Introduction to IFTA

For IFTA Information
http://www.iftach.org
Introduction

- **What is IFTA**
  IFTA stands for International Fuel Tax Agreement. It is an agreement among 48 U.S. states and 10 Canadian provinces (58 jurisdictions in all) to standardize the reporting of fuel use taxes by interstate motor carriers.

- **Background of IFTA**
  Before implementation of the International Fuel Tax Agreement (IFTA) there were over 60 different jurisdictions. Each jurisdiction (State/Province) had its own separate return, audit, license, rules and forms. If a motor carrier operated in any of these jurisdictions they had to comply with the requirements of each jurisdiction, which made filing returns difficult and time consuming.

- **Goal of IFTA**
  The goal of IFTA is to simplify and standardize the reporting, collection & distribution of fuel taxes for interstate motor carriers.
Joining IFTA (Fuel) vs. Buying Fuel Trip Permits

An interstate (travel between jurisdictions) carrier has to make a choice:

1. Buy fuel trip permits in each jurisdiction that you travel (This permit is for IFTA **NOT** IRP.),

   or

2. Join IFTA and display IFTA decals on the vehicle, you do not have to pay for fuel trip permits, and you will be subject to the rules and regulations of IFTA.
Should you belong to IFTA?
1. If your company vehicles only travel within Montana, you are not qualified to belong to IFTA.
2. Whether you decide to belong to IFTA or not is your decision, but you want to take into consideration the following factors:
   - The number of times you travel out-of-state
   - The cost of fuel trip permits
   - The cost of record keeping and filing tax returns if you join IFTA

The Montana IFTA Process
Montana joined IFTA in 1991. The Department of Transportation administers and enforces the licensing of IFTA carrier requirements.
Topics to be Covered

- Licensing
- Tax Returns – Reporting, Refunds, Cancellation, Revocation
- Record-Keeping Requirements/Audits
- IRP
- Dispute Resolution
<table>
<thead>
<tr>
<th>IFTA LICENSE NUMBER:</th>
<th>MT810000000</th>
</tr>
</thead>
<tbody>
<tr>
<td>MONTANA LICENSE NUMBER:</td>
<td>000000-IF</td>
</tr>
<tr>
<td>EFFECTIVE DATE:</td>
<td>01/01/04</td>
</tr>
<tr>
<td>EXPIRATION DATE:</td>
<td>12/31/04</td>
</tr>
<tr>
<td>NOT TRANSFERABLE</td>
<td></td>
</tr>
</tbody>
</table>

This license is issued under the terms of the International Fuel Tax Agreement and is valid for vehicles operated by the licensee in all IFTA Member Jurisdictions.
To Qualify for IFTA;

- Be a Montana Based Interstate motor carrier to license your vehicles through Montana IFTA; and

- Keep the operational control and records for your vehicles in Montana or make your records available; and

- Be a Qualified IFTA motor vehicle on any public road and/or highway.
Qualified IFTA Motor Vehicle

The vehicle described below will need to either have an IFTA License or trip permit for interstate travel.

- A motor vehicle used, designed or maintained for the transportation of persons or property and:
  - Two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds; or
  - Three or more axles regardless of weight; or
  - Used in combination, when the weight of such combination exceeds 26,000 pounds gross vehicle or registered gross vehicle weight.
  - Recreational vehicles are not qualified vehicles.
Leasing

- Short-Term Leases: In the case of a short-term motor vehicle rental, by a lessor (person who owns the motor vehicle) regularly engaged in the business of leasing, or renting motor vehicles without drivers, for compensation to licensees or other lessees (company or person who is leasing) of 29 days or less, the lessor will report and pay the fuel use tax unless the following two conditions are met:
  
  - The lessor has a written rental contract which designates the lessee as the party responsible for reporting and paying the fuel use tax.
  - The lessor has a copy of the lessee’s IFTA fuel tax license which is valid for the term of the rental.
Leasing (Continued)

- Long-Term Leases: A lessor regularly engaged in the business of leasing or renting motor vehicles without drivers for compensation to licensees or other lessees may be deemed to be the licensee, and such lessor may be issued a license if an application has been properly filed and approved by the base jurisdiction.
Instead of licensing under IFTA…

- A carrier may elect to operate on a fuel trip permit.
  - This is for IFTA (fuel) NOT for IRP (mileage).
*Consider the cost of record keeping and tax return filing compared to the cost of trip permits.
No IFTA license is needed if you never leave Montana.

Travel outside MT may require a fuel trip permit from each jurisdiction where you travel.
Application for License

Required by all jurisdictions
To apply for your IFTA License & Decals

- Obtain Application Form
  - Call 406-444-2998
  - Online –
Montana Department of Transportation
Motor Carrier Services Division
PO Box 4639
Helena MT 59604-4639
(406) 444-2998

International Fuel Tax Agreement (IFTA)
New Carrier Application

1. Legal Name: [Name]
   Trade Name (DBA): [DBA]

2. Mailing Address - Line 1
3. Mailing Address - Line 2
4. City: [City]
   State: [State]
   Zip Code: [Zip Code]

5. Physical Address - Line 1 (If Different from Mailing Address)
6. Physical Address - Line 2

7. City: [City]
   State: [State]
   Zip Code: [Zip Code]

8. Business Federal Employer ID#:
9. USDOT #: (Required)
10. Business Phone #:

11. ‘X’ Type of Organization
    - Sole Proprietor
    - Partnership
    - Corporation
    - LLC
    - LLP
    - Other

12. Social Security #
13. Identity Owners, Partners, or Corporate Officers
    Social Security #
    Name and Address

14. Do you maintain bulk storage in Montana? [Yes] [No]

15. List Other States Where Bulk Fuel is Maintained.

16a. Have you ever been licensed in another jurisdiction? [Yes] [No]
16b. Has your IFTA license ever been revoked? [Yes] [No]

17. The Jurisdictions in which you operate: (‘X’ all that apply)
    - AB – Alberta
    - AL – Alabama
    - AK – Alaska
    - NY – New York
    - KS – Kansas
    - NJ – New Jersey
    - LA – Louisiana
    - NM – New Mexico
    - ME – Maine
    - NV – Nevada
    - MA – Massachusetts
    - NC – North Carolina
    - MI – Michigan
    - ND – North Dakota
    - WI – Wisconsin
    - MN – Minnesota
    - NH – New Hampshire
    - MD – Maryland
    - NJ – New Jersey
    - MI – Michigan
    - MS – Mississippi
    - MI – Michigan
    - MT – Montana

18. Fuel Deals for IFTA Units – Decal Fees must be sent with this application.
    Number of vehicles requiring fuel decals x $2.00 =

Under penalties of perjury, I certify with my signature that to the best of my knowledge the information and statements on this application are true and correct and the number shown on this form is my correct taxpayer identification number. I agree to comply with reporting, payment, record keeping and license display requirements as specified in the International Fuel Tax agreement and Montana State Statutes. I further agree that Montana may withhold any refunds due me if I become delinquent in payment of fuel taxes, whether due Montana or any IFTA member state. I also understand that failure to comply with these provisions shall be grounds for revocation of my fuel tax license(s).

Authorized Signature

Date

Title

See Reverse for Instructions
Reverse Must be Completed

S:\IFTA-MPS1R  Revised 1\10
Chapter 70, Title 13, MCA
Completing IFTA Application

1. Registrant Name and Trade Name (DBA).

2-4. Mailing Address – Where you receive your mail.

5-7. Location/Physical Address – A license cannot be issued without a physical address.

8. Business Federal Employer ID No. – Sole Proprietorship enter owner’s Social Security number

10. **Business Phone Number** — With area code

11. **‘X’ Type of Organization** (Individual, Partnership, Corporation, LLC, LLP, Other)

*Owners, Partners or Corporate Officers must be identified. Include the following for each person listed:*

12. **Social Security #**

13. **Name and Address** — Identify Owners, Partners, or Corporate Officers
14. Do you maintain **bulk storage** in Montana? Indicate whether you have **bulk fuel storage** in MT.

15. List other jurisdictions where bulk fuel is maintained — List all jurisdictions where you have **bulk fuel storage**.

16. Have you ever been licensed in another jurisdiction? Has your IFTA license ever been revoked? Indicate whether you have ever been licensed in another jurisdiction or if your IFTA license is or has ever been revoked.
17. The **jurisdictions** in which you operate – Mark an “X” next to each **jurisdiction** in which you operate or the ALL block if operating in all the **jurisdictions** listed.

18. **Number of vehicles requiring IFTA decals** – Indicate number if IFTA **qualified motor vehicles** requiring decals. You will be sent 2 decals (1 set) per vehicle. Payment of $2 per set of decals MUST accompany your application.

**Authorized Signature and Date** must be completed in order to process application.
License Renewal

- An application for renewal for the next license year will be mailed in September with your quarterly tax return. Carriers who have been canceled will NOT receive a renewal.
Montana Department of Transportation
International Fuel Tax Agreement (IFTA)
2012 Renewal Application

IFTA License #:

Please correct or complete any incorrect or incomplete information below.

1. Legal Name:
2. Trade Name (DBA):
3. Address Line 1:
4. Address Line 2:
5. City, State, ZIP:

Physical Address (if different from mailing address)

6. Address Line 1:
7. Address Line 2:
8. City, State, ZIP:

Business Phone Number

Business Federal Employer ID No.

UCCH# (Required):

Type of Organization

- Individual
- Partnership
- Corporation
- LLC
- LLP
- Other

Social Security #

Name and Address

Do you maintain bulk storage in Montana? [ ] Yes [ ] No

List Other States Where Bulk Fuels are Maintained:

- Alberta
- Alaska
- Arizona
- Arkansas
- California
- Colorado
- Connecticut
- Delaware
- Florida
- Georgia
- Hawaii
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maine
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Missouri
- Montana
- Nebraska
- Nevada
- New Hampshire
- New Jersey
- New Mexico
- New York
- North Carolina
- North Dakota
- Ohio
- Oklahoma
- Oregon
- Pennsylvania
- Rhode Island
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Vermont
- Virginia
- Washington
- West Virginia
- Wisconsin
- Wyoming

[ ] ALL - All Jurisdictions

Fuel Taxes for IFTA Units - Decals must be sent with the renewal for the exact amount of purchase. No decals will be sent for currently licensed IFTA vehicles. No decals will be sent for currently licensed IFTA vehicles. No decals will be sent for currently licensed IFTA vehicles.

Under penalties of perjury, I certify with my signature that to the best of my knowledge the information and statements on this application are true and correct, and the number shown on this form is my correct taxpayer identification number. I agree to comply with reporting, payment, record keeping and license display requirements as specified in the International Fuel Tax Agreement and Montana State Statutes. I further agree that Montana may withhold any refunds due to the if I become ineligible in payment of fuel taxes, whether due to Montana or any IFTA member state. I also understand that failure to comply with these provisions shall be grounds for revocation of my fuel tax license(s).

Authorized Signature

Date

See Reverse for Instructions

Reverse must be completed
Renewal Application

- Make any necessary corrections to the pre-printed information & complete the remainder of the form.
- Your Legal Name and US DOT # must be on the form.
- Sign & Date.
- Return your renewal form plus $2 per set of decals to:

Motor Carrier Services
PO Box 4639
Helena, MT 59604-4639
IFTA License

- A single IFTA license will be issued for your fleet of vehicles.
- A license is valid from January 1 through December 31.
- Make copies of the original license and place a copy in each of your vehicles.
- Keep the original license in a safe place.
- Use the original to make additional copies when adding a vehicle to your fleet during the licensing year.
IFTA Identification Decal

- Each **licensee** is issued two decals (one set for each vehicle).
- An identification decal **MUST** be placed on the lower rear corner of each side of the vehicle’s cab.
- Failure to place the decals in the required locations and carry a copy of the license may subject the vehicle operator to purchase a fuel trip permit and/or receive a citation.
- If a vehicle is added to the **fleet**, decals must be requested. If a vehicle is removed from the **fleet**, the IFTA decal **MUST** be removed.
- If you are registered under the IRP, Motor Carrier Services will only issue decals for the number of registered vehicles you have in your **fleet**.
This is a sample of the green 2011 year decal. The color of decals will change each year.

2013 will be Blue
2014 will be Green
2015 will be Red
2016 will be Blue
TO ORDER ADDITIONAL IFTA DECALS
CAN ONLY BE USED AFTER YOUR RENEWAL HAS BEEN PROCESSED

Calendar Year Decals are needed for: ____________________
Legal Name: ____________________
Trade Name: ____________________
Address: ________________________
City/State and Zip: ________________
Phone Number: ________________ Fax Number: ________________
Email Address: ____________________

Federal ID #: ____________________
Montana Fuel (IFTA) License Number: ____________________

Numbers of IFTA Qualified Vehicles __________ X $2.00 = $ ________________

Please list information below for each vehicle requiring additional decals.

<table>
<thead>
<tr>
<th>PLATE NUMBER (if known)</th>
<th>TOTAL VIN #</th>
<th>YEAR</th>
<th>MAKE</th>
<th>UNIT #</th>
</tr>
</thead>
</table>

| SAMPLE |

(Please copy this sheet for additional vehicles.)

ISSUE TEMPORARY AUTHORITY: YES ______ NO ______

Please make remittance payable to the Montana Department of Transportation or you may use MasterCard or Visa.

DECALS MUST BE PAID FOR BEFORE THEY WILL BE SENT TO YOU.

_________________________________  ________________
Authorized Signature                Date

Can be faxed to 406-444-0800 with credit card #
Temporary IFTA License

For Established Accounts Only

A temporary license, in lieu of the decals only, can be issued while waiting for the decals.
MONTANA TEMPORARY IFTA PERMIT

IFTA LICENSE
FEDERAL ID NUMBER
ADDRESS
Name
Address
City

VEHICLE INFORMATION
MAKE
YEAR
SERIAL NUMBER
ISSUE DATE
EXPIRATION DATE

Authorized Signature

This temporary permit is issued to the above unit. This permit is issued to a current licensee in good standing and authorizes travel for 30 days or until annual credentials are issued. Issued in accordance with IFTA Agreement Section VI.H.

Please contact our office for additional decals at:
Montana Department of Transportation
Motor Carrier Services Division
PO Box 4639
Helena MT 59604
(406) 444-6130

S:IFTA:iftatemp
Display of Renewal Credentials

- Carriers renewing their credentials may operate with the new IFTA decals and license starting on or after December 1. The carrier must carry a copy of the prior year’s license in the vehicle until December 31.
IFTA LICENSING CONTACT:
MOTOR CARRIER SERVICES
406-444-2998
Record Keeping
The recordkeeping requirements covered in this section are specified by terms of the International Fuel Tax Agreement (IFTA) and are contained in the *IFTA Procedures Manual* and in the International Registration Plan (IRP). www.irpinc.org

*Additional information can be found at http://www.iftach.org

*MCA 15-70-121* – authorized the Montana Department of Transportation to enter into the International Fuel Tax Agreement. *ARM 18.10.106* – adopts and implements the agreement by rule.
Why Do I Have to Keep Records?

- IFTA/IRP licensees are required to keep records to support the information reported on their IFTA Tax Returns and their IRP applications.
What If I Don’t Keep Records?

- Failure to maintain records upon which the licensee’s true tax liability may be determined may result in an assessment.
- Non-compliance with any record keeping requirement may be cause for revocation of the license.
What Kind of Records Do I Have to Keep?

1. Mileage/Trip Reports

2. Fuel Records

Licensees are required to have source documents to support the information reported on their tax return. Records must be retained for the current year and the 3 prior years (4 years total).
1. Mileage/Trip Reports
<table>
<thead>
<tr>
<th>Driver(s) Name:</th>
<th>Fleet #:</th>
<th>Tractor #/Name:</th>
<th>Trailer #:</th>
<th>Load #:</th>
<th>Beginning Trip Date:</th>
<th>Ending Trip Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joe Smith</td>
<td>2</td>
<td>Blue Truck</td>
<td></td>
<td></td>
<td>7/2/2011</td>
<td>7/5/2011</td>
</tr>
</tbody>
</table>

**Starting Point of Trip (City, State):**
- Helena, MT

**Last Unload or Deadhead:**
- Butte, MT

**Original Load Point or Pick-up Point (City, State):**
- Id, MT

**Final Destination Point (City, State):**
- Minot, ND

**List all additional Pick-Up or Drop Points (City, State) in this area:**
1. **Idaho Falls, ID**
2. **Buffalo, WY**
3. **Billings, MT**
4. **Great Falls, MT**
5. **Havre, MT**
6. **Glasgow, MT**
7. **Williston, ND**

**Beginning Odometer Reading:**
- 65700 MT 198 miles
- 65898 ID 78 miles
- 66050 WY 37 miles

**Route(s) of Travel:**
- I-15 Helena to Border
- Hwy-26 Id, Falls to Border
- Hwy-26 Border to Jackson Hole
- Hwy-26 & 287 Jackson Hole to Lander
- Hwys 287, 26, 20, 16 Lander to Buffalo
- I-90 Buffalo to Border
- I-90 Border to Billings

**Date of Purchase/Travel:**
- 7/2/2011
- 7/3/2011
- 7/4/2011

**Gallons Purchased:**
- 129
- 85

**Name of Dealer and Invoice Number:**
- Helena Truck Stop
- Fuel and Go

**City, State of Dealer:**
- Helena, MT
- Billings, MT

**Type of Fuel:**
- Diesel
<table>
<thead>
<tr>
<th>Beginning Odometer Reading</th>
<th>State and Miles by State</th>
<th>Route(s) of Travel</th>
<th>Date of Purchase/Travel</th>
<th>Gallons Purchased</th>
<th>Name of Dealer and Invoice Number</th>
<th>City, State of Dealer</th>
<th>Type of Fuel</th>
</tr>
</thead>
<tbody>
<tr>
<td>67292</td>
<td>MT 125 miles</td>
<td>Hwy-2 Glasgow to Border</td>
<td>7/5/2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>67438 (End)</td>
<td>ND 21 miles</td>
<td>Hwy-2 Border to Williston</td>
<td>7/5/2011</td>
<td>120</td>
<td>Fast Stop</td>
<td>Minot, ND</td>
<td>Diesel</td>
</tr>
</tbody>
</table>

Total Trip Miles: 1738

MT Miles: 886

ID Miles: 152

ND Miles: 146

WY Miles: 554

Total Fuel: 334

MT Fuel: 214

ND Fuel: 120
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<tr>
<th>IFTA Jurisdiction</th>
<th>Unit #</th>
<th>Unit #</th>
<th>Unit #</th>
<th>Total Miles</th>
</tr>
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<tbody>
<tr>
<td>IA</td>
<td>Blue Trk 72</td>
<td></td>
<td>0</td>
<td>72</td>
</tr>
<tr>
<td>ID</td>
<td>Blue Trk 152</td>
<td></td>
<td>0</td>
<td>152</td>
</tr>
<tr>
<td>IL</td>
<td>Blue Trk 394</td>
<td></td>
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<td>394</td>
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<tr>
<td>IN</td>
<td>Blue Trk 126</td>
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<td>126</td>
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<tr>
<td>MN</td>
<td>Blue Trk 238</td>
<td></td>
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<td>238</td>
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<tr>
<td>MO</td>
<td>Blue Trk 367</td>
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<td>MT</td>
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<td>ND</td>
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<td>NE</td>
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<td>83</td>
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<td>SD</td>
<td>Blue Trk 475</td>
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<td>0</td>
<td>475</td>
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<tr>
<td>WI</td>
<td>Blue Trk 390</td>
<td></td>
<td>0</td>
<td>390</td>
</tr>
<tr>
<td>WY</td>
<td>Blue Trk 750</td>
<td></td>
<td>0</td>
<td>750</td>
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<tr>
<td>Total Miles</td>
<td>July</td>
<td></td>
<td></td>
<td>4923</td>
</tr>
</tbody>
</table>
Mileage/Trip Reports:

A licensee’s system at a minimum:

- Must contain mileage on individual vehicles for each trip and be totaled in monthly fleet summaries.

- Recap mileage traveled for each vehicle for each jurisdiction in which the vehicle operated.

- Document mileage traveled for taxable and non-taxable use.
TRIP REPORTS SHOULD HAVE THE FOLLOWING ELEMENTS:

- Licensee’s name
- Vehicle **fleet** number
- Vehicle identification # or unit #
- Starting & ending dates of trip
- Place of trip origin & destination
- Routes of travel
- Beginning & ending odometer (or hubometer) readings
- Total trip miles
- Distance by **jurisdiction**
- **Nontaxable** trip miles
How do I know if my trip miles are taxable?
Public Roads and Highways are defined as follows in MCA 15-70-301(15):

All streets, roads, highways and related structures:

(a) built and maintained with appropriated funds of the United States, the state of Montana, or any political subdivision of the state

(b) dedicated to public use

(c) acquired by eminent domain; or

(d) acquired by adverse use of the public, with jurisdiction having been assumed by the state or any political subdivision of the state.
How To Verify If Other Jurisdictions Have Tax Exempt Miles

The International Fuel Tax Agreement, Inc. website is a great resource for your IFTA questions.

(a) Go to www.iftach.org

(b) Click on Exemptions located on the left hand column.

(c) Click on Exemption Archive in the upper right hand corner.

(d) Select the jurisdiction for the information you need and then click on submit.

(e) The exemption information for that particular jurisdiction will be displayed.
2. Fuel Records

A licensee must maintain complete records of all motor fuel received.
Separate totals must be compiled for each motor fuel type.

- Gasoline
- Diesel
- Propane
Retail and Bulk fuel purchases must be accounted for separately.

All record of fuel purchases shall contain but not be limited to:

- Date of each receipt of fuel
- Name and address of the seller where the fuel was purchased or received
- Type of fuel, number of gallons; and
- The vehicle or equipment into which the fuel was placed.
TAX PAID RETAIL PURCHASES
Retail purchases must be supported by a receipt or invoice, credit card receipt, automated vendor generated invoice or transaction listing, or microfilm/microfiche for the receipt or invoice. Receipts that have been altered or indicate erasures will not be accepted for tax-paid credit unless the licensee can demonstrate the receipt is valid.
Receipts for retail fuel purchases must identify the vehicle by the plate or Unit # or other licensee identifier, as distance traveled and fuel consumption may be reported only for vehicles identified as part of the licensee’s operation.
An acceptable receipt or invoice must include, but shall not be limited to, the following:

- Date of purchase
- Seller’s name and address
- Number of gallons or liters purchased
- Fuel type
- Vehicle identification
- Price per gallon or liter or the total amount of the sale
- Purchaser’s name (in case of lessee/lessor agreement, receipts will be accepted in either name, provided a legal connection can be made to the reporting party)
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<thead>
<tr>
<th>Date</th>
<th>Truck Stop</th>
<th>Fuel Type</th>
<th>Gallons</th>
<th>Price Per gallon</th>
<th>Total Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/11/2011</td>
<td>Blue Truck</td>
<td>Diesel</td>
<td>85</td>
<td>$4.00</td>
<td>$340.00</td>
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<table>
<thead>
<tr>
<th>Date</th>
<th>Quick Fill</th>
<th>Fuel Type</th>
<th>Gallons</th>
<th>Price Per gallon</th>
<th>Total Purchase</th>
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<tr>
<td>7/6/2011</td>
<td>Dickinson ND</td>
<td>Diesel</td>
<td>115</td>
<td>$3.92</td>
<td>$450.80</td>
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<table>
<thead>
<tr>
<th>Date</th>
<th>Tracy's Fuel and Go</th>
<th>Fuel Type</th>
<th>Gallons</th>
<th>Price Per gallon</th>
<th>Total Purchase</th>
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</thead>
<tbody>
<tr>
<td>7/4/2011</td>
<td>Pumping Station</td>
<td>Diesel</td>
<td>85</td>
<td>$3.65</td>
<td>$310.25</td>
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</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Fuel Stop</th>
<th>Fuel Type</th>
<th>Gallons</th>
<th>Price Per gallon</th>
<th>Total Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/9/2011</td>
<td>Pumping Station</td>
<td>Diesel</td>
<td>92</td>
<td>$3.99</td>
<td>$367.08</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Fuel Stop</th>
<th>Fuel Type</th>
<th>Gallons</th>
<th>Price Per gallon</th>
<th>Total Purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/9/2011</td>
<td>Omaha, NE</td>
<td>Diesel</td>
<td>128</td>
<td>$4.02</td>
<td>$514.56</td>
</tr>
</tbody>
</table>
Helena Fuel Delivery
123 Road Avenue
Helena, MT 59601

Delivered to: Joe's Trucking
456 A Street
Helena, MT 59601
406-222-2222

Diesel 129 gallons $518.58
Fuel taxes included in price.

No Visible Evidence of Dye

Total: $518.58
### Montana Department of Transportation

**International Fuel Tax Agreement (IFTA)**

**Trade Name (DBA):** Joe's Trucking  
**MT License #:** 099999

All fuel purchases must be listed on MF-92CR if you are applying for a credit refund.

<table>
<thead>
<tr>
<th>Date of Purchase</th>
<th>Fuel Type (D, GH, P, G, NG)</th>
<th>Dealer Invoice Number</th>
<th>Name of dealer from whom purchase was made</th>
<th>Gallons Purchased Montana Tax Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul 4, 2011</td>
<td>D</td>
<td></td>
<td>Fuel and Go</td>
<td>85</td>
</tr>
<tr>
<td>Jul 5, 2011</td>
<td>D</td>
<td></td>
<td>Fast Stop</td>
<td>120</td>
</tr>
<tr>
<td>Jul 6, 2011</td>
<td>D</td>
<td></td>
<td>Quick Fill</td>
<td>115</td>
</tr>
<tr>
<td>Jul 7, 2011</td>
<td>D</td>
<td></td>
<td>Gas and Go</td>
<td>130</td>
</tr>
<tr>
<td>Jul 9, 2011</td>
<td>D</td>
<td></td>
<td>Pumping Station</td>
<td>92</td>
</tr>
<tr>
<td>Jul 9, 2011</td>
<td>D</td>
<td></td>
<td>Fuel Stop</td>
<td>128</td>
</tr>
<tr>
<td>Jul 11, 2011</td>
<td>D</td>
<td></td>
<td>Truck Stop</td>
<td>85</td>
</tr>
</tbody>
</table>

**Total:** 670  
**85**
How to Complete the Fuel Purchase Summary Form

- **Date of Purchase** – Enter month, day and year if purchased by individual invoices. If billed monthly then enter just the month and year.

- **Fuel Type** – Codes listed at top of column.

- **Dealer Invoice Number** – Enter the individual invoice number or the monthly billing number. If neither, leave blank.
Completing the Fuel Purchase Summary Form cont....

- **Name of dealer** – Enter the name of dealer, city and state where fuel was purchased.

- **Gallons Purchased with no MT Tax** – Total gallons purchased anywhere outside of MT.

- **Gallons Purchased in MT Tax Paid** – Total gallons purchased in MT.
Tax Paid Bulk Fuel Purchases
Bulk storage fuel is normally delivered into storage facilities maintained by the licensee. Copies of all delivery tickets and/or receipts must be retained by the licensee. Receipts that have been altered or indicate erasures are not accepted for tax-paid credits unless the licensee can prove the receipt is valid.

A bulk fuel inventory reconciliation must be maintained. If a licensee has a bulk facility in more than one jurisdiction, a separate bulk fuel inventory reconciliation must be maintained for each jurisdiction. For withdrawals from bulk storage, records must be maintained to distinguish fuel placed in qualified vehicles (IFTA) from other uses.
To obtain credit for withdrawals from Licensee-owned, tax paid bulk storage the following records must be maintained:

- Date of withdrawal
- Number of gallons/liters
- Fuel type
- Unit number or equipment number
- Purchase and inventory records to substantiate that tax was paid on all bulk purchases.
# Bulk Fuel Dispersal Record

**Tank Number/Location:**

**Fuel Type:** ________________ (Diesel, Gasoline, Gasohol, Propane)

<table>
<thead>
<tr>
<th>Date</th>
<th>Beginning Meter Reading</th>
<th>Ending Meter Reading</th>
<th>Number of Gallons</th>
<th>Unit/Plate/Rig Equip. Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/2/2011</td>
<td>675</td>
<td>546</td>
<td>129</td>
<td>Blue Truck</td>
</tr>
</tbody>
</table>

| Total    | 675                     | 546                  | 129               |                            |
IF you have bulk storage, a separate summary must be filled out for each jurisdiction.

<table>
<thead>
<tr>
<th></th>
<th>Tax Paid</th>
<th></th>
<th>Tax Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Beginning Inventory: (From last qtr)</td>
<td></td>
<td>675</td>
<td></td>
</tr>
<tr>
<td>2) Received into Storage: (Bulk gallons)</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>3) Ending Inventory: (Lines 1+2- 4)</td>
<td></td>
<td>546</td>
<td></td>
</tr>
<tr>
<td>4) Total Fuel Dispersed (1 + 2 less 3): (Must equal the total of lines 5, 6 and 7)</td>
<td></td>
<td>129</td>
<td></td>
</tr>
<tr>
<td>5) Total fuel dispensed into Other Vehicles:</td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>6) Total fuel dispensed into IFTA Vehicles: (Add to purchases at the pump for column g)</td>
<td></td>
<td></td>
<td>129</td>
</tr>
<tr>
<td>7) Total fuel dispensed into Equipment:</td>
<td></td>
<td></td>
<td>0</td>
</tr>
</tbody>
</table>
Desk Reviews

Every IFTA license holder is subject to desk reviews. MDT staff may call and request records for review.

Audits

Every IFTA/IRP license holder is subject to audit. If your operation is chosen for audit, you will be contacted in writing. Under normal circumstance you will receive at least 30 days notice.
Audit Selection

- Licensee’s are selected for audit as defined in the **IFTA Audit Manual;** Section A320 or through random selection for IRP.

  or

- By referral.
Licensee Communication

30 days prior to the **audit**, the **licensee** will be notified:

- The licensee will be informed of the approximate audit date
- The quarters included in audit period
- Whether the records will be reviewed at the licensees place of business or in our office; and
- What records to provide
The auditor meets with the licensee to conduct an **Entrance Conference** in order to:

- Understand **licensee’s** operations and bookkeeping procedures.
- Explain the **audit** process.
- Determine who has the final acceptance for the **audit** findings.
- Answer **licensee** questions.
Audit Procedures

To determine whether the licensee’s records support the information reported on their tax return the auditor will:

- Evaluate internal controls used by the licensee to insure the accuracy of the reported information
- Test Distance & Fuel records
- Analyze the results
- Issue a report to the licensee and all affected jurisdictions documenting the audit results.
After the audit is completed the auditor will meet with the licensee to conduct an Exit Conference in order to:

- Review audit results with licensee
- Explain recommendations
- Explain appeal process
- Answer licensee questions
IFTA Tax Forms
IFTA Reporting Forms
How do you get them?

- Automatically sent to you the third week of the last month of each quarter to active IFTA carriers. It is your responsibility to make sure that you have the correct form for the quarter.

- Call 406-444-7664 to obtain: 1) tax rate information, 2) quarterly forms, and 3) new forms for amendments.
Web Site:  http://www.mdt.mt.gov
## International Fuel Tax Agreement (IFTA) – Tax Return

**Montana Department of Transportation**  
**Accounting Services Bureau**  
PO Box 5895  
Helen, MT 59604-5895  
Phone: (406) 444-7654  
Fax: (406) 444-5011  
TTY: (406) 444-7506  
www.mdt.mt.gov

### Fuel Summary

<table>
<thead>
<tr>
<th>Fuel Type</th>
<th>Total Miles Traveled All Jurisdictions</th>
<th>Total Gallons Used All Jurisdictions</th>
<th>Average Fleet MPG (2 Decimal Places)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Diesel (D)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Gasohol (GH)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Propane (P)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Natural Gas (NG)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Gasoline (G)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. If you did not operate this quarter write “none” in column (d).

5. IFTA Jurisdictions fuel tax computation (IFTA Qualified Vehicles):  
*Round columns d through h to the nearest whole number.*

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Fuel Type</th>
<th>Total Miles Jurisdiction</th>
<th>Taxable Miles Jurisdiction</th>
<th>Taxable Gallons</th>
<th>Tax Paid Gallons</th>
<th>Net Taxable Gallons</th>
<th>Interest Due</th>
<th>Total Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>MT</td>
<td>D</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Other Jurisdictions: (See Backside)

### Totals:

|                         |                     |                     |                     |                 |                  |                     |             |            |

### Check here to cancel your IFTA License:

- **Cancel** [ ]

### Check here to refund credits on your account:

- **[ ]

### Important:

- See Reverse Side for Instructions

### 6. Late Fee (see instructions):

- $ [ ]

### 7. Previous Balance:

- $ [ ]

### 8. Total Remittance or Credit:

- $ [ ]

### Signatures: [ ]

### Title: [ ]

### Date: [ ]

### Phone: [ ]

I declare, under penalty of perjury, that this return (including schedule) has been examined by me to the best of my knowledge and belief is true and complete. Report must be signed in original to be considered properly filed.
Fuel Summary

Must file quarterly even if you did not operate that quarter.
Total Miles Traveled All Jurisdictions

<table>
<thead>
<tr>
<th>Fuel Type</th>
<th>Total Miles Traveled All Jurisdictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Diesel (D):</td>
<td>4923</td>
</tr>
<tr>
<td>2. Gasohol (GH):</td>
<td></td>
</tr>
<tr>
<td>Propane (P):</td>
<td></td>
</tr>
<tr>
<td>Natural Gas (NG):</td>
<td></td>
</tr>
<tr>
<td>3. Gasoline (G):</td>
<td></td>
</tr>
</tbody>
</table>

- All miles traveled – The miles traveled are for all units under the IFTA license only. This includes all miles traveled on taxable and non-taxable roads, turnpikes, toll roads and under fuel and mileage permits. This must be completed even if all travel was just in Montana.
- Enter miles under correct fuel type that each vehicle uses.
Total Gallons Used All Jurisdictions

<table>
<thead>
<tr>
<th>Fuel Type</th>
<th>Total Gallons Used All Jurisdictions II</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Diesel (D):</td>
<td></td>
</tr>
<tr>
<td>2. Gasohol (GH):</td>
<td></td>
</tr>
<tr>
<td>Propane (P):</td>
<td></td>
</tr>
<tr>
<td>Natural Gas (NG):</td>
<td></td>
</tr>
<tr>
<td>3. Gasoline (G):</td>
<td></td>
</tr>
</tbody>
</table>

- Total fuel gallons purchased and placed into supply tanks of all IFTA vehicles, including dispersals from your bulk tanks.
- Enter total gallons under correct fuel type used.
Average **Fleet** MPG

- Divide total miles traveled by the total gallons used.
- Enter the above amount under the type of fuel used.
- Carry out to 2 decimal places.
IFTA Jurisdictions Fuel Tax Computation

4. If you did not operate this quarter write “none” in column (d).

5. IFTA Jurisdictions fuel tax computation (IFTA Qualified Vehicles):

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Fuel Type</th>
<th>Tax Rate</th>
<th>Total Miles in Jurisdiction</th>
<th>Taxable Miles in Jurisdiction</th>
<th>Taxable Gallons</th>
<th>Tax Paid Gallons</th>
<th>Net Taxable Gallons f - g</th>
<th>Tax Due h X c</th>
<th>Interest Due</th>
<th>Total Due i + j</th>
</tr>
</thead>
<tbody>
<tr>
<td>MT</td>
<td>D</td>
<td>.2775</td>
<td>1271</td>
<td>1271</td>
<td>228</td>
<td>214</td>
<td>14</td>
<td>$3.88</td>
<td>$</td>
<td>$3.88</td>
</tr>
<tr>
<td>IA</td>
<td>D</td>
<td>.2250</td>
<td>72</td>
<td>72</td>
<td>13</td>
<td>0</td>
<td>13</td>
<td>$2.92</td>
<td>$</td>
<td>$2.92</td>
</tr>
<tr>
<td>ID</td>
<td>D</td>
<td>.2500</td>
<td>152</td>
<td>152</td>
<td>27</td>
<td>0</td>
<td>27</td>
<td>$6.75</td>
<td>$</td>
<td>$6.75</td>
</tr>
<tr>
<td>IL</td>
<td>D</td>
<td>.3780</td>
<td>394</td>
<td>394</td>
<td>71</td>
<td>0</td>
<td>71</td>
<td>$26.84</td>
<td>$</td>
<td>$26.84</td>
</tr>
<tr>
<td>IN</td>
<td>D</td>
<td>.1600</td>
<td>126</td>
<td>126</td>
<td>23</td>
<td>92</td>
<td>(69)</td>
<td>($11.04)</td>
<td>$</td>
<td>($11.04)</td>
</tr>
<tr>
<td>IN</td>
<td>SC</td>
<td>.1100</td>
<td>23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$2.53</td>
<td>$</td>
<td>$2.53</td>
</tr>
<tr>
<td>MN</td>
<td>D</td>
<td>.2750</td>
<td>238</td>
<td>238</td>
<td>43</td>
<td>0</td>
<td>43</td>
<td>$11.82</td>
<td>$</td>
<td>$11.82</td>
</tr>
<tr>
<td>MO</td>
<td>D</td>
<td>.1700</td>
<td>367</td>
<td>367</td>
<td>66</td>
<td>0</td>
<td>66</td>
<td>$11.22</td>
<td>$</td>
<td>$11.22</td>
</tr>
<tr>
<td>ND</td>
<td>D</td>
<td>.2300</td>
<td>605</td>
<td>605</td>
<td>109</td>
<td>235</td>
<td>(126)</td>
<td>($28.98)</td>
<td>$</td>
<td>($28.98)</td>
</tr>
<tr>
<td>NE</td>
<td>D</td>
<td>.2640</td>
<td>83</td>
<td>83</td>
<td>15</td>
<td>128</td>
<td>(113)</td>
<td>($29.83)</td>
<td>$</td>
<td>($29.83)</td>
</tr>
<tr>
<td>SD</td>
<td>D</td>
<td>.2200</td>
<td>475</td>
<td>475</td>
<td>85</td>
<td>85</td>
<td>0</td>
<td>$0</td>
<td>$</td>
<td>$0</td>
</tr>
<tr>
<td>WI</td>
<td>D</td>
<td>.3290</td>
<td>390</td>
<td>390</td>
<td>70</td>
<td>130</td>
<td>(60)</td>
<td>($19.74)</td>
<td>$</td>
<td>($19.74)</td>
</tr>
<tr>
<td>WY</td>
<td>D</td>
<td>.1400</td>
<td>750</td>
<td>750</td>
<td>135</td>
<td>0</td>
<td>135</td>
<td>$18.90</td>
<td>$</td>
<td>$18.90</td>
</tr>
</tbody>
</table>

Other Jurisdictions: (See Backside)

Totals: 4923 4923 908 884 24 ($4.72) $  ($4.72)

6. Late Fee (see instructions): $  
7. Previous Balance: $45.36  
8. Total Remittance or Credit: $50.08  

Check here to cancel your IFTA License:  
Check here to refund credits on your account: X
Computation cont…..

- **Column a:** **Jurisdiction** – Abbreviation for the jurisdiction in which the IFTA vehicles have traveled. Either state or province.
- **Column b:** **Fuel Type** - Enter the code for the fuel used by the IFTA vehicles. The codes are located at the top of the column on the form.
- **Column c:** **Tax Rate** – The correct tax rate for each jurisdiction must be entered. The Department provides the current rate sheet in our quarterly IFTA mailing.
Computation cont…..

- **Column d:** Total Miles in **Jurisdiction** – Total for each **jurisdiction** where the IFTA vehicles traveled. If no operation this quarter write “none” in Column d. MT only travel will be reported here. Round to nearest whole number. The total of this column must equal the total in “fuel summary” section of total miles traveled in all jurisdictions.
Computation cont....

- **Column e: Taxable Miles** - Miles in each jurisdiction that are traveled on public roads, excluding those traveled under a fuel trip permit (a copy of the permit must be submitted with tax return). If miles are traveled on turnpikes and toll roads, that jurisdiction needs to be notified by your company for confirmation of exempt miles or go to the IFTA website at www.iftach.org and click on exemptions for the complete list (links are shown in record keeping section. Round to the nearest whole number.
Computation cont....

- **Column f:** Taxable Gallons – The gallons that are used in a specific jurisdiction. To find this number take the miles from column e and divide it by the average fleet MPG in the “fuel summary” section. Round to the nearest whole number.

- **Column g:** Tax Paid Gallons – The gallons that were purchased or dispersed from bulk and placed in the supply tank of a qualified IFTA vehicle in each jurisdiction. Gallons purchased under a fuel tax trip permit must be excluded from this total. Round to the nearest whole number. This column must equal the total gallons in “fuel summary” section for all jurisdictions, except when fuel is purchased under a fuel trip permit.
Computation cont....

- **Column h**: Net Taxable Gallons – The difference between taxable gallons, *column f*, and tax paid gallons, *column g*. If *column g* is larger than *column f*, the gallons left will be a credit. Put this number in brackets or use a negative sign. If *column f* is larger, a tax is due for that *jurisdiction*. Round to the nearest whole number.

- **Column i**: Tax Due – The tax due on the net taxable gallons in *column h*. Calculate the tax by taking the total in *column h* times the tax rate for the *jurisdiction* in *column c*. If the amount is a credit due, put the number in brackets or use a negative sign.
Computation cont....

- **Column j:** Interest Due – Interest is owed on late and amended tax returns. Interest begins on the 1\textsuperscript{st} day of the month after the due date. Calculate by taking the tax due times 1\% per month or fraction of a month. This is only done on jurisdictions where a tax is due and does not affect credits.

- **Column k:** Total Due – Total tax due plus interest (1\% per month) if owed. Add column i and column j. This total is cumulative. E.g. ($268) credit for Montana and $200 tax due in Idaho equals a ($68) credit. A supplement form MF92 is sent in case more rows are needed for more jurisdictions.
Other Jurisdictions Line

- Applies to:
  - Alaska
  - Mexico
  - NW Territories
  - Yukon Territories
  - Washington, DC.

- Must enter information for these jurisdictions in columns d, e, f and g.
Surcharges

- Some **jurisdictions** have a surcharge (SC), a temporary fee added to the fuel tax.
- These charges are part of the IFTA Fuel Tax Return.
- These charges are reported on the line directly below the fuel for that **jurisdiction**.
- Enter “SC” in **column b** and the surcharge rate found on the tax rate sheet in **column c**.
Surcharges cont.……..

- Enter the total of column i and column j in column k.

- Surcharges are based on taxable gallons in column f only. Take the rate in column c and multiply it by column f and enter the total due in column i.

- If late or amended, figure the interest using the same method as for the tax.
Totals – Total all columns.

Late Fee Line 6 – Penalty is due for all late returns, even if the return shows a credit or no miles traveled. Enter 10% of the column i total or $50.00 whichever is greater.

Previous Balance Line 7 – Balance, credit or debit, from previous reporting periods is entered here unless you have requested a refund on the previous credit balance.

Total Remittance or Credit Line 8. Add total in column k, line 6 and line 7. Enter here.
Completing the tax Return

- All tax returns must be signed by the person completing the form, dated and a contact phone number provided.
- **Cancel IFTA License** –
  a.) Check the box on the form and enter the *cancellation* date. The IFTA carrier must send a letter with the return stating that all IFTA decals have been removed from their vehicles and the original license must be returned with the tax return. If you cancel in the middle of a quarter the return is still due for that quarter.
  b.) The Department may cancel a license for no operations or MT only returns for three quarters in a row. A notice will be sent to the licensee.
- Check for refund – To receive a refund of your credits, put an X in the box provided and send your fuel purchase summary forms with your tax return. Credits for under $5.00 are not refunded.
**Bulk Storage**  
*(Back of Return)*

---

**Table**: If you have bulk storage, a separate summary must be filled out for each jurisdiction.

<table>
<thead>
<tr>
<th></th>
<th>Tax Paid</th>
<th></th>
<th>Tax Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>1)</td>
<td>Beginning Inventory: <em>(From last qtr)</em></td>
<td>675</td>
<td>5) Total fuel dispensed into Other Vehicles:</td>
</tr>
<tr>
<td>2)</td>
<td>Received into Storage: <em>(Bulk gallons)</em></td>
<td>0</td>
<td>6) Total fuel dispensed into IFTA Vehicles:</td>
</tr>
<tr>
<td>3)</td>
<td>Ending Inventory: <em>(Lines 1+2-4)</em></td>
<td>546</td>
<td><em>(Add to purchases at the pump for column g)</em></td>
</tr>
<tr>
<td>4)</td>
<td>Total Fuel Dispersed <em>(1 + 2 less 3)</em></td>
<td>129</td>
<td>7) Total fuel dispensed into Equipment:</td>
</tr>
<tr>
<td></td>
<td><em>(Must equal the total of lines 5, 6 and 7)</em></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Bulk Storage

- If you disperse fuel from bulk into your IFTA vehicles, the back of the tax return must be completed. A separate bulk storage form must be completed for each jurisdiction where bulk is located.

- Line 1: Beginning Inventory - The ending inventory from the previous quarter.

- Line 2: Received into Storage - All bulk storage gallons received during the quarter.
Bulk Storage Cont....

- Line 3: Ending Inventory - Gallons left in the bulk storage tank when the quarter ends.

- Line 4: Total Fuel Dispensed - Take line 1, plus line 2, minus line 3 for this total.

- Line 5: Total Fuel Dispensed into IFTA vehicles only. This is the amount that is added to your fuel purchased at the pump for your total tax paid gallons.

- Line 6: Total Fuel Dispensed into Non-IFTA vehicles.

- Line 7: Total Fuel Dispensed into Equipment - This includes backhoes, graders, farm tractors, etc.
# Fuel Purchase Summary Form

**Montana Department of Transportation**  
**International Fuel Tax Agreement (IFTA)**

**Trade Name (DBA):** Joe's Trucking  
**MT License #:** 099999  

All fuel purchases must be listed on MF-92CR if you are applying for a credit refund.

<table>
<thead>
<tr>
<th>Date of Purchase</th>
<th>Fuel Type</th>
<th>Dealer Invoice Number</th>
<th>Name of dealer from whom purchase was made</th>
<th>Gallons Purchased No Montana Tax Paid</th>
<th>Gallons Purchased Montana Tax Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 5, 2011</td>
<td>D</td>
<td></td>
<td>Fast Stop</td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>July 6, 2011</td>
<td>D</td>
<td></td>
<td>Quick Fill</td>
<td>115</td>
<td></td>
</tr>
<tr>
<td>July 4, 2011</td>
<td>D</td>
<td></td>
<td>Fuel &amp; Go</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>July 9, 2011</td>
<td>D</td>
<td></td>
<td>Pumping Station</td>
<td>92</td>
<td></td>
</tr>
<tr>
<td>July 9, 2011</td>
<td>D</td>
<td></td>
<td>Fuel Stop</td>
<td>128</td>
<td></td>
</tr>
<tr>
<td>July 11, 2011</td>
<td>D</td>
<td></td>
<td>Truck Stop</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>July 7, 2011</td>
<td>D</td>
<td></td>
<td>Gas and Go</td>
<td>130</td>
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</tbody>
</table>
Fuel Purchase Summary Form

- This form is used for a refund of credits. It is best to send in this form quarterly with your tax return and request your refund of credits.
- Enter your license number and the quarter ending to ensure that it corresponds with the correct return.
How to Complete the Fuel Purchase Summary Form

- **Date of Purchase** – Enter month, day and year if purchased by individual invoices. If billed monthly then enter just the month and year.

- **Fuel Type** – Codes listed at top of column.

- **Dealer Invoice Number** – Enter the individual invoice number or the monthly billing number.
Completing the Fuel Purchase Summary Form cont.

- **Name of dealer** – Enter the name of dealer, city and state where fuel was purchased.
- **Gallons Purchased with no MT Tax** – Total gallons purchased anywhere outside of MT.
- **Gallons Purchased in MT Tax Paid** – Total gallons purchased in MT.
Inactivating Accounts

- **Cancellation** – Previously discussed

- **Closed Account** – Carrier did not renew their license for the current year before the last working day of February. Must file 1\(^{st}\) quarter tax return. Yearly renewal is required.

- **Revocation** – When an account is revoked due to nonpayment of fuel taxes owing or non filing of IFTA tax returns.
Reinstating a Revoked License

- Required to post a bond in the amount of $500 for the 1st offense and an additional $500 for each offense after that.
- Required to pay a reinstatement fee of $100.00.
- Correct all problems leading to revocation.
  1. All tax, penalty and interest paid in full.
  2. All reports filed.
  3. All requested records must be received.
Questions

Call 406-444-7664 or 406-444-9276

Or

Email Questions to: mdtiftatax@mt.gov
International Registration Plan (IRP)

http://www.mdt.mt.gov/business/mcs/
Introduction to IRP

• What is IRP(Mileage)

IRP stands for International Registration Plan. It is an agreement among the 48 contiguous United States, the District of Columbia and 10 Canadian provinces. Under IRP a carrier registers vehicles with its base jurisdiction for each IRP jurisdiction in which they travel. The carrier submits only one application to the base jurisdiction, pays one registration billing and receives one plate and cab card.

• Background of IRP

Before implementation of the International Registration Plan (IRP) there were 59 different jurisdictions. Each jurisdiction (State) had its own separate licensing. If a motor carrier operated in any of these jurisdictions they had to comply with the requirements of each jurisdiction, which made licensing difficult and time consuming.
Introduction to IRP

• **Background of IRP continued…**
  Montana joined IRP in 1976. The Department of Transportation administers and enforces the licensing of IRP carrier requirements.

• **Goal of IRP**
  The goal of IRP is to simplify the licensing which is accomplished by having the carrier submit an application to the base jurisdiction. The base jurisdiction processes the application, collects registration fees, issues cab cards and plates all in one location so the carrier does not have to contact each jurisdiction individually.
An interstate (travel between jurisdictions) carrier has to make a choice:

- Buy trip permits in each jurisdiction that you travel, or
  - This permit is for IRP(mileage) NOT for IFTA (fuel).

- Apply under the IRP and be issued a cab card listing the jurisdictions for which the carrier has paid registration fees and a license plate. Each jurisdiction listed on the cab card will honor the MT registration. The carrier is allowed intra-jurisdictional and inter-jurisdictional travel in all jurisdictions listed on the cab card. Some jurisdictions may require additional authority for intra-jurisdictional operations. You will be subject to the rules and regulations of IRP.
Is IRP Right for You?

• If your company vehicles only travel within Montana, you are not eligible to register under the IRP.

• Whether you decide to belong to IRP or not, is your decision, but you want to take into consideration the following factors:
  ▪ The number of times you travel out-of-state
  ▪ The cost of trip permits
  ▪ The cost of record keeping

• IRP does not exempt the carrier from payment of motor fuel taxes or allow the carrier to exceed legal size and weight limits without obtaining the necessary permit.
IRP Topics

• Licensing of new accounts
• Licensing renewals
• Adding Jurisdictions
• Increasing weights
• Adding vehicles
“Apportionable vehicle” means (except as provided below) any Power Unit that is used or intended for use in two or more Member Jurisdictions and is used for the transportation of persons for hire or designed, used or maintained primarily for the transportation of property;

And:

• has two axles and a gross vehicle weight or registered gross vehicle weight in excess of 26,000 pounds or 11,793.401 kilograms; or
• has three or more axles, regardless of weight; or
• is used in combination, when the gross vehicle weight of such combination exceeds 26,000 pounds or 11,793.401 kilograms.
New Account Check List

The items listed below must accompany all new applications or your application will be returned to you to complete. Please note the account number will be assigned to all new accounts by the MCS office and you need to refer to this number when making any inquiries about your account by phone, in person or by fax.

- Completed Forms A, B and C-T if adding trailers.
- Proof of Purchase showing purchase cost in dollars of the power unit and trailers.
- Form 2290 for heavy vehicle use tax for vehicles 55,000 lbs or over. A receipt from the IRS or a check made payable to IRS along with a stamped envelope made out to the IRS must also be included.
- Signature sheet with all contacts listed who work on your account.
- IFTA Application (if necessary).
- Detailed Scope of Operation
- Unified Carrier Registration (UCR) Application with a separate check made out to the Montana Department of Transportation (if needed) or you may do your own UCR at: www.ucr.in.gov.
Selection of Base Jurisdiction

An Applicant may elect as its Base Jurisdiction any Member Jurisdiction based on the following:

• where the Applicant has an Established Place of Business,

• where the Fleet the Applicant seeks to register under the plan accrues distance, and

• where Records of the Fleet are maintained or can be made available.

OR
Selection of Base Jurisdiction Cont..

An Applicant that does not have an Established Place of Business in any Jurisdiction may designate as a Base Jurisdiction any Member Jurisdiction based on the following:

• where the Applicant can demonstrate Residence
• where the Fleet the Applicant seeks to register under the Plan accrues distance; and
• where Records of the Fleet are maintained or can be made available
Establishing Applicant’s Residence

To establish Residence in a Member Jurisdiction, an Applicant must demonstrate to the satisfaction of the Member Jurisdiction at least three of the following:

• If the Applicant is an individual, that his or her driver’s license is issued by that Jurisdiction,
• If the Applicant is a corporation, that it is incorporated or registered to conduct business as a foreign corporation in that Jurisdiction,
• If the Applicant is a corporation, the principal owner is a resident of that Jurisdiction.
• The Applicant’s Federal income tax returns have been filed from an address in that Jurisdiction.
• The Applicant has paid personal income taxes to that Jurisdiction.
• The Applicant paid real estate or personal property taxes to that Jurisdiction.
• The Applicant receives utility bills in that Jurisdiction in the applicant’s name.
• The Applicant has a Vehicle titled in that Jurisdiction in applicant’s name.
• Other factors that clearly evidence the Applicant’s legal Residence in that Jurisdiction.
IRP Renewals

Preprinted renewal forms are mailed throughout the year based on when your fleet was licensed.

To Complete the Renewal You Need the Following:
• Current 2290 for Heavy Vehicle Use Tax
• Signature sheet showing who is authorized to sign on your IRP account.
• Actual mileage travelled from the reporting period on the renewal.
• Estimated mileage if you would like to keep that jurisdiction on your cab card.
• Schedules B and C
Information Needed on Form:

- **Schedule B** - list distance traveled in all jurisdictions for the period of twelve consecutive months immediately prior to July 1 of the calendar year immediately preceding the beginning of the Registration Year for which apportioned registration is sought or portion of the year that the fleet was apportioned. You must include all distance generated by each vehicle even though some units may have been deleted.

- **Actual Distance** - Start with the jurisdiction that you are currently apportioned in, listing the total actual distance that were traveled in each jurisdiction for each vehicle within the fleet.
IRP Renewal Cont…

• In the column marked PRORATE YES/NO, place a Y for Yes if you want to apportion that jurisdiction, or an N for No in the column if you had distance in that jurisdiction but don’t wish to prorate that jurisdiction.

• In the column marked ACTUAL=A or ESTIMATED=E, place an A for actual distance or an E for estimated distance. (If you had Trip Permit distance place a T here.)
IRP Renewal Cont...

**ADDING JURISDICTIONS – Schedule C and B**

- List ALL units in your fleet when adding jurisdiction. A separate Schedule C must be used for each weight on the fleet.
- Use Schedule B for distance of new jurisdictions and provide a **detailed scope** of operation.

**CHANGING WEIGHTS – Schedule C**

- Copy of Cab Cards for units being increased
- Receipt for payment of 2290 Heavy Use Tax Form for vehicles increasing to a weight 55,000 pounds or above
IRP Renewal Cont…

ADDING VEHICLES – Schedule C
• Vehicle title number
• Proof of Purchase (copy of bill of sale - do not include Federal Excise Tax – FET or trade-in)
• Receipt for payment on IRS FORM 2290 (power units of 55,000 pounds or more registered GVW) (The receipt is required before credentials are mailed.)

DELETING POWER UNITS – Schedule C (Part 4)
• License Plate(s) must be returned to MCS or a written certification that plate has been destroyed must be sent to MCS
• Original Cab Card(s) must be returned to MCS
Heavy Vehicle Use Tax

- Internal Revenue Service (IRS) mandates proof of filing for any vehicle registered for 55,000 pounds or more before a registration can be issued.

- Annual filing, due July 1 of each year for the upcoming year.

- Must be filed with the IRS by August 31 of each year to avoid penalties and interest, or within 60 days of purchase for newly acquired vehicles.
• Filings may be made online through an IRS portal for any number of vehicles. However online filing is mandatory for filings of 25 vehicles or more.

  ▪ By mail to the IRS (for less than 25 vehicles); or

PRISM is a system that is used by the jurisdictions for information regarding vehicle safety information and current MCS-150’s and was developed to reduce commercial vehicle accidents.

The system uses the USDOT number to tie Federal data to the state IRP program.

IRP application or renewal will not be processed if the MCS-150 has not been updated in the previous 12 months or if the company has a Federal Out of Service Order.
Unified Carrier Registration (UCR)

- The UCR program was established by Federal legislation and a board was established per requirements to set up the policies and procedures and to make recommendations on the fee schedule. The UCR fees are used for Motor Carrier Safety Programs.

- UCR is applicable to all power units that are in an interstate operation and exceed 10,000 pounds.
Fees are due annually on a calendar-year basis. Annual UCR application forms are mailed to the mailing address shown in the Federal USDOT system for your USDOT number.

The 2014 UCR applications will be mailed in October of 2013 and are due by December 31, 2013 when the current year UCR expires.
Contacts

MOTOR CARRIER SERVICES
406-444-6130
406-444-2998
Motor Fuels Dispute Resolution Process
Goal of Dispute Resolution

- Resolve issue at earliest possible point
You Can Appeal

- Any Assessment
- Audit results
- Any reductions of credit or refund
- Revocation/Cancellation of license
How?

- Within thirty (30) days of a notice from the department, send a written appeal.
  - Letter by mail to MDT
  - Fax to 406 444-5411
  - E-mail to MDTAPPEAL@MT.GOV

After 30 Days, you waive your right to appeal.
Different Steps of Appeals

• Department Review - Informal
• Department Hearing - Formal
• State Tax Appeal Board (STAB)
• District Court
• Montana Supreme Court
Contact List

• Appeal Status – 444-6027
• Accounts Receivable – 444-7640
• License Cancellation – 444-7274
Thank you for attending.

Please fill out an evaluation before you leave.
Contacts & Glossary
Contacts

- IFTA Licensing - 406-444-2998
- IRP Registration – 444-6130 or 406-444-2998
- Tax Reporting - 444-7664, 444-9276 or mdtiftatax@mt.gov
- Refunds – 444-7664
- Accounts Receivable - 444-7640
- Record Keeping – 444-9276 or 444-7274
- Appeal Status - 444-6027 or mdtappeal@mt.gov
Contacts

- Dyed Fuel Abuse Reporting – 1-888-Fuel-Law (383-5529)
- IFTA Website - www.iftach.org
- USDOT # - (Contact 202-366-9805 or - www.fmcsa.dot.gov/registration-licensing/online-registration/onlineregdescription.htm).
- IRP Website – www.irpinc.org
Glossary

- **Applicant** – A person whose name is on the licensing application that is filed.

- **Apportionable vehicle** - any Power Unit that is used or intended for use in two or more Member Jurisdictions and is used for the transportation of persons for hire or designed, used or maintained primarily for the transportation of property; and has two axles and a gross vehicle weight or registered gross vehicle weight in excess of 26,000 pounds or 11,793.401 kilograms; or has three or more axles, regardless of weight; or is used in combination, when the gross vehicle weight of such combination exceeds 26,000 pound or 11,793.401 kilograms.
• **Audit** – A physical examination of the records and source documents supporting the licensee’s reports. Performed by an Auditor.

• **Base Jurisdiction** – The member jurisdiction where qualified motor vehicles are based for vehicle registration purposes, where the operational control and operational records of the licensee’s qualified motor vehicles are maintained or can be made available, and where some mileage is accrued by qualified motor vehicles within the fleet.

• **Bulk Storage** – A container or tank holding any fuels for storage, other than the supply tank of a motor vehicle or any internal combustible engine.
• **Cancellation** — The annulment of a license and its provisions by either the licensing jurisdiction or the licensee.

• **Commissioner** — The official designated by the jurisdiction to be responsible for the administration of this agreement.

• **Desk Review** — Reviewing mileage records, fuel receipts, and bulk fuel dispersal records to recreate a tax return. Performed by the collections section.

• **Dispersal Records** — Detailed documentation showing how bulk fuel was used. This should include the number of gallons, the date dispensed from the bulk fuel tank into the supply tank of a vehicle and the vehicle unit number.

• **Dispute Resolution** — Is a conflict resolution system which includes an informal review and formal hearings which find solutions and resolve differences of fuel tax, penalty and assessments.
- **Exempt miles** – Montana exempts fuel from tax when your vehicle(s):
  1) Operate under a temporary fuel trip permit, or
  2) Operate on private or forest service development roads

- **Fleet** – One or all vehicles that are licensed under IFTA. Not including agricultural vehicles.

- **Forest Service Development Road** – Roads used by Logging or Mining Contractors. It is built and maintained by the contractor. When the contractor is finished using the road, the road is destroyed.

- **Gross Vehicle Weight** – The maximum weight of the loaded or combination of vehicles during the registration period.
• **In-Jurisdiction distance** — The total number of miles/kilometers operated by a licensee’s qualified motor vehicles within a jurisdiction. In-jurisdiction distance does not include miles/kilometers operated on a fuel tax trip permit or miles exempted from fuel taxation by a jurisdiction.

• **Interstate travel** — Travel between states and any place outside of that state, including the District of Columbia and any place outside of that state.

• **Intrastate travel** — Travel within a state’s boundaries. Not traveling from one state to another state or jurisdiction.

• **Jurisdiction** — A state of the United States, the District of Columbia, or a Province or Territory of Canada.
• **Licensee** — A person who holds an un-cancelled IFTA license issued by the base jurisdiction.

• **Motor Fuels** — All fuels used for the generation of power for propulsion of qualified motor vehicles.

• **Non-Taxable miles** - Travel on private property and private roads. Must verify non-taxable miles for each jurisdiction either with the jurisdiction or at www.IFTAch.org under exemptions.

• **Operational control** — The actual business is normally located and operated from the base state jurisdiction.

• **Person** — An individual, corporation, partnership, association, trust or other entity.
• **Physical Address** – Where the business office is located.

• **Qualified IFTA Motor Vehicle** – A motor vehicle used, designed or maintained for the transportation of persons or property and:
  1) Having two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds or 11,797 kilograms; or
  2) Having three or more axles regardless of weight; or
  3) Is used in combination, when the weight of such combination registered gross vehicle weight.

*Note: This does not include recreational vehicles.*
• **Recreational vehicle** – Vehicles such as motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure by and individual. In order to qualify as a recreational vehicle, the vehicle shall not be used in connection with any business endeavor.

• **Registration** – The qualification of motor vehicles normally associated with a prepayment of licensing fees for the privilege of using the highway and the issuance of a license plate and a registration card or temporary registration containing owner and vehicle data.

• **Reporting period** – A period of time consistent with the calendar quarterly periods of January 1 – March 31, April 1 – June 30, July 1 – September 30 and October 1 – December 31.
• **Revocation** – The withdrawal of license and privileges granted to the licensee by the licensing jurisdiction.

• **Suspension** – The temporary removal of privileges granted to the licensee by the licensing jurisdiction.

• **Taxable Miles** - Travel on public roads and highways.

• **Total distance** – All miles/kilometers traveled during the reporting period by every qualified vehicle in the licensee’s fleet, regardless of whether the miles/kilometers are considered taxable or nontaxable by a jurisdiction.