates valued at \$5 million or more. If Congress does not complete action this year, the federal estate tax is scheduled to increase to 55 percent with only a one million dollar exemption at the beginning of 2011. The bill includes a one year extension of unemployment insurance benefits for the long-term unemployed and a two percentage point cut in the individual side of the Social Security payroll tax for 2011. The legislation also includes the ability for businesses to fully depreciate the value of any capital expenditures made in 2011. Senators did not include a repeal of the form 1099 requirement. While most of the bill is not offset, the Senators who tried to add the repeal could not agree on an offset. Chairman Baucus (D-MT) has promised it will be an early item of business in the next congress.

Additionally, the bill extends and temporarily increases this bonus depreciation provision for investments in new business equipment. For investments placed in service after September 8, 2010 and through December 31, 2011, the bill provides for 100 percent bonus depreciation. The bill provides for 50 percent bonus depreciation for investments placed in service after December 31, 2011 and through December 31, 2012. Finally, the bill extends through 2011 the alternative refueling property credit which allows gasoline station owners to claim a 30 percent tax credit (capped at \$30,000). Go to <http://clerk.house.gov/evs/2010/roll647.xml> to view how your member of Congress voted.

REID PULLS OMNIBUS SPENDING BILL FROM FLOOR

On Thursday, Senate Majority Leader Harry Reid (D-NV) pulled the plug on a \$1.1 trillion omnibus spending bill for fiscal year 2011 after many Senators objected due to earmarks and the cost of the bill. It's likely that an agreement will be made to extend funding for the government through February 2011 therefore punting the spending bill to the new Republican majority in the House. The federal government is currently being funded under a Continuing Resolution which ends this weekend.

FEDERAL RESERVE ANNOUNCES PRO-RETAILER SWIPE FEE RULE

Today the Federal Reserve announced its proposed rule to regulate swipe fees on debit transactions. The action by the Federal Reserve was born from the bipartisan Durbin amendment that was included in the Dodd-Frank Wall Street Reform and Consumer Protection Act. PMAA welcomed the historic reforms passed by Congress earlier this year.

Under the recommended new rules, the swipe fee on debit cards would be capped at 12 cents - about 70 percent lower than the average fee of 44 cents per transaction last year, according to the Fed. The total amount banks received from debit card interchange fees was \$16.2 billion.

MPC will be examining the rules closely and PMAA plans to submit comments supporting the concerns of MPC. We will work to ensure the final rule brings fairness and transparency to the broken payments market. Go to www.federalreserve.gov/boarddocs/meetings/2010/20101216/20101216_InterchangeFeeProposedRuleDRAFTFRNotice.pdf - to review the proposed rule.

LEADERSHIP POSTS ANNOUNCED FOR HOUSE ENERGY COMMITTEE

This week, House Energy and Commerce Committee Chairman-elect Fred Upton (R-MI) announced that Congressman Ed Whitfield (R-KY) will head the Energy and Power Subcommittee which will have jurisdiction over energy issues including the Clean Air Act. It's expected that Rep. Whitfield will hold many hearings next year to oversee EPA's GHG initiatives. Additionally, Rep. John Shimkus (R-IL) will head the Environment and Economy Subcommittee. Although Shimkus' subcommittee will not hold jurisdiction over the Clean Air Act, the subcommittee is expected to hold hearings over EPA regulations beyond the Clean Air Act.

CMOC TESTIFIES BEFORE HOUSE SUBCOMMITTEE

PMAA VICE CHAIRMAN ON CNBC

On Wednesday, the House Agriculture Subcommittee on General Farm Commodities and Risk Management held a hearing to address the CFTC's upcoming proposed rulemaking on position limits. NEFI Vice President Jim Collura provided testimony on behalf of NEFI and the Commodity Markets Oversight Coalition (CMOC). Others testifying before the Subcommittee were: CFTC Chairman Gary Gensler, CFTC Commissioner Bart Chilton, American Feed Industry Association Executive Joel Newman, IntercontinentalExchange, Inc. Chairman, Jeffrey Sprecher, and Senior Vice President ABN AMRO Clearing, Robert Jones.

The CFTC intends to issue a notice of proposed rulemaking tomorrow regarding the agency's decision on whether to impose aggregate position limits on non-commercial traders. PMAA was successful in pursuing aggregate position limits in the Wall Street Reform legislation, but until the CFTC writes and enforces the rules, futures market reform legislation will not accomplish what was intended. Chairman Gary Gensler indicated that the Commission is considering options to phase in implementation of position limits rules as it obtains important data in the swaps traded on unregulated exchanges. Both futures and swaps serve the same risk-management purposes although futures contracts are traded on regulated exchanges. Previously, the CFTC lacked statutory authority to enforce speculative position limits on swaps traded on unregulated exchanges. With passage of the Wall Street reform legislation, the CFTC now has the authority to enforce aggregate position limits on energy swaps, which will prevent excessive price increases and extreme volatility at the rack.

Meanwhile, the CFTC unexpectedly delayed its proposed rulemaking yesterday on position limits to prevent excessive speculation and manipulation. CFTC Commissioners decided to delay the proposed rulemaking because there wasn't consensus. Gensler vowed to take up the rulemaking again, but provided no timeline. The CFTC rulemaking would have affected 28 contracts including West Texas Intermediate crude oil, RBOB, and heating oil because of the high level of open interest in the futures/swaps markets. Aggregate limits would have been imposed in two phases: for the spot month (today's prices), and the second phase would have applied to single months and all months combined based on current levels of deliverable supply. Finally, the rulemaking would have imposed an aggregate position limit on non-commercial traders which have a financial interest of 10 percent or more in futures/swaps markets. Although the rulemaking was delayed, PMAA will continue to put pressure on the CFTC to issue a rulemaking which will place a limit on an amount speculators can hold in the futures/swaps market. PMAA supports traditional speculation which takes both long and short positions in the marketplace, not purely speculative bets by a long-only index fund. According to Commission staff, the rulemaking would have imposed position limits on index investors which have plowed billions of dollars into commodity futures contracts over the last five years.

Finally, PMAA Vice Chairman Sean Cota appeared on CNBC's "Squawk on the Street" to discuss the CFTC's proposed position limit rulemaking. Cota offered PMAA's perspective on limiting the number of highly speculative traders to prevent them from overwhelming a finite supply of product. By limiting the amount of speculative interests in the futures markets, extreme price increases at the rack will be reduced.

Click <http://www.cnbc.com/id/15840232/?video=1699193109&play=1> to see the video of Sean's appearance.

ENJOY HOLIDAY MENU PLANNING WITH THE PMAA COOKBOOK!

We all need a simple distraction to take our minds off of the holiday festivities and challenges. The PMAA PAC official cookbook makes for great holiday reading and family fun. Use the recipes for all of your holiday menus! Contribute to the PMAA Small Business Committee (SBC) PAC and plan your holiday meals at the same time. Furthermore, the books make excellent gifts. Buy many copies and give them to your friends so they can plan their holiday meals too.

To preview the cookbook and to download an order form, please go to <http://www.pmaa.org/index.asp> and follow the links on the left column.

REGISTER ONLINE FOR THE 2011 WPMA CONVENTION & CONVENIENCE STORE EXPO

Start planning now to attend the 2011 WPMA Convention and Convenience Store Expo. It will be held at the Mirage in Las Vegas, Nevada, February 22-24, 2011. You may now register online for the 2011 WPMA Convention & Convenience Store Expo. Go to: <http://www.wpma.com/national-convention>

MIRAGE HOTEL EARLY BIRD RATE CUTOFF DATE HAS BEEN EXTENDED

The cutoff date for the early bird room rate for the Mirage hotel has been extended until **January 3, 2010**. Take advantage of the early bird rate of \$145 now. For reservations click on the Mirage link under Hotel Reservations on the WPMA National Convention page <http://www.wpma.com/national-convention> or dial 1-800-499-6311.

Petro Pete: *"The Person who says it cannot be done should not interrupt the person who is doing it."*

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