



MOTORCARRIER NEWSLETTER

A Quarterly Newsletter

April 2002



Welcome to the 1st Quarter Edition of the CED/Motor Carrier Newsletter. Spring forward! Get ready to set your clocks ahead one hour at midnight on April 6th as we head into the spring season.

“SPOT LIGHT” ON THE FUEL INDUSTRY TEAM



From left to right: Kathy, Tammy, Patti, Dawn, Marina, Gail and Patti. Carmen also a Team member not pictured.

Industry Team News

The Industry Team has been very busy over the past several months. By now, each of you should have received your new fuel supplier license. Please take a moment to examine your license to be sure the correct fuel types, account number, company name, and FEIN are listed on your license. If any of the information on your license is incorrect, please contact the department.

After eleven years of faithful service to Motor Carrier, Kathy Souza received a well-deserved promotion and has moved to another agency. For Suppliers with company names beginning N – SH and any CNG/LPG Dealers, Patti Zahnter will be your new Tax Examiner.

Maintenance of Separate Account

The Industry Team would like to remind you that NRS365.170(2) and NRS 366.540(4) state “each special fuel supplier and special fuel dealer shall hold the amount of all taxes collected pursuant to this chapter in a separate account in trust for the state.” This account is required to ensure that all taxpayer monies collected on behalf of the state are protected and do not become part of the assets and/or liabilities of the companies remitting the collections. The Audit Team will be verifying compliance of this statute as part of their audit

LPG Reporting

There has been considerable discussion over the terms “taxable gallons” of LPG and “delivered”, “pumped” or “liquid gallons” of LPG. The statutes specify a tax rate based upon the sale of taxable gallons. However, the industry reports LPG sold to their customers based on actual meter readings, in liquid, pumped, or delivered gallons. This creates a great deal of confusion to the customer when trying to report the tax.

To convert, or not to convert, that is the question. **Do not** convert is the response. As a dealer you record the amount of LPG sold for motor vehicle use in *liquid* gallons and collect the tax due at the liquid gallon rate, \$0.064 per gallon and send in your report with the *collected tax and any tax due for self-use*. The DMV will make the conversion from liquid gallons to taxable gallons for you.

CNG Reporting

While we’re on the subject of conversions, what about Compressed Natural Gas (CNG)? CNG is also subject to a conversion factor. Again, the dealer need not make the conversion. Just report the sales in therm’s, pay the collected tax and any tax due for self-use, and the DMV will do the rest. However, if your dispenser is set up to dispense C NG in Gasoline Gallon Equivalents

(GGE’s), you will continue to charge the customer the full 21 cents per gallon tax on each gallon dispensed. Please indicate on your return that the CNG sold is reported in Gasoline Gallon Equivalents so the Department does not duplicate the conversion.

If you have additional questions or need more specific help, please contact Bob Hagan at (775) 684-4624 or Patti Zahnter at (775) 684-4939.

Audit Team

Under a recent legislative act (AB639) Special Mobile Equipment (SME) may retain its tax-exempt status and use dyed fuel to operate on a public highway. However, the definition of Special Mobile Equipment limits its highway use to, “only incidentally operated or moved upon a highway.” The 71st Legislature after much discussion and hearings included a provision in AB639, which ordered the Department of Motor Vehicles to define the term “incidentally operated or moved on a public highway”.

This definition will set the limits that a SME may operate on the highway and retain its tax-exempt status and be able to operate using dyed fuel.

In order to define the term, “incidentally operated or moved upon a highway” several issues need to be resolved:

How far should a SME be allowed to drive on the highway and be considered as incidentally operating or moving?

What about equipment that meets the definition in every way except that on occasion it may be used to repair or maintain the highway and while, so doing they may drive several miles on the highway or on city streets? Are they going to have to drain the equipment’s fuel tanks and flush the fuel system so that on this occasion, it can aid in the removal of snow, debris or assist in repairing the highway?

In response to these issues, the DMV held three workshops around the State of Nevada looking for input from persons who would be affected by this definition. The workshops were generally well attended and there were a number of comments received both written and oral.

After reviewing the comments, the proposed regulation has been rewritten to reflect the information provided by the workshops, and is currently under review by the Legislative Council Bureau.

When the Legislative Council Bureau releases the amended, proposed, regulation, it will be presented at three public hearings and everyone affected by the regulation will have another opportunity to offer their comments and suggestions concerning the proposed regulations. Please contact Bob Hagan at (775) 684-4624 if you have any questions regarding these new regulations.

Notes & Reminders from the Licensing Staff

JUST A QUICK REMINDER TO ALL CARRIERS.

If you are not renewing your account, or you plan to renew at a later date, please return any plate(s) and cab card(s) issued for the vehicle(s) to the nearest Department of Motor Vehicles, Motor Carrier office or mail to the address below:

DMV
Motor Carrier Section
Licensing Team
555 Wright Way
Carson City, NV 89711-0625

Under Nevada law it is illegal to operate a commercial vehicle on any publicly maintained highway without current credentials. Your unregistered vehicle maybe subject to

impoundment if stopped by a law enforcement officer.

If you haven't paid your **1st quarter installment**, please get them paid **ASAP** and avoid accumulative penalty and interest charges. Thank you.

BOLO! (BE ON THE LOOK OUT)

The **2nd quarter installments** will be going out in the mail and will be **due and payable with a postmark of April 1, 2002**. If you haven't received your invoice by March 15, 2002, please contact a member of the Licensing Team at (775) 684-4711, option #1. Motor Carrier Section office hours are 8:00 a.m. to 5:00 p.m., Monday through Friday.

DID YOU KNOW?

California raised their commercial registration fees for the year 2002? You might notice an increase in your second installment payment.

HINT OF THE DAY!!

Now is a good time of the year to verify the plates and cab cards match the vehicle that they are displayed on. If not, please notify us immediately.

Again a **Big Thank You** from Motor Carrier for being so prompt in submitting your renewals.

Fuel User Tax Team News

The Fuel User Tax Team has received more than 220 requests a quarter for refund on the exempt use of tax paid fuel. Please be aware that a written explanation of why tax exempt dyed fuel was not used must accompany each refund request. Failure to provide this information will result in your request being returned, which will delay your refund. Thank you for your cooperation and if you have any questions

regarding the refund procedure please call the Fuel User Tax Team at 775-684-4711.(ext.2)

MVS EXPRESS

VOLUNTEERS NEEDED TO HELP DEVELOP AND TEST NEW MOTOR CARRIER SERVICE.

DMV Motor Carrier, in conjunction with ACS, Inc., is creating a new system for computerized registration renewals, it will also allow for computerized additions and deletions of equipment. This new system uses the Internet, and when it is in production, you will be able to access it almost 24 hours a day (beats standing in line, doesn't it?). Be among the first to help develop Nevada's most exciting new Motor Carrier service.

The minimum system requirements are:

1. Pentium II or higher
2. 200 MHZ CPU or faster
3. Internet Explorer 5.0 or higher, or Netscape 4.7 or higher
4. 64 MB RAM or higher
5. 10 GB hard drive (10 MB cache) or more
6. 56K dial-up modem with ISP
7. Adobe Acrobat Reader 4.0

For further information please contact Gary Flores at (775) 684-4639.

√ ***Newly Enhanced Web Page***

Check out the information available on our CED/Motor Carrier Web Page: www.dmvnv.com/mchome.html Do you have **suggestions** or **questions**? Please contact Mike LaPutt at (702) 486-5218.

Revenue Team **Important Dates**

If you have not received a tax return or installment payment invoice prior to the due dates, please call the appropriate Motor Carrier Team and obtain the necessary information and/or form. With Motor Carrier deadlines always looming, it is extremely important to remember the dates when the filing of tax returns or the payments of registration installments are due. Many people find the use of a day planner or similar devices to be very convenient for reminding them of important dates; with this in mind we've designed this calendar for you:

| No later than: | Postmarked or submitted Action/Payment due |
|----------------|--|
| 04/01/02 | Second installment payment due for Motor Carrier fleet registration. |
| 04/30/02 | First Quarter IFTA/Special Fuel Tax Return due for tax year 2002 |
| 07/01/02 | Third installment payment due for Motor Carrier fleet registration |
| 07/31/02 | Second Quarter IFTA/Special Fuel Tax Return for tax year 2002 |
| 10/01/02 | Fourth installment payment due for Motor Carrier fleet registration. |
| 10/31/02 | Third Quarter IFTA/Special Fuel Tax Return for tax year 2002 |
| 12/31/02 | Renewal for 2003 Motor Carrier fleet registration |
| 1/31/03 | Fourth Quarter IFTA/Special Fuel Tax Return for tax year 2003 |