



# **MOTOR CARRIER NEWSLETTER**

A Quarterly Newsletter

July 2001



*The 71<sup>st</sup> Session of the Nevada State Legislature adjourned on June 4, 2001. Information regarding the changes that affect the Motor Carrier Section and Industry will be included in the October*

*2001 issue of the Motor Carrier Newsletter. Be sure to watch for it!*

## **Audit Team Nevada's Dyed Fuel Enforcement**

The Motor Carrier Section of the Compliance Enforcement Division would like to remind all carriers of NRS 366.150, which has been in effect since July 1, 1999, authorizing the Nevada Highway Patrol (NHP) to stop and inspect motor carriers who are using or transporting special fuel to determine whether that fuel is dyed (untaxed) fuel and is being used in violation of NRS 366.203. Since the program's inception, the Motor Carrier Section has processed 139 citations and

assessed \$160,410.00 in administrative fines for the illegal use of dyed fuel on Nevada's highways.

NRS 366.150 allows the NHP to stop and investigate the type of special fuel being used in the supply tank of any vehicle. These stops are for the specific purpose of identifying dyed fuel being used to operate vehicles on the highway. Inspections conducted by the NHP will take place during roadside inspections, local stops, and terminal inspections. Dyed fuel may not be used in the fuel supply tank of the propulsion engine of a highway vehicle.

The Dyed Diesel Fuel Enforcement Law provides for administrative fines for those found to be in violation of the statute. NRS 366.735(3) specifies that an Administrative fine of \$1,000 or \$10 per gallon of dyed fuel involved, whichever is greater, may be imposed. In addition to the administrative fines assessed, Division Auditors will be conducting audits on those operators cited by the NHP for using dyed fuel on the highway in violation of NRS 366.203(2). The Nevada special fuel tax, in the amount of \$0.27 per gallon will be assessed for violations discovered during the audit,

along with penalties and interest specified in NRS 366.405.

Please contact the Audit Team at 684-4634 if you have any questions regarding the Dyed Fuel Enforcement Program.

### **Tax Team** ***Fuel Tax Return*** ***Postmark Date***

What qualifies under the Nevada Revised Statutes (NRS) as “the postmark date”? Most taxpayers anticipate that the day their tax return is deposited in a United States Post Office receptacle it will be postmarked with that day’s date and will be considered to be “filed in a timely manner.” This may not be the case.

NRS 366.370 refers to a valid postmark as a cancellation mark stamped by the *United States Postal Service* or any other country upon an envelope which is properly addressed to the department. If the due date falls on a Saturday, Sunday or legal holiday, the next business day is the final due date.

NRS 366.380 states “*on or before the last day of January, April, July and October in each special fuel user shall file with the department a quarterly tax return for the preceding quarter, regardless of the amount of excise tax due.*” Your quarterly special fuel

user tax return must be postmarked on or before those days to be considered filed timely.

Supplier and Dealer tax returns and payments are due monthly and must be postmarked on or before the last day of the month following the monthly tax period to which it relates. For example, the tax return reporting activity during the month of June 2001 must be postmarked on or before the last day of July 2001 to be considered filed in a timely manner.

A receipt for material sent by certified or registered mail, if different than the post office cancellation mark, will prevail if the date on the receipt is earlier than the cancellation date. The cancellation date affixed by a postage meter in the possession of the taxpayer or other person will be disregarded as proof of the date of mailing whenever it is contradicted by an official post office cancellation mark stamped upon the envelope containing it.

In some areas, when mail is dropped off at the post office, it is taken to a different city to be processed, resulting in the postmark reading one day later than the date it was dropped off. By statute, Motor Carrier must accept the postmark date as the official date of filing. So, please check with your local post office to determine how they

process the mail in your area. If you aren’t sure and you don’t want to take a chance on filing late, then consider taking it to the counter at the post office and having it hand stamped or mailing it at least two or three days prior to the due date.

If you have any questions or concerns, please contact the Tax Unit at (775) 684-4711 ext 2.

**Spotlight on**  
**the**  
**“Tax Team”**



Back row left to right: Mike, Bonnie, Arlene, Marina, Michele.  
Front row left to right: Angela, Patti, and Kathy.



### ***Newly Enhanced*** ***Web Page***

Check out the information available on our Motor Carrier Web Page:

[www.nvdmv.state.nv.us/mchome.html](http://www.nvdmv.state.nv.us/mchome.html)

Our Web Page is still under construction, if you have any suggestions or things you'd like to see included on our page, please contact Michael LaPutt, mlaputt@dmv.state.nv.us.

**Revenue Team**  
***Established Residency Requirements***

In accordance with the International Registration Plan (IRP) and the International Fuel Tax Agreement (IFTA), to qualify as a Nevada based carrier you must have an established place of business, where Nevada mileage is accrued by the fleet and where operational records are maintained or can be made available. An established place of business is defined as a physical structure owned, leased, or rented by the fleet registrant located in Nevada.

The physical structure shall be designated by a street or road location, be open during normal business hours, and have located within it:

- a telephone or telephones publicly listed in the name of the fleet registrant
- a person or persons conducting the fleet registrant's business, and
- the operational records of the fleet (unless

such records can be made available)

Licensing agents, resident agents or mail drops do not meet the above qualifications and cannot be used to establish a carrier's residency.

If there is a question about your address of record, you may be required to provide the following: Copy of lease or rental agreement, copy of telephone bill (cell phones don't qualify), and utility bills in the company name for your Nevada location.

An owner-operator (a person who leases his own equipment with a driver to a carrier) must provide a street address, telephone number, and any other information necessary to satisfy the base jurisdiction requirements.

If you have any questions please contact the Revenue Team at 684-4711 (ext 3)

**Licensing Team**  
***2002 Renewal Season***

The 2002 renewal season is fast approaching. The Licensing Team is looking forward to sending the renewals out earlier this year. Please look for your renewal in the latter part of August to the first of October. We are asking that you please return the renewal as soon as possible. The earlier the renewal is received in our office the sooner we can

supply you with either your invoice or credentials. We would greatly appreciate your help in making the 2002 season our best ever.

If you have any questions regarding the 2002 renewal, please contact the Licensing Team at 684-4711 (ext 1).

***Special Fuel/Motor Fuel Consolidation (AB584)***

***Continuing News:***

New combined Motor Fuel and Special Fuel Supplier and Dealer tax forms have been completed and tested by Motor Carrier. However, we also want to make sure your needs are met. We want the transition to be as smooth as possible and know you may be able to spot things that we have not addressed on the forms. As always, input from the industry standpoint is appreciated. Therefore, ***we are asking for a few volunteers to assist us in testing the new forms.*** If you would like to volunteer, please contact Gary Flores at the number below.

Lockheed Martin is progressing well with their computer system revisions for combined motor fuel and special fuel tax reporting. We will begin testing the initial

revisions this summer.

Changes to Nevada Regulations (NAC 365/366) are being drafted to assist in clarifying statutes applicable to the fuel industry. We are drafting the revisions now and will hold the workshops in the latter part of June in Reno, Elko, and Las Vegas. Specific dates, times, and locations for the hearings will be posted in all DMV offices, the State Library in Carson City, and on our web site(<http://nevadadm.state.nv.us>).

Continue to watch this space for the latest information regarding our progress toward implementation. In the next quarterly newsletter, we will discuss new legislation effecting the fuel industry.

Your suggestions and comments will be helpful to the Department in the coming months. We'd love to hear from you! Please contact Gary Flores at (775) 684-4639 if you have any questions.

### ***New Technology Bio-Bug Test Drive***



The DMV & PS Compliance Enforcement Division had the

privilege of test driving the Bio

Bug from the Nevada State Motor Pool. The Bio Bug runs on bio diesel made from recycled cooking oil. The bio diesel used in the Bio Bug is made by Biodiesel Industries in conjunction with Haycock petroleum in Las Vegas, NV and distributed by Western Energetix, a division of Berry-Hinckley Industries in Reno, NV.

#### ***Bio Bug review by Kathy, from our Tax Team:***

Bio Bug. Bio BLAST! This car was a delight to drive. Enhancing the already cute design of the new VW Beetle was the fact the car was partly powered by recycled cooking oil and diesel fuel. The car had great acceleration and handling. Since the Bio-Bug totes its fuel barrels in the rear of the vehicle, the occasional smell of cooking oil disrupted the "new car smell", but was not offensive. The car was not particularly loud as is the case with most diesel vehicles and the exhaust even had a faint smell of french fries. Its mpg of 40-50 makes it a definite sell. It indeed makes one long for the future when you can drive up to the local McDonald's and say "A Big Mac and a fill-up, please!"

#### ***Bio Bug review by Karyn, from our Revenue Team:***

I drove the bio-diesel vehicle and found it to have just as much energy and "get-up-and-go" as any other vehicle,

diesel or gas. It didn't hesitate taking off from a stop and drove very smoothly. I really couldn't tell any difference from other vehicles. My only complaint was the "sloshing" sound of the extra fuel in the 5-gallon containers in the back. However, I understand bio-diesel is now available in certain areas (such as Berry-Hinkley in Reno and some stations in California) and becoming more widely available, so that may not be a problem much longer. I would recommend the use of bio-diesel whenever possible, especially since it is so environmentally friendly.

#### ***Bio Bug review by John, from our Audit Team:***

My test drive consisted of driving from DMV & PS parking lot to about five miles up Highway 50 towards Spooner Summit. The vehicle was "peppy" and did not show any indication that it wanted to down shift during the drive going up the grade. Coming down of course there was no indication of wanting to change gears. In fact, if you didn't watch out, you soon found yourself traveling over the speed limit. No problems with in town stop and go driving.