



Wyoming Fuel Tax News

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SPECIAL POINTS OF INTEREST:

- **FTA Update**
- **Electronic Signature**
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- **Brokering Revisited**
- **We Share Your Passion**

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Happy New Year

Wishing you all a Happy New Year from the Wyoming Fuel Tax Team! We hope you all had a safe and happy holiday season and that the new year is treating you well. This edition of the Wyoming Fuel Tax News has been an ongoing project over the past four weeks, but we're committed to making it worth the wait.

Our primary objectives over the past several quarters has been to refine our redesigned work processes that were implemented on August 1st, and to develop and actively work a plan to get caught-up on our account work now that we have a fully staffed team with newer team members gaining more knowledge every day.

While we remain pleased with how the redesigned processes are working, we have identified, at times with your help, some areas of opportunity. We continue to take steps to address those opportunities, and in many instances, the "fixes" have already been implemented. However, in some cases, the solutions will take longer to implement than we'd like. Regardless of timeframes for refinement, we are committed to ensuring that we are effective and efficient at meeting our mission while providing a high level of customer service. We are challenged to meld the axioms of "do more with less," "smaller government is better government," and "service is our business," and redesign is our best effort at striking the balance. We appreciate that we are currently working through some service issues as far as duplicate and/or unnecessary document requests, unclear communication, and some dislike of the less personal approach we have taken. These are legitimate concerns that we are working to

address through additional training and communication. Redesign basically split the fuel tax auditing processes between two teams, and in the process of acclimating to those changes, we have experienced some failures in our internal and external communication that have had a negative impact on our customers. This is an outcome that we had hoped to avoid, but please know that we are taking the necessary steps to remedy these situations so you receive clear and concise communication from our team. While you now receive communication from members of the Service Delivery Team and/or the Quality Team rather than a specific Fuel Tax Examiner that is assigned to your account, we still expect our service level to be of high quality, and we will continue to focus on this area.

A great outcome of redesign is that we see a clear path to becoming current with our account work in the not-so-distant future, and we are working towards that goal with a sense of urgency. We are appreciative of your patience and cooperation as we work through the process of catching-up, and we believe that our new processes will be more proactive and seamless once we are current. Our team has grown a great deal over the past ten months, and we are now poised not only to get caught up but also to move forward with initiatives that we established several years ago. The pain felt with retirements, transfers, and onboarding new team members has subsided, and we are very grateful for the commitment and drive shown by our team to dig out and move forward as a progressive program.

Electronic Signature

The September 2015 issue of *Wyoming Fuel Tax News* shared that we are currently working with our IT staff to determine the most appropriate process to accept electronic signatures on coversheets. That work continues today, and we are in the process of identifying the specifics of how the electronic signature process will work. Once we've identified the necessary security measures and the platform to be used (we're hopeful that this will occur by mid-February), our IT Team will go to work developing the tool.

Electronic signature is an important next step for electronic filing, and we believe that the implementation of this process will be in the not-too-distant future. We envision that once this process is in place, customers will no longer need to provide any reporting information in paper form.

Following completion of the electronic signature process, we will begin discussions concerning the topic of electronically submitting amendments. Currently, amendments

cannot be "dropped" into our system like original returns are, but we are hopeful that we can achieve that ability in the future.

Several other longer-term goals include offering licensing, dealer reporting and carrier reporting through a web portal, and this is actually a periphery discussion we are having as we design the platform for electronic signature.

More to come soon as we near fruition for this initiative.

Electronic Statements

Beginning February 1, 2016, Fuel Tax Administration will be sending customers electronic statements in lieu of the paper Billing Adjustments/Billing Notices/Credit Notices/etc. that have been customary. This is all part of our incremental movement towards e-business, and we view it as a progressive step forward.

The electronic statement that customers receive from FTA will primarily come from the FTA Quality Team email address and will indicate the month, the year, and that it is a Statement. The actual

statement will be an attachment to the email and will look exactly like the paper statement customers currently receive. Unfortunately, in cases where customers will be submitting payment by check, printing of the statement will be necessary so it can be submitted with payment. Customers paying electronically will not need to print their statement.

This process, matched with several internal changes, will create efficiencies on our end, and we hope that it is positively received by our customers. To remain consistent with statute and current practices, customers

will have ten days from the date of the emailed statement to remit payment.

In related news, FTA does offer options for electronic payment (ACH), and we would be happy to work through the process of setting-up electronic payment should customers be interested. We anticipate improvements to the electronic payment process sometime in the future, but we will work to make the current process as painless as possible.

Should you have any questions or concerns, please do not hesitate to contact either Kim or Wayne.



Problematic and Non-Compliant Accounts

For several years we have been working to establish the parameters to be used in identifying problematic and non-compliant accounts. This exercise is necessary for several reasons including identifying which FTA team members will work these accounts. We share this information in an effort to remain transparent and to ensure that our customers have an understanding of our business practices. While our business is so dynamic that it is impossible to address every possible situation here, the following describes our typical practices.

The determination has been made that problematic accounts are accounts that consistently report incorrectly, even following several attempts to educate the tax preparer on correct fuel tax reporting practices. We take a number of steps, over a number of months, to educate and correct errors during the auditing process. We have an appreciation for how challenging attrition can be, and we attempt to work closely with new tax preparers early on to ensure that we are doing everything possible on our end for a smooth transition on the customer's end. The steps FTA will take in an effort to keep an account from becoming problematic include educating the tax preparer and discussions with the preparer and their supervisor to correct reporting errors. If these efforts fail over a 2-3 month time period, the account is then classified as problematic. At that point, the Quality Team creates a plan to address the concerns with the intention of resolving the problems and keeping the account from becoming non-compliant. These activities may include additional discussions with the customer, on-site visits or conference calls, and the rejection of returns. Should all of these activities fail to achieve the necessary results, the

account will then be considered non-compliant.

The determination has been made that an account will be considered non-compliant when they do not report accurately and timely and comply with Wyoming Statutes. Examples of non-compliance could include not providing documentation in a timely manner, not remitting billings in a timely manner, and submitting electronic files that are not readable. In these cases, the Quality Team's Compliance Team will develop an extensive plan to remedy the issues and at the minimum return the customer to *Problematic* status. The activities to achieve this may include additional on-site visits or conference calls, discussions with more senior members of the customer's team, and in extreme cases discussions involving the Attorney General and even revocation of a license.

It is important to note that in some instances steps may be taken out of the order described here. For example, a customer that is not classified as problematic or non-compliant may have a return rejected due to the number of errors or inaccuracies on that specific return. Should we be able to work through those issues in a timely manner and keep them from occurring in future months, the customer never reaches problematic or non-compliant status.

It is certainly our hope that only in rare instances do we have to use these processes, but it fits our mission to be very open about our policies and practices. Please do not hesitate to contact our team with any questions or concerns about these practices.

Brokering Revisited

At a very basic level, brokering is a paper transaction where fuel is bought and sold without the purchaser taking physical possession of the fuel. The sale or purchase of the fuel is passed through the fuel supply chain through paper transactions until the fuel is actually physically received by a purchasing company. Brokering can occur several times before a company takes physical possession of the fuel.

The origin of the brokered fuel and the destination of the brokered fuel should be the terminal for the selling company. If the purchasing company picks up the fuel or hires the carrier, they should show the origin of the receipt of the fuel as the terminal and the destination of the fuel should be wherever it was hauled to.

When fuel is brokered but tax is **paid** to the supplier of the fuel, the fuel is reported on a Schedule 1A and 5. When fuel is brokered but tax is **not paid** to the supplier of the fuel, the fuel is reported on a Schedule 2 and 6. In both of these instances, the fuel would be reported with an origin and destination as the terminal. The only difference is that the fuel was either purchased tax paid and therefore, reported on a tax paid schedule or purchased tax unpaid and reported on a tax unpaid schedule.



We Share Your **PASSION**



Kelli Kolkman:
Tax Examiner

My passions in life are my husband, family, and horses.

I am newly married. When I met my husband, I knew he was the one. From the very beginning we have been best friends. There are many things to making a marriage work, but I feel like we make a great team because we have respect for each other along with love and trust. We have fun whatever we are doing whether it be watching TV to tackling some project. He has recently introduced me to hunting and camp-

ing. It is one of my new favorite things to do.

I have always been close to my family. I enjoy spending time with them. In the summertime I can be found riding horses and roping with my Dad, brother and niece. Afterwards, we gather in the barn or on the deck to have a cold drink and tell stories while my Mom cooks a delicious meal. I look forward to getting together with my husband's family as well.

Horses have been in my life since I was a baby and I can't imagine a life without them. There is nothing more relaxing to me than going for a long ride to clear my mind. We both feel better once we get back to the barn. Horses have taught me to be strong, patient, kind and responsible.



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