

Amendment to the 2010 Fuel Tax Report

Changes to page 2:

Fuel Tax Agreements, Revenues and Refunds

DOL is party to 22 fuel tax agreements or consent decrees. At the time of the original report, DOL only had records for refunds through October 31, 2010. DOL has updated the records to include November 1, 2009 to December 31, 2010. Annual tribal fuel tax refunds from all tribal fuel agreements for the time period of November 1, 2009 through December 31, 2010 is approximately \$31.72 million. The fuel tax for revenue retained by Washington State for fuel purchases by the tribes with 75% refund/25% state tax agreements during the same period is approximately \$7.65million. The fuel tax refund for fuel purchases by the tribes with a per capita formula agreement during the same period is approximately \$3.5 million. Yakama Nation, which has a consent decree stipulating they can have fuel delivered with 25% of the state fuel tax included, has received approximately \$5.26 million of tax-free fuel.

Audits

All 16 of the post-2007 fuel tax agreements included audit provisions. Of those agreements with audit provisions, ten of the 12 audits were completed and reports submitted to DOL in 2010. Four audits are not due until 2011.

As noted in the “Key Provisions” section of this report, audit reports may not be disclosed per RCW 82.36.450 and 82.38.310, which states in part, “...information from the tribe or tribal retailers received by the state or open to state review under the terms of an agreement shall be deemed to be personal information under RCW 42.56.230(3) (b) and exempt from public inspection and copying.” However, some of the tribes agreed to allow DOL to share some detailed information about their expenditures, which is contained in the “Transportation Projects” section of this report.

Changes to page 3:

Summary

From November 2009 through October 2010, DOL is currently in negotiation with one tribe for a Fuel Tax Agreement. The Shoalwater Bay Indian Tribe successfully negotiated a new Fuel Tax Agreement; a 75%/25% refund type effective June 2010. They also notified DOL of the opening of a new fuel station. Kalispel Tribe of Indians notified DOL of the opening of their new fuel station. The DOL has received ten of the audit reports due from Tribes with audit requirements in their fuel tax agreements. DOL has been in communication with the Tribes of the two outstanding reports due in 2010.