

International Registration Plan, Inc.

OFFICIAL AMENDMENT TO THE INTERNATIONAL REGISTRATION PLAN

Ballot Number: 400 – Audit Procedures Manual Sections 504 and 505

Ballot Date: June 10, 2015

Ballot Expiration Date: September 8, 2015

Amendment Effective Date, If Approved: January 1, 2016

The earlier effective date of January 1, 2016 will require a separate vote of approval as per Plan Section 1520 (b).

Sponsor(s): IRP Audit Committee

Contact Person (Name/Title/Agency/Jurisdiction/Telephone/Email):

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Sponsor's(s') IRP voting member notified

SECTIONS TO BE AMENDED

Audit Procedures Manual:

Section 504, Estimated Distance Audit Procedures

Section 505, Actual Distance Audit Procedures

SUMMARY

Estimated Distance was removed from the Plan with the passage of the full reciprocity plan (FRP). The purpose of this ballot is to update the Audit Procedures Manual with regard to the distance audit procedures in sections 504 and 505. The two sections have been combined, references to estimated distance have been removed, and procedures refer to auditing actual distance with a clarification that properly reported average-per-Vehicle distance is not auditable.

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AMENDMENT

504. ~~Estimated Distance Audit Procedures~~

All fee changes as a result of audit adjustments will be calculated in accordance with Section 400 of the Plan.

~~(a) When an apportioned registration application is filed for a new Fleet and is correctly based solely on Estimated average per-Vehicle distance, that distance may not be audited is not subject to audit.~~

~~(b) If a Registrant reports Estimated average per-Vehicle distance for a fleet in a Member Jurisdiction and it is discovered through Audit that actual distance was traveled in the any Member Jurisdiction, the auditor ~~should must remove convert the Estimated average per-Vehicle distance, to replacing it, as necessary, with the actual distance traveled in the Member Jurisdiction~~ and calculate fees, in accordance with ~~Section 405~~ of the Plan.~~

~~(c) In the absence of circumstances described in subsections (a) and (b), Estimated Distances on renewal applications should be accepted in the Audit.~~

~~Revised April 10, 1998, Ballot 1.7.192. Effective October 1, 1999.~~

~~Revised April 1, 2001, Ballot 1.7.236 — Audit Procedures Manual — Ballot 3. Effective October 1, 2001. Revised September 20, 2012, Ballot 2011.371 — IRP Audit Rewrite. Effective July 1, 2013.~~

505. Actual Distance Audit Procedures

When actual distance is not reported in a Member Jurisdiction where it is determined actual distance was traveled, Apportionable Fees must be calculated for the Member Jurisdiction.

~~(ad) If actual distance was reported in any Member Jurisdiction for which Apportionment was intended; however, where no actual distance was traveled in the Member Jurisdiction during the Reporting Period, the actual distance must be converted to a distance estimate determined removed in accordance with Section 415 of the Plan.~~

~~(b) If actual distance was reported in a Member Jurisdiction for which Apportionment was not intended, the distance must be assigned to the Member~~

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~~Jurisdiction for which Apportionment was intended and fees must be adjusted in accordance with Section 405 of the Plan.~~

~~(ce) If it is determined through Audit that a Vehicle does not qualify as an Apportionable Vehicle, the reported distance traveled by the Vehicle should be deducted from the Apportioned registration application and distance percentages adjusted in accordance with Article IV. Full (100%) fees should also be calculated for the Vehicle for the Member Jurisdiction in which the Vehicle traveled and should be included in the fee adjustments reflected in the transmittals.~~

~~(d) If distance is not reported in a Member Jurisdiction, and through Audit it is determined that actual distance is traveled in the Member Jurisdiction, the auditor must verify that the Vehicle operated in the Member Jurisdiction with proper credentials or Trip Permits during the Reporting Period. If the Vehicle was operated in a Member Jurisdiction without proper credentials or Trip Permits during the Reporting Period, Apportionable Fees must be calculated for the Member Jurisdiction in accordance with Section 415.~~

~~Revised September 20, 2012, Ballot 2011.371 – IRP Audit Rewrite. Effective July 1, 2013.~~

Official Commentary

With regard to average per-Vehicle distance, while not common, the valid reporting of such in a subsequent year will occur if the registrant does not operate during the respective reporting period.

The establishment of a new fleet does not automatically qualify a registrant to use average per-Vehicle distance. Auditors must exercise due diligence when determining whether the fleet is in fact new, in accordance with Section 420 of the Plan.

Revised April 10, 1998, Ballot 1.7.192. Effective October 1, 1999.

Revised April 1, 2001, Ballot 1.7.236 – Audit Procedures Manual – Ballot 3. Effective October 1, 2001.

Revised September 20, 2012, Ballot 2011.371 – IRP Audit Rewrite. Effective July 1, 2013.