

Motor Carrier Permit & Tax Update



In This Issue

Another year, another 2290	1
CBSA's eManifest 'zero-rated' penalties have started	2
FMCSA approves two-year HOS exemption for oversize/overweight loads	3
Violations dip during CVSA's annual brake check	3
How the <i>Comprehensive Truck Size and Weight Limits Study</i> impacts permits	4
Cost management: Lowering costs through driver health and wellness	6
FMCSA extends petition deadline for passenger carrier lease and interchange rule	7
State Highlights	7
California	7
Connecticut	7
Georgia	8
Kansas	8
Louisiana	8
Maryland	9
Missouri	9
New Hampshire	9
Oregon	9
Pennsylvania	10
South Dakota	10
Tennessee	10
Washington	10
Provincial Highlights	11
TDG Proposal	11
TDG Updated	11
Manitoba	11
New Brunswick	12
Newfoundland-Labrador	12
Quebec	12



Federal Highlights

Another year, another 2290

Yes, it's already that time again. Your heavy vehicle use taxes (HVUT) are due at the end of this month, on August 31, 2015. Your HVUT is filed using Internal Revenue Service (IRS) Form 2290.

The HVUT is a federal tax that applies to vehicles with a taxable gross weight of 55,000 pounds or more and is based on the taxable weights of the vehicles and the number of vehicles in the taxable weight category.

Ever year, it's a good idea to review the HVUT requirements:

Vehicles subject to the HVUT. If you're registering a vehicle with a taxable gross weight of 55,000 pounds or more (including trucks, tractors, and buses), you're subject to the tax. Individuals, corporations, partnerships, or other types of organizations (including nonprofit, charitable, educational, etc.) are also subject to the tax. The taxable gross weight is the empty gross weight of the vehicle, plus the empty weights of any attached trailers, plus the heaviest weight of the loads the vehicle and/or trailers will carry. The HVUT applies regardless of whether vehicles operate interstate or intrastate only.

Entities required to file the HVUT. You're required to file an IRS Form 2290 if a taxable highway motor vehicle is registered, or required to be registered, in your name under any state or District of Columbia, Canadian, or Mexican law at the time of its first use during the reporting period.

HVUT filing due dates. This year's tax reporting period is July 1, 2015, to June 30, 2016, and the returns are due by the last day of the month following the month of the vehicle's first taxable use in the reporting period. For example, if the first taxable use of your vehicles was on July 1, 2015, then you need to file Form 2290 and Schedule 1, and pay any tax due by August 31, 2015. A large majority of HVUT returns are processed in July/August for this reason.

Additional filings may be required. Your HVUT obligation doesn't always end with the annual filing. If any vehicle is placed into service at any time during the reporting period, you must file an additional Form 2290 and Schedule 1 and pay tax due, if applicable. For example, you purchase a



See 2290, page 2

2290, from page 1

taxable vehicle on December 5, 2015, and the vehicle is required to be registered in your name and the vehicle is first used in December. In this case, you must file an additional Form 2290 and Schedule 1 and pay the tax due before January 31, 2016. Since it's a partial year filing, you pay a reduced amount based on the number of months remaining in the year. There are partial-period tax tables within the Instructions for Form 2290.

You may need to file an amended return if you increase your vehicle's taxable gross weight during the tax year.

Suspending the tax. A suspension of tax can be claimed under certain circumstances. If you believe that you'll operate your vehicle 5,000 miles or less during the tax year (7,500 miles for agricultural vehicles), you can claim a suspension of tax. This means that you're still required to file Form 2290 but no tax payment is required. If, however, you end up operating the vehicle more than 5,000/7,500 miles during the tax year, you must then file an amendment to your original filing and pay the tax due.

Electronic filing of HVUT. If you have 25 or more vehicles, then IRS regulations require electronic filing; however, the IRS encourages all taxpayers to file electronically. There are benefits even if you have fewer than 25 vehicles. You can print your proof of tax payment within minutes after the IRS accepts your



return and you do not need to wait for paper copies to arrive in the mail (which can take up to six weeks).

HVUT enforcement. For U.S.-based carriers, the HVUT is extremely important. Proof of HVUT payment is required to register your vehicles with the state. If proof of HVUT payment is not provided, you will not be able to obtain plates, and therefore will be unable to operate. This is why

electronic filing is encouraged; you will have proof of tax payment with very little waiting in case you need it for vehicle registration purposes.

If you're based in Canada or Mexico and are operating taxable vehicles into the United States, then you need to carry proof of HVUT filing. You may be asked to provide proof of filing to a U.S. Customs and Border Protection officer.

Where to find more information. The IRS publication, Instructions for Form 2290, provides information on who must file, where to file, exemptions from filing, how to pay the tax, recordkeeping requirements, determining the taxable gross weight, and other general information that will help you with filing the HVUT. If you choose to file the HVUT electronically, your service provider should also be able to answer your questions and help you file your taxes.

Go to 2290online.com to file electronically. ♦

CBSA's eManifest 'zero-rated' penalties have started

An entry in the *Canada Gazette, Part II*, on May 6, 2015, made the eManifest requirements under the Canada Border Services Agency (CBSA) legally binding for highway carriers, rail carriers, and freight forwarders.

As a result, specific to motor carriers, CBSA provided three key enforcement periods for its mandatory eManifest program for cargo entering Canada via highway:

- **Transition period.** The "transition period" from May 6, 2015, to July 10, 2015, has expired. During this time, CBSA did not issue penalties for non-compliance.

- **Zero-rated penalties.** Starting July 10, 2015, to January 10, 2016, carriers failing to comply with the eManifest requirement will be issued a non-monetary (zero-rated) penalty under the agency's Administrative Monetary Penalty System (AMPS).



- **Monetary penalties.** Beginning January 10, 2016, highway carriers will be expected to be in full compliance with the eManifest.

To learn more, visit www.cbsa-asfc.gc.ca/prog/manif/menu-eng.html. ♦

FMCSA approves two-year HOS exemption for oversize/overweight loads

The Federal Motor Carrier Safety Administration (FMCSA) on June 18, 2015, announced its decision to grant the Specialized Carriers & Rigging Association (SC&RA) an exemption from the minimum 30-minute rest break provision of the Agency's hours-of-service (HOS) regulations for certain commercial motor vehicle (CMV) drivers.

The exemption enables all specialized carriers and drivers responsible for the transportation of loads that exceed normal weight and dimensional limits — oversize/overweight (OS/OW) loads — and require a permit issued by a government authority, to be exempt from the 30-minute rest break provision in 49 CFR §395.3(a)(3)(ii). FMCSA has analyzed the exemption application and the public comments and has determined that the exemption, subject to the terms and conditions imposed, will achieve a level of safety that is equivalent to, or greater than, the level that would be achieved absent such exemption.

The exemption is effective from June 18, 2015, through June 18, 2017, and the terms of the exemption are as follows:

1. Drivers of specialized loads moving in interstate commerce that exceed normal weight and dimensional limits — oversize/overweight (OS/OW) loads — and require a permit issued by a government authority, are exempt from

the requirement for a 30-minute rest break in §395.3(a)(3)(ii). Drivers of loads not moving in interstate commerce are not eligible for the exemption.

2. Drivers must have a copy of the exemption document in their possession while operating under the terms of the exemption. The exemption document must be presented to law enforcement officials upon request.
3. All motor carriers operating under the exemption must have a "Satisfactory" safety rating with FMCSA, or be "unrated." Motor carriers with "Conditional" or "Unsatisfactory" FMCSA safety ratings are prohibited from using the exemption.
4. All motor carriers operating under the exemption must have Safety Measurement System (SMS) scores below FMCSA's intervention thresholds, as displayed at <http://ai.fmcsa.dot.gov/sms/>.
5. Any motor carrier utilizing the exemption must notify FMCSA within five business days of any accident (as defined in 49 CFR §390.5), involving any of the motor carrier's CMV drivers operating under the terms of the exemption.

The exemption document can be obtained from the SC&RA at (703) 698-0291 or info@scranet.org. ♦

Violations dip during CVSA's annual brake check

On May 6, 2015, the Commercial Vehicle Safety Alliance (CVSA) conducted its unannounced annual brake check as part of its Operation Airbrake program. CVSA-certified inspectors checked 6,337 commercial motor vehicles (CMVs) in 32 states and Canadian provinces.

Results of the brake check include the following:

- 9 percent of CMVs checked were placed out of service for brake stroke violations, compared to 9.5 percent in 2014.
- 7.7 percent of CMVs checked were placed out of service for brake

component violations, compared to 8.5 percent in 2014.

- CMVs that were equipped with brakes that had manual adjusters were 2.5 times more likely to be out of adjustment than CMVs with self-adjusting brake adjusters.



During the week of September 6, 2015, many states will participate in the CVSA's "Brake Safety Week," when commercial vehicle inspectors will be inspecting brakes to verify compliance. Along with doing that, they will be informing operators about the importance of proper brake maintenance.

For more information, visit CVSA.org. ♦

How the *Comprehensive Truck Size and Weight Limits Study* impacts permits

The *Moving Ahead for Progress in the 21st Century Act* (MAP-21) was passed by Congress and signed by President Obama in the summer of 2012. One of the act's provisions required a comprehensive truck size and weight limits study to be completed by the United States Department of Transportation (USDOT). A date to report back to Congress was initially set for November 2014.

A report of the study and any regulatory recommendations that it would carry had been eagerly anticipated by both the industry and safety organizations. The study was released last month and Congress received a detailed report. As the name implied, it would be comprehensive – and indeed it was. The report is broken into two volumes covering six topics plus additional supplemental material, totaling some 1,230 pages.

The bottom line? The issue is currently too complex to fully understand and advise of any changes to the federal size and weight regulations in 23 CFR Part 658. The USDOT offered the following in its supplemental material:

“...efforts to assess the full effects of the size and weight of various trucks are hindered by many of the same significant data limitations identified in previous studies. The Department finds that the current data limitations are so profound that no changes in the relevant laws and regulations should be considered until these data limitations are overcome.”

Carriers and industry groups were hoping for movement on the federal standards regarding total gross weight limitations and on longer trailer combination lengths.

What was studied?

The study focused on five technical areas, including an analysis of: modal shifts, highway safety, compliance, bridge conditions, and pavement conditions. These technical areas were analyzed using eight different configurations:

- **Single Trailer Combinations** (all tractors used had three axles):
 - 5-axle combination with a 53-foot semitrailer and a gross weight of 80,000 pounds (control)

- 5-axle combination with a 53-foot semitrailer and a gross weight of 88,000 pounds
- 6-axle combination with a 53-foot semitrailer and a gross weight of 91,000 pounds
- 6-axle combination with a 53-foot semitrailer and a gross weight of 97,000 pounds
- **Multiple Trailer Combinations:**
 - Tractor plus two 28- or 28 ½-foot trailers with a gross vehicle weight of 71,700 pounds (control)
 - Tractor plus two 33-foot trailers with a gross vehicle weight of 80,000 pounds
 - Tractor plus three 28- or 28 ½-foot trailers with a gross vehicle weight of 105,000 pounds
 - Tractor plus three 28- or 28 ½-foot trailers with a gross vehicle weight of 129,000 pounds

A case for change?

Single Trailer Combinations

One of the major inhibiting factors to determine the relationship of gross vehicle weight to crashes is that most states do not include the vehicle's weight data on crash reports. In Michigan, Washington, and Idaho, where six-axle alternative truck configurations are allowed and data was available, the study found that “the crash involvement rate for the six-axle alternative truck configurations is consistently higher than the rate for the five-axle control truck.” The study pointed out, though, that to determine the cause of the accidents additional study would be necessary. Perhaps more meaningful to the discussion is the analysis of vehicle stability and control. The tests examined “low speed off-tracking, high-speed off-tracking, straight line stopping distance, brake in a curve, and avoidance maneuver.”

The findings of the maneuver simulations indicated that all the heavier single trailer configurations “did not differ appreciably from those of the five-axle control vehicle” (at 80,000 pounds). The results included the following statements:

- None of the maneuvers identified a condition where the stability of a single-semitrailer

combination was severely impaired by the addition of payload weight or a third trailer axle.

- Adding weight to the payload increased the stopping distance on dry roads by less than 10 percent; in the proportions selected for the study, the additional brakes on the third trailer axle compensated for the additional payload in Scenario 2 (6-axle combination with 53 foot semitrailer and a gross weight of 91,000 pounds).
- Simulating a complete right-side brake failure on both drive axles increased the stopping distance, and the effect of that failure on the scenarios was similar to its effect on the control vehicle.
- The differences between the results for the four single-trailer combinations are not significant. Off-tracking is minimal for all scenarios.

The pavement analysis provided interesting results in that the pavement life cycle cost (LCC) for the 6-axle combinations with 53-foot semitrailers and gross weights of 91,000 and 97,000 pounds actually would be expected to decrease. This makes sense because more axles are sharing the burden.

Throughout the report there were other off-setting points. The off-sets were particularly evident in “Safety Inspection and Violations Results” (higher violation, citation, and out-of-service violation rates) and the analysis of “Bridge Structure” (increased cost of maintenance and postings).

Multiple Trailer Combinations

Currently two 28-foot or 28 ½-foot trailer combinations are allowed in all states. Longer combination vehicles (LCVs) which consist of a tractor plus two trailers in excess of 28 ½ feet are allowed in 26 states with a permit. Fewer states allow triple combinations. If the federal rules for double combination trailers were increased to 33 feet per trailer, each movement would have an additional 6 to 10 feet of available loading length. The net effect of this extra length would be to lower the vehicle miles traveled (VMT). The study concluded that by allowing two 33-foot trailers in combination, this VMT reduction would also improve overall road congestion resulting in an \$875 million savings. In fact, all studied configurations would be expected to “result in a decline in fuel costs; carbon dioxide emissions, the most prevalent greenhouse gas; and emissions of nitrogen oxide, an air pollutant, when compared to the control situation.”



The off-sets for allowing two 33-foot trailers in combination include higher individual axle loads, increased LCC, increase expenditures for reposting bridges, and increased initial bridge strengthening.

While the USDOT was unable to make concrete suggestions to Congress, individual members, committees, and chambers may be persuaded to move forward. Both the House of Representatives and the Senate Appropriations Committees included in their respective versions of the Fiscal Year 2016 Transportation, Housing, and Urban Development bills a provision to allow tandem 33-foot trailers, which was part of the study. The full House passed the bill with the provision included.

In addition, the Coalition for Transportation Productivity (CTP) sent a letter and an informational sheet on July 6, 2015, to Congress that urged members to review data from the *Comprehensive Truck Size & Weight Limits Study*, and to take action to reform interstate vehicle weight limits for six-axle trucks.

There have been no updates to the gross vehicle weights or trailer lengths allowed on the Interstates and Designated Highway System for many years. Canada, Mexico, Europe, and Australia all allow higher gross weights and are ahead of the United States in allowing longer vehicle combinations. Whether or not the United States will follow suit is a matter of debate. ♦

Cost management: Lowering costs through driver health and wellness programs

Driver health and wellness is becoming an increasingly more important issue to motor carriers — especially as the driver population ages, health care costs continue to escalate, and the driver shortage facing the industry becomes reality. Adding to these concerns are the drivers (along with non-driving employees) themselves, failing to gaze far enough into the future to realize the benefits of a healthy lifestyle.

Complicating this issue further, the lifestyle of a driver is one that strongly contributes to an unhealthy existence and is one of the major factors why health care costs are high and unaffordable for many small businesses. Consider these facts from recent studies on driver health and wellness:

- The Center for Disease Control and Prevention reports that the average life expectancy of a commercial driver is 61 years, 16 years shorter than the norm.
- More than half of the drivers are overweight or obese. This far exceeds the national estimation of 33 percent of Americans qualifying as obese, itself a startling statistic.
- Just 10 percent of drivers exercise daily. Sitting for hours behind the wheel and then getting out of the truck to crank dollies and load or unload freight does not count as exercise.

More statistics on this profession and its effect on health care costs are available; however, the numbers above typify the profile of a commercial driver and lead to the question: How effective are these individuals at their occupation and how safe are they on the roadway?

While it is true that only an individual can modify his/her own behavior, management can have an impact on a driver's health that will not only improve the employee's lifestyle, but also improve the company's bottom line!

Justifying the costs of a driver health and wellness program can seem too high an expense to absorb for many

carriers, especially when much of the problem is felt by some to be "self-inflicted." However, the need to justify driver health and wellness costs is not unlike the need to justify other company expenses. It is the return on the investment and the time it takes for that investment to prove its value that concerns many companies, both large and small.

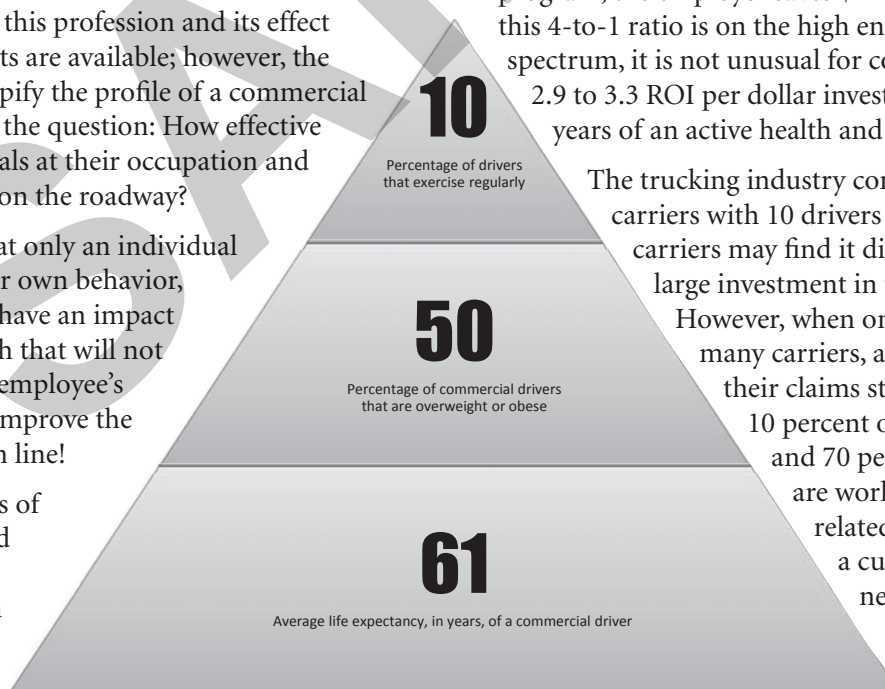
ROI is real

A health and wellness program, in most all cases, will not only improve health care costs but will also benefit many other facets of the company, such as operations, driver recruiting and retention programs, worker's compensation claims, and crashes.

Many companies who have invested in an employee health and wellness program have realized substantial return on their investment in a matter of two to three years. The initial cost per employee will seem high at the onset of the program, however, when the employer leverages these resources to attain a high level of employee participation, the result will normally produce a significant return on investment (ROI) in terms of health care cost reduction and productivity improvements. Some companies have benefited from a ROI of more than 4-to-1 after two years. This means that for every \$1 invested into the program, the employer saves \$4 in health costs. While this 4-to-1 ratio is on the high end of the cost savings spectrum, it is not unusual for companies to realize a 2.9 to 3.3 ROI per dollar invested after two or more years of an active health and wellness program.

The trucking industry consists of many small carriers with 10 drivers or less and these carriers may find it difficult to make a large investment in this type of program. However, when one considers that, for many carriers, approximately half of their claims stem from less than 10 percent of their workforce and 70 percent of these claims are worker's compensation related, it shows that a cultural change is needed.

Responsible carriers are committed



to not only providing health and wellness for their drivers and employees, but also to the traveling public who share the highway system with the transportation industry. It is also the intent of the Federal Motor Carrier Safety Administration



(FMCSA) to look further into driver health and fitness.

Consult with your health care provider for programs and their benefits available to all types and sizes of businesses. ♦

FMCSA extends petition deadline for passenger carrier lease and interchange rule

The Federal Motor Carrier Safety Administration (FMCSA) announced an extension of the deadline for submitting petitions for reconsideration of its May 27, 2015, final rule concerning the lease and interchange of commercial motor vehicles (CMVs) by motor carriers of passengers. The final rule provides regulations governing the lease and interchange of passenger-carrying CMVs that:

- Require the identification of the motor carrier operating a passenger-carrying CMV that is responsible for compliance with the Federal Motor Carrier Safety Regulations (FMCSRs); and
- Ensure that a lessor surrenders control of the CMV for the full term of the lease or temporary exchange of CMVs and drivers.

Two associations filed a joint request for an extension of the June 26, 2015, deadline for the submission of petitions for reconsideration of the final rule. The joint request was published in the *Federal Register* on July 1, 2015.

FMCSA granted the request and extended the deadline for submission of petitions for reconsideration to be filed in accordance with 49 CFR §389.35 to August 25, 2015.

To view the entire document visit www.gpo.gov/fdsys/pkg/FR-2015-07-01/pdf/2015-16111.pdf ♦



State Highlights

CALIFORNIA

Businesses may be eligible for tax credits

In early 2015, California adopted regulations allowing for an income tax credit for businesses that come to California or that stay and grow in California.

The California Governor's Office of Business and Economic Development (GO-Biz) is now accepting applications for the "California Competes Tax Credit." Applications will be accepted during the following periods:

- From July 20, 2015, through August 17, 2015;
- From January 4, 2016, through January 25, 2016; and
- From March 7, 2016, through March 28, 2016.

During the first two periods, \$75 million is available for each period. For the last period in March 2016, \$50.9 million, plus any remaining dollars from the previous two periods, will be available.

For more information, including details on upcoming workshops regarding the tax credit, visit <http://tinyurl.com/Calicompetes>.

CONNECTICUT

New fuel tax refund form available

Connecticut has updated its fuel tax refund form, AU-724, Motor Vehicle Fuels Tax Refund Claim, to include information on the 2015 tax rates and refund filing deadlines.

See *State Highlights*, page 8

State Highlights, from page 7

The newly updated form can be found at <http://tinyurl.com/ctform724>. As a reminder, claims must involve at least 200 gallons of fuel to be eligible for a refund.

Contact the Connecticut Department of Revenue Services at (860) 541-3224 for more details.

GEORGIA

Authority requirements clarified

A recent bill in Georgia has clarified the intrastate authority requirements in the state. Changes were made to the Georgia Intrastate Motor Carrier (GIMC) registration program effective July 1, 2015.

The amendments clarify the types of carriers required to obtain the GIMC registration. Carriers operating intrastate commercial motor vehicles in furtherance of a commercial enterprise are required to obtain GIMC registration. Commercial vehicles are defined as vehicles that:

- Have a gross weight rating, gross combination weight rating, gross vehicle weight, or gross combination weight of 10,001 pounds or greater; or
- Are designed or used to transport more than 10 passengers, including the driver; or
- Are used to transport hazardous materials in a quantity that requires a placard (49 CFR Subtitle B, Chapter I, Subchapter C).

Lightweight vehicles (under 10,001 pounds) are no longer required to register for GIMC in most cases. Insurance Form E, which was required of every business that registered for GIMC, is no longer required for private carriers.

Additionally, passenger carriers of less than 10 passengers, including the driver, are no longer required to register for GIMC.

For more information contact the Georgia Department of Public Safety, UCR-GIMC Section, at (844) 238-8097 (toll free) or (404) 624-7247, or by email at ucr.gimc@gsp.net.

Highway fee adopted

Effective July 1, 2015, Georgia started charging a “highway impact fee” upon registration of non-apportionable vehicles in the state. The following

annual fees will be due upon registration or renewal and are based on gross weight:

- For vehicles 15,500 pounds up to 26,000 pounds, \$50; or
- For vehicles greater than 26,001 pounds, \$100.

For more information, contact the Georgia Department of Revenue via email at commercial_vehicles@dor.ga.gov.

KANSAS

Sales tax increase

Effective July 1, 2015, Kansas’ state sales tax rate increased from 6.15 percent to 6.5 percent.

For more information, contact the Kansas Department of Revenue at (785) 296-3081.

LOUISIANA

Intrastate fuel decals will no longer be required

Beginning January 1, 2016, the tax levied on special fuels will not be collected under the annual decal but rather a tax levied per gallon based on the special fuel’s energy content, as follows:

1. Diesel gallon equivalent for liquefied natural gas (LNG) will be equal to 6.060 pounds of LNG and will be the unit of measurement of the tax levied.
2. The gasoline gallon equivalent for liquefied petroleum gas (LPG) will be the energy equivalent rate equal to 73 percent of the state tax per gallon on gasoline and diesel fuel and will be the unit of measurement of the tax levied.
3. Gasoline gallon equivalent for compressed natural gas (CNG) will be equal to 5.660 pounds of CNG and will be the unit of measurement of the tax levied.



The recent changes also add a transitional provision for the Department of Revenue to continue issuing

decals from July 1, 2015, through December 31, 2015, for the operation of vehicles which use LNG, LPG, or CNG in order for the taxes due on the fuel to be paid. The amount of the decal will be calculated at a rate of one-twelfth of the total annual decal amount for each month the decal is valid.

For more details, contact the Louisiana Department of Revenue, Excise Tax Section at (225) 219-7656.

MARYLAND

Toll reductions, rebate increases now in effect

On your next trip into Maryland, you may save some money. Effective July 1, 2015, Maryland's reduced tolls went into effect and are expected to save toll road users \$270 million over the next five years. To view the new toll fees, visit <http://tinyurl.com/MDnewtolls>.

In addition, the E-ZPass® Maryland supplemental rebate program for vehicles with five or more axles was increased by five percentage points per trip level. See www.ezpassmd.com for more details.

More information on the toll reductions and rebate increases can also be obtained by contacting the Maryland Transportation Authority at (866) 713-1596.

MISSOURI

New emergency utility permit

Railroad derailments and other civil or natural disasters may require the issuance of an oversize/overweight emergency permit. The Missouri Department of Transportation (MODOT) has recently adopted a rule allowing the issuance of utility response permits for the transporting of utility wires or cables, poles, and equipment needed for repair work immediately following a disaster where utility service has been disrupted.

The rule was effective June 30, 2015.

Contact MODOT Motor Carrier Services Division at (800) 877-8499 or (573) 751-7100.

NEW HAMPSHIRE

Vehicle registration required within 60 days

New Hampshire has clarified when vehicles require registration in the state. A recent bill adoption provides that when a non-resident business entity has

established a place of business in New Hampshire, and principally garages or regularly keeps overnight vehicles owned by or leased to the business entity for conducting intrastate commerce in New Hampshire, the business entity is considered *domiciled* in New Hampshire. Such business entities have up to 60 days from the date of domicile in which to register their vehicles.

The new law will be effective January 1, 2016.

For more details on the new law, contact the New Hampshire Department of Motor Vehicles at (603) 227-4030.

OREGON

Overweight permitting rules updated

Oregon has updated its overweight permitting rules to remove an unnecessary requirement. When operating under an overweight permit, tractors had been required to have two drive axles. Motor carriers questioned the two drive-axle requirement. Oregon subsequently found that there were no significant safety concerns surrounding the requirement and therefore determined that a single drive axle would be sufficient.

Motor carriers operating under overweight permits in the state will now be allowed to operate under the permit with motive power transmitted to a single drive axle.

For more information, contact the Oregon Motor Carrier Transportation Division, Over Dimension Permit Unit at (503) 373-0000.

Sign requirements modified

Oregon has adopted changes to the "OVERSIZE LOAD," "LONG LOAD," and "WIDE LOAD" sign requirements. The requirement for a 1 5/8-inch brushstroke was removed from the sign requirements, as was the allowance for a 1 5/8-inch border around the signs.

The changes were adopted as a result of a Western Association of State Highway Transportation Officials (WASHTO) recommendation to make Oregon's rules more consistent with neighboring states.

For more information, contact the Oregon Motor Carrier Transportation Division, Over Dimension Permit Unit at (503) 373-0000.

— See *State Highlights*, page 10

PENNSYLVANIA

Minimum liability coverage increases

Pennsylvania has increased the minimum liability coverage minimums for common/contract property carriers and household goods carriers in the state.

The liability coverage on each motor vehicle operated in common or contract carrier service had been no less than \$300,000 per accident. This coverage requirement now applies only to vehicles/combinations with a gross vehicle weight or gross combined weight rating of 10,000 pounds or less.

The liability coverage for vehicles/combinations with a gross vehicle weight or gross combined weight rating of more than 10,000 pounds has increased to at least \$750,000 per accident.

The increased limits are effective immediately; the majority of affected carriers (household goods and/or for-hire property) already have the necessary coverage because it is the same as that required by the U.S. Department of Transportation.

For more information, contact the Pennsylvania Public Utility Commission, Motor Carrier Enforcement at (717) 787-3834.

SOUTH DAKOTA

Gasoline tax incorrectly reported for 2Q IFTA

According to a recent memo from the South Dakota Department of Revenue, the gasoline fuel tax rate was incorrectly reported for second quarter 2015. The fuel



tax rate for that quarter should've been \$0.00, not \$0.28 per gallon as erroneously reported for that quarter's fuel tax rates. South Dakota does not apply the gasoline tax to International Fuel Tax Agreement (IFTA) interstate commerce.

The memo indicates that South Dakota will not be raising assessments or making adjustments for the error. The fuel tax rate table for third quarter 2015 has been corrected to \$0.00.

For more information, contact the South Dakota Department of Revenue at (605) 773-3541.

TENNESSEE

New overweight permit available

Tennessee has adopted laws allowing for a new non-divisible overweight permit. For loads up to a maximum gross vehicle weight of 150,000 pounds, the Tennessee Department of Transportation (TDOT) may issue a special permit allowing axle weights under the following conditions:

- Truck tractor and semitrailer or trailer combinations may not exceed 50 feet in length from the point of attachment to the tractor;
- The maximum width of the truck and semi-trailer or trailer combination may not exceed 8 feet 6 inches;
- No single axle may carry a load exceeding 23,000 pounds;
- No tandem axle group may carry a load exceeding 46,000 pounds; and
- No axle group of three axles (tridem) may carry a load exceeding 60,000 pounds.

For permitted non-divisible loads exceeding a maximum gross vehicle weight of 150,000 pounds, the maximum legal axle weights apply.

Permit fees were also increased for excessive weight permits from \$15 plus \$0.05 per ton-mile to \$20 plus \$0.06 per ton-mile.

For more information, contact the TDOT Overweight/Overdimensional Permit Section at (615) 743-4990.

WASHINGTON

Split tax rate for 3Q IFTA

Washington increased the fuel tax rate for diesel fuel and gasoline. Effective August 1, 2015, the rate increased from \$0.375 per gallon to \$0.44 per gallon. As a result, there will be a split rate for the third quarter International Fuel Tax Agreement (IFTA) filing.

For more information, contact the Washington Department of Licensing at (360) 364-1844.



Provincial Highlights

TDG PROPOSAL

The June 6, 2015, *Canada Gazette I*, included a proposed amendment to the *Transportation of Dangerous Goods Regulations* (TDG Regulations), Part 8, Reporting Requirements.

The proposal includes new security provisions, modifies existing reporting requirements, and specifies the data that would be made available for risk analysis.

The proposed amendments that may affect transporters of dangerous goods includes the following:

- A new definition of release, which will capture both accidental releases and voluntary releases (the current definitions only capture releases due to accidents);
- Clarifications of the reporting requirements to provide situations under which a report would be required;
- Reporting of the loss or theft of dangerous goods; and
- Reporting of unlawful interference with dangerous goods.

For more details, contact the Transport Dangerous Goods Directorate at (613) 990-5766 or by email at TDGRegulatoryProposal-TMDPropositionReglementaire@tc.gc.ca.



TDG UPDATED

A few amendments to the Transportation of Dangerous Goods Regulations (TDG Regulations) went into effect in July 2015. The amendments included clarifications regarding the use of the “Danger” placard, a newly required “Consignor’s Certification” on shipping papers, and the requirement for the consignor (shipper) to include the UN number first on the shipping paper. The consignor’s certification declares that the contents of the TDG consignment are fully and accurately described by the proper shipping name, are properly classified and packaged, have dangerous goods safety marks properly affixed or displayed, and are in all respects in proper condition for transport according to the Transportation of Dangerous Goods Regulations.

More details about the amendments can be found by visiting www.tc.gc.ca/eng/tdg/safety-menu.htm.

MANITOBA

Several safety regulations amended

Manitoba has recently adopted regulatory amendments affecting several safety regulations.

The changes were the result of Manitoba’s *Bill 41, The Highway Traffic Amendment Act, Enhanced Safety Regulation of Heavy Motor Vehicles*, which will become effective on September 1, 2015. The regulatory changes associated with the act will also be effective on that date.

One of the most prominent changes involves the repeal of certain exemptions. Starting in September, Manitoba will define a “regulated vehicle” as a commercial truck, a self-propelled public service vehicle, a school bus, or another motor vehicle that meets either of the following:

- The vehicle’s registered gross weight is 4,500 kilograms or more; or
- The vehicle’s seating capacity is 11 or more persons, including the driver.

— See *Provincial Highlights*, page 12

Provincial Highlights, from page 11

This change means that essentially all motor vehicles having a seating capacity of 11 or more passengers or a registered gross weight of 4,500 kilograms or more will be subject to the same rules, including hours of service, cargo securement, vehicle inspections, and vehicle maintenance.



For more information about the changes, contact the Manitoba Infrastructure and Transportation, Motor Carrier Division, Heavy Vehicle Safety Initiative (HVSI), at (204) 945-7571, (877) 340-9068 (toll-free), or by email at hvsi@gov.mb.ca.

NEW BRUNSWICK

IRP fees updated

New Brunswick will be updating its International Registration Plan (IRP) registration fees effective September 1, 2015.

The new fees are available on IRP, Inc.'s website at www.irponline.org.

NEWFOUNDLAND-LABRADOR

IRP fees updated

Newfoundland-Labrador updated its International Registration Plan (IRP) registration fees effective June 1, 2015.

The newly updated fees are available on IRP, Inc.'s website at www.irponline.org.

QUEBEC

Heavy vehicle amendments adopted

Québec has adopted amendments affecting heavy vehicles. The first change adds an "unaudited" identifier to carriers that have a satisfactory safety rating but that have not yet been audited. Another amendment provides additional means to identify heavy vehicle operators.

The adoption provides an option for the operator to mark vehicles with the name and identification number assigned by the Commission des transports du Québec (CTQ). The identification number that is displayed on the vehicle is the number entered in Québec's Register of Owners and Operators of Heavy Vehicles. If the operator elects to mark the vehicle, the marking must be on both sides of the vehicle or the sleeper berth in characters at least four centimeters in height.

For more information, contact the Ministère des Transports at (418) 644-4719, ext. 3323, or via email at guy-antoine.daigle@mtq.gouv.qc.ca.



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