



January 9, 2023

Reminder: Employers Must Switch to All Electronic Inquiries for Driver Preemployment Drug and Alcohol Violation Investigations Beginning January 6, 2023

From EMA

The Federal Motor Carrier Safety Administration (FMCSA) requires prospective employers of CDL drivers to conduct background investigations before hiring a CDL driver. This process includes determining if the driver has violated U.S. Department of Transportation drug and alcohol regulations within the past three years. Currently, this inquiry requires prospective employers to conduct both electronic queries in the [FMCSA Clearinghouse](#) and manual inquiries with previous employers to satisfy federal preemployment driver drug and alcohol investigation requirements. Both manual and electronic inquiries are required because the Clearinghouse currently contains less than three years of electronic data on driver drug and alcohol history.

However, beginning January 6, 2023, the Clearinghouse will have accumulated three years of data on driver history. This means prospective employers must begin conducting electronic pre-employment queries of the Clearinghouse to comply with the FMCSA drug and alcohol violation investigation requirement. Manual preemployment inquiries will no longer satisfy FMCSA drug and alcohol inquiry requirements. Additional Information can be found in the [EMA Drug and Alcohol Clearinghouse Compliance Bulletin](#).

Reminder: Federal Oil Spill Liability Tax and the Federal Superfund Tax are Paid by Refiners

From EMA

EMA has received numerous inquiries from marketers concerning the Federal Oil Spill Liability Tax (OSLT) and the Federal Superfund Tax (SFT). Many suppliers break out the two taxes on product transfer documents (PTDs) resulting in confusion on how the taxes impact energy marketers below the terminal rack. The confusion is compounded when suppliers use different nomenclature for the OSLT and the SFT including: "Superfund tax or fee," "Oil Spill tax or fee," "environmental remediation tax or fee," "petroleum spill fee," etc.

Two Separate Taxes: The OSLT and SFT are two separate federal environmental taxes imposed on crude oil. The OSLT was enacted by Congress in response to the 1989 Exxon

Valdez crude oil spill in Prince William Sound, Alaska. The \$0.09 per barrel tax on crude oil from the OSLT funds the Oil Spill Liability Trust Fund which pays for the removal costs and damages from oil spills, or substantial threats of oil spills into the navigable waters of the United States. The SFT was created by Congress in 1980 in response to the discovery of a leaking hazardous waste dump under the Love Canal, a residential neighborhood in Niagara Falls, NY. The SFT was recently reinstated by Congress effective January 1, 2023. The \$0.164 per barrel tax on crude oil collected under the SFT funds the Hazardous Substance Response Trust Fund which pays for clean-up of abandoned hazardous waste sites.

Only Refiners and Crude Oil Importers are Liable for the OSLT and SFT: Both the OSLT and the SFT are levied on crude oil. Therefore, only refiners and crude importers are liable to pay the tax. Some terminal operators, particularly those with refinery facilities, break out the tax on PTDs passed down below the terminal rack. The line-item breakout generally identifies the added cost per gallon of the tax for each product, minus the volume percent of any non-crude feedstocks blended with the fuels including ethanol and biodiesel. Some terminals do not break out the OSLT and the SFT separately but instead, pass it down as a cost included in the wholesale rack price of fuels derived from crude oil. Neither energy marketers or their customers are liable for the taxes. There is no federal provision requiring downstream energy marketers to include the line-item breakouts of either tax on PTDs, invoices, supply agreements, or contract bids passed on to their customers. Tax exempt customers may question the payment of a "tax" when receiving documents, including contract bids and invoices that break out the OSLT and SFT as separate line items. All liability for both the OSLT and SFT tax ends once it is paid by refiners or crude oil importers.

2023 Federal Motor Fuel Excise Tax Rates and Credits

[Click here to read the full Compliance Bulletin.](#)

IRS Issues Standard Mileage Rates for 2023

The Internal Revenue Service (IRS) issued the 2023 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. Beginning on January 1, 2023, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 65.5 cents per mile driven for business use, up three cents from the midyear increase setting the rate for the second half of 2022.
- 22 cents per mile driven for medical or moving purposes for qualified active-duty members of the Armed Forces, consistent with the increased midyear rate set for the second half of 2022.
- 14 cents per mile driven in service of charitable organizations; the rate is set by statute and remains unchanged from 2022.

These rates apply to electric and hybrid-electric automobiles, as well as gasoline and diesel-powered vehicles. [Notice 2023-03](#) contains the optional 2023 standard mileage rates, as well as the maximum automobile cost used to calculate the allowance under a fixed and variable rate (FAVR) plan. In addition, the notice provides the maximum fair market value of employer-provided automobiles first made available to employees for personal use in calendar year 2023 for which employers may use the fleet-average valuation rule in or the vehicle cents-per-mile valuation rule.

Attendee Registration Open for 2023 Southeast Petro-Food Marketing Expo

Members may now go to the Southeast Expo website to register for the upcoming Expo, March 1-2, 2023. Go to <https://www.sepetro.org> and click on the **Attendee** tab at the top of the homepage. Scroll down to the **Attendee Registration** button to enter your information.

While on the website, check out the **online directory** on the home page and set up your **Show Planner** so you can make sure you visit all the firms you need to while at the Expo. The online directory allows you to search by exhibiting company name, category, etc.

Also check out the **Seminars** page with info on the various educational seminars that will be presented the first morning of the show. **Room Blocks** can be found under the **Hotels** tab at the top of the home page. Most blocks end 30 days prior to the show so please make reservations early!

VPCMA will be hosting our annual hospitality reception at the Sheraton hotel Wednesday, March 1st immediately after the show. We look forward to seeing you there!