



# Wyoming Fuel Tax News

VOLUME 6, ISSUE 2

MARCH 2016

## SPECIAL POINTS OF INTEREST:

- **FTA Update**
- **Propane Conversion**
- **Biodiesel Blend**
- **Customer Outreach**
- **We Want To Know More....**

## INSIDE THIS ISSUE:

- FTA Update 1
- Propane Conversion 2
- Customer Outreach 3
- Metered Mail Reminder 3
- We Want To Know More.... 4
- FTA Contact Information 4

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[www.dot.state.wy.us/home.html](http://www.dot.state.wy.us/home.html)

## What's Happening in FTA

There is a lot happening right now in FTA with our primary mission being to become "current" in the not-so-distant future. We hope that 2016 is treating you well and that Spring has arrived where you live. Springtime in Wyoming tends to mean feet of snow and howling winds, so we're looking forward to summer getting here!

We appreciate that the implementation of our redesigned work processes has created some inconsistencies that we continue to address. We are committed to owning our failings, and many of the issues that we have encountered have been self-induced. Change can be difficult, and our team is a mix of tenured Tax Examiners that are used to doing it the "old" way and newer Tax Examiners that are just learning the business. Although we've gained some bumps and bruises along the way, we are very impressed with the team's commitment to learn the new processes and to meet the six week stretch goals that we are setting with the ultimate goal of being "current" by mid-September. At this point, all we can offer our customers is our apologies for the "clunkiness" you may have experienced over the past eight months. Please know that we are learning from our mistakes.

We apologize that we are still struggling with duplicate and/or unnecessary document requests and at times unclear communication. While the mistakes have become fewer over time, we are very conscious of your time and do not intend to make poor use of it.

We are also working through some customer initiated issues that we would like your help with. We would like to remind our customer

base again that coversheets must include the preparer's name & telephone number(s), be printed on legal-size paper (not double sided), must have an original signature and date, and at this point must be mailed to our office in a timely manner. Coversheets that do not meet this criteria are being rejected with a requirement of being resubmitted within ten days. Should you need a correctly formatted coversheet, we have posted an updated DIE Monthly Fuel Tax Report form on our website.

Another recurring issue concerns freight and invoicing. Should you hire a carrier to carry fuel you are likely being charged freight, or conversely, if you're carrying fuel for a customer you are likely charging freight. In either case, the freight needs to be captured on the final invoice. If the freight charge is included in the price of the fuel, it must be stamped on the invoice. In instances where freight is charged but not included in the price of the fuel, it must be indicated on a separate line listing the freight charges.

We would like to request that when you are reporting by Bill of Lading number that you not include any leading zeros or extensions that may be relevant in your system. The reasoning behind our request is when a BOL with a leading zero or an extension (-1, /1, etc.) is electronically reported, that BOL cannot be cross-referenced electronically and must be handled manually. The net result is a slower process on our end which equates to a less than quality service experience for you the customer.

As always, we thank you for your cooperation and patience.

## Propane Conversion & Reporting

Over the last few months, we have noticed several variations and discrepancies with the calculations/formulas used to convert liquefied petroleum gas (LPG) to the Gasoline Gallon Equivalent (GGE). These discrepancies are showing up on documentation and reports that are submitted to Wyoming FTA.

As we wander further down the road of alternative fuels taxation, we have more clarification to offer concerning the GGE calculation that has been approved by FTA and that should be used when converting LPG. To arrive

at the gallons that taxes must be remitted on, please divide the total gallons of LPG by 1.35 (1.35 is the gasoline gallon equivalent (GGE) for LPG). For example, if you have 16,000 gallons of propane, divide the 16,000 gallons by 1.35 for a total of 11,852 GGE. Taxes of \$.24 per gallon are due on the converted gallons of propane. ***In addition, please do not adjust the tax, only the gallons.*** FTA must see \$.24 per GGE accessed when invoicing your customers.

Another issue that we are in the process of addressing is the schedule detail included

in the Wyoming monthly tax returns. The schedules don't necessarily correlate to alternative fuels when reporting net gallons, gross gallons and billed gallons. Until we are able to fully research what is needed to be more "report friendly" concerning alternative fuels, we will require that the LPG GGE be reported in only the gross gallon column. *Please leave the net and billed gallon columns blank.*

Please do not hesitate to contact our team with any questions you may have concerning alternative fuels taxation.



## Biodiesel Blend Designation

Over recent years, FTA has been asked to review our policy on how biodiesel blends are reported and what is considered a biodiesel blend. We heard your concerns, and we believe that we've arrived at a reasonable solution for all involved.

As a result of these discussions, Wyoming's Rules and Regulations for FTA were recently updated to include a designation for the 'xx' portion of Bxx in reference to the definition of biodiesel blends in Wyoming

statutes. In doing so, we have changed the way we determine if a product is considered diesel or if it is a biodiesel blend. The updated rules and regulations indicate that FTA shall consider any diesel product with 6 percent or more biodiesel a bio-diesel blend. Therefore, Bxx is B6, so B1 through B5 are classified as undyed diesel.

Even though these changes went into effect when the rules and regulations became officially adopted on

January 1, 2016, we intend to give our customers time to make adjustments to their accounting and reporting systems. In light of this latitude, we will anticipate seeing the new changes being employed by July 1, 2016.

Again, we believe this change will be met with favor, and we are pleased to have a firm decision concerning how we will determine what is considered a biodiesel blend.

As always, please don't hesitate to contact us with any questions.



# Providing Outreach To Our Customers

One of our strategic goals is to provide outreach to our customers and stakeholders. Over the past three years, we have put more emphasis on providing education to our customers prior to using our compliance procedures. While we are a taxing authority, we are very aware that we are also in the service delivery business and our mission is to partner with our customers. We are currently analyzing the means by which we provide this education as we are of the belief that it may not be as effective as we would like.

One of our primary educational vehicles is the email that you receive from our Service Delivery Team. Our auditing process includes the identification of areas where additional education may be beneficial, and our Service Delivery Team includes that education in the additional information/document request email. We are not extremely confident that the education provided in this format is effective, and we are considering more effective alternatives.

This quarterly newsletter is another one of our primary education tools. We make every effort to address widespread issues we are seeing with the hopes of resolving problems by providing information and answers. We would love to hear from our customers concerning questions or topics that should be addressed in these pages. The goal of this newsletter is to provide value to you, so if we're not hitting the mark we'd like to hear from you.

Another avenue we use to provide education is telephone discussions with customers. While this can be more time consuming and only reaches one customer, we have found these discussions to be very beneficial to both parties. Not only do we have an opportunity to discuss what or how we need the customer to report, we also get to learn more about our customer's business. Unfortunately, human capital and time constraints don't allow for us to use this format consistently, but we may determine that we need to allocate more time to this activity as it may bear more fruit long-term.

We plan to continue developing our formal customer education modules that we hope to be able to offer in the future.

One measurement that we use to determine if our educational efforts are effective is whether over time our need to request additional documents is increasing, decreasing or staying static. The theory being that the more educated our customers are, the more accurate their initial filing will be, and there will be less need for additional documents and/or amendments. While proving this theory is certainly our goal, without question it is likely a goal our customers have because time is money and document requests can be very time consuming. We are currently developing other measurements to ensure that our efforts are effective.

Please submit any educational ideas or questions you may have directly to Wayne at [Wayne.Hassinger@wyo.gov](mailto:Wayne.Hassinger@wyo.gov).

## Metered Mail

The Fuel Tax Program has been receiving metered mailings that appear to be outside the usual delivery time. Our law that applies to reporting timelines was written dependent upon a date shown by the post office cancellation mark which, of course, does not apply to metered mail.

Since it is more difficult to determine the actual date of mailing for articles that are metered, we ask that you communicate to your mailing staff the importance of ensuring that metered mail is deposited in the USPS collection box on the same date that it is metered. If the date on the check enclosed with the return is later than the metered date and is after the due date, we will

impose penalty and interest based on the date of the check.

We also receive mailings with postage due. Please ensure that adequate postage has been applied to those envelopes that are larger than a Number 10. Our policy will be to accumulate envelopes with postage due and to bill you along with tax billings or semi-annually when tax billings have not been generated.

If you have any questions about either of these policies, please contact our Service Delivery Team.



# We Want To Know More...

## Mike Turner—Service Delivery Team

*Hidden talent:* Shopping for clothes

*Favorite thing:* My hats

*Favorite artist:* The Beatles

*Favorite quote:* "Knowing is not enough, we must apply. Willing is not enough, we must do." Bruce Lee

*What does the quote mean to you?*

Use what you know and take action. Be decisive.

*Who are your heroes?*

Willie Mays



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## Kaila Sangster—Service Delivery Team



*Hidden talent:* I can draw cartoons and I can sing

*Favorite thing:* Sweet tea, my daughter

*Favorite ride:* The rides we take at hunting camp

*Favorite artist:* Thomas Kinkade

*Achievements you are most proud of:*

I got the MVP in high school while on the soccer team

Becoming a Mom

Buying my first house

# The Fuel Tax Team

## Leadership Team

Wayne Hassinger, Program Manager: 307-777-3909

Kimberly Peters, Program Supervisor: 307-777-3926

Jon Peterson, Senior Tax Examiner: 307-777-4832  
*Service Delivery Coach*

Bruce Messer, Senior Tax Examiner: 307-777-4840  
*Quality Coach*

## Team Members

### Service Delivery Team

Carol Denny, Tax Examiner: 307-777-3947

Jan Hertel, Tax Examiner: 307-777-4856

Kaila Sangster, Tax Examiner: 307-777-4836

Michael Turner, Tax Examiner: 307-777-3984

### Quality Team

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