

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PENALTY ASSESSMENT TV-150947

PLEASE NOTE: You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

[] 1. Payment of penalty. I admit that the violations occurred. I have:

[] Enclosed \$ _____ in payment of the penalty

[] Submitted my payment of \$ _____ online at www.utc.wa.gov. My confirmation number is _____.

[] 2. Request for a hearing. I believe that one or more of the alleged violations did not occur, for the reasons I describe below, and I request a hearing based on those reasons for a decision by an administrative law judge:

[x] 3. Application for mitigation. I admit the violations, but I believe that the penalty should be reduced for the reasons set out below:

[] a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision

OR [x] b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: June 5 2015 [month/day/year], at Oak Harbor, WA [city, state]

Whidbey Moving + storage Inc
Name of Respondent (company) - please print

[Signature]
Signature of Applicant

RCW 9A.72.020:

“Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor’s mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony.”

STATE OF WASHINGTON
UTILITY AND TRANSPORTATION COMMISSION
2015 JUN - 8 AM 8:45
RECEIVED

RECEIVED
REGISTRATION MANAGEMENT

2015 JUN - 8 AM 8:45

STATE OF WASHINGTON
UTILITY AND TRANSPORTATION
COMMISSION

June 5, 2015

Washington Utilities & Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

RE: Request for mitigation of penalty

Dear Sirs,

Whidbey Moving & Storage, Inc. recently received your Notice of Penalties Incurred and Due notice regarding the filing of our annual report for the year ending December 31, 2014. Your notice clearly defines the rules and appropriate legal cite (RCW 81.040.080) outlining the authorization of the penalty. While the authorization for the penalty is apparent, we respectfully ask your consideration of waiving the \$100 per day penalty totaling \$1,000. We would respectfully offer to pay the appropriate annual fee and related penalty and interest for late payment.

Whidbey Moving & Storage, Inc. has been in business for many years, and has been a timely and accurate filer during those years. We have worked through the various changes in the format of the Annual Report, including the change this year in how the financial statement information is presented – income is only requested for intrastate revenues. Again, we respectfully request your consideration in waiving the \$100 per day penalty for the following reasons:

1. As part of our financial reporting process to ensure we file an accurate return, it is necessary to complete the filing of our federal income tax return using information provided by third parties. This year, we had some concern as to the timeliness of this third party information and researched the impact of filing a late return. We did find the penalty for late payment, but, unfortunately, did not realize there was a \$100 per day penalty for late filing that would apply. With hindsight after receiving your notice, we have done further research and found that there exists the possibility of filing and extension of which we were not previously aware. If this were to occur in future years, we will file an extension if required. We apologize for missing not having filed an extension this year.
2. As mentioned previously, the 2014 Transportation Form requires financial information that limits the presentation of revenues to only "Intrastate" revenues. In previous years, the revenue section included other lines that allowed a preparer to reconcile the WUTC form to the total revenues and expenses for the reporting year for our entire operation – numbers which reconcile directly to our other federal tax reporting forms. With the change to only intrastate revenues, it was unclear as to how to report expenses as it appeared that only expenses related

to intrastate activities was required. Responding to this change required a significant amount of time and effort to go back through our 2014 records in an attempt to segregate our expenses between interstate and intrastate. After much frustration, and a significant amount of time, we called your office for clarification and assistance. Your staff were helpful in assisting us in "prorating" expenses base on the ratio of total intrastate revenue to total revenue. Had we known this was an acceptable methodology, we would have saved a great deal of time, and would have been able to file our 2014 report in an accurate and timely manner.

While we acknowledge the authority to charge the \$100 per day penalty, we respectfully request your office waive and abate the penalty of \$1,000. Our company is a small firm and we do our best to be compliant and timely in our correspondence with your office. Being a small firm, the significance of the \$1,000 is material for us and in this economic climate does represent a financial hardship. For this reason, and for those expressed above, we ask for your considering this mitigation request.

Sincerely,

A handwritten signature in black ink that reads "Dwayne Jansen". The signature is written in a cursive, flowing style.

Dwayne Jansen
Whidbey Moving and Storage, Inc.