



IFTA FREQUENTLY ASKED QUESTIONS

Motor Vehicle Division|445 E. Capitol Avenue Pierre SD 57501

Phone: 605-773-2104| Email: sdmotorcarrier@state.sd.us Fax: 605-773-4117

1) What is IFTA?

IFTA stands for International Fuel Tax Agreement. The license allows a trucker to obtain a single fuel tax license for operation in any member jurisdiction.

2) Why should I register for IFTA?

IFTA, is recognized by 58 states and provinces and can benefit a taxpayer in several ways by; simplifying the way interstate motor carriers report and pay fuel taxes, reducing paperwork, and minimizing compliance requirements. South Dakota's participation in IFTA means that:

- A single fuel tax license authorizes you to travel in all 58 IFTA member jurisdictions
- A single tax return fulfills your reporting requirements for member jurisdictions
- A single state usually performs your fuel tax audit.

3) Do I qualify for IFTA?

If you are a motor carrier who operates a qualified vehicle used, designed, or maintained to transport people or property that:

- Have two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds (11,797 kilograms); or
- Have three or more axles, regardless of the weight; or
- Are used in combination when such combination exceeds a gross vehicle weight of 26,000

And you have an established base jurisdiction that will distribute the appropriate amount of tax owed to each IFTA member jurisdiction for you. South Dakota will be your base jurisdiction if:

- Your vehicle(s) are registered in South Dakota;
- Your vehicle(s)'s use is controlled from a location in South Dakota; and
- Your vehicle(s)'s records are maintained or can be made available

4) How do I apply for a South Dakota IFTA license?

The division can issue you a license if the following requirements have been met:

- You have accurately completed all of the required forms: SD IRP/IFTA Combine Application, Agreement to Maintain Records, and Agreement to File Returns in a Timely Manner (all these forms can be obtained at: <http://sdtruckinfo.com/>) , 3 forms of residency;
- The division has determined that South Dakota is your base jurisdiction;
- Fees for the Unified Carrier Registration (UCR) have been paid; and
- **If necessary**, you have posted an acceptable bond. Bonds are only required when you have been previously licensed with IFTA and there is a history of delinquent returns, payments, or non-sufficient fund checks for tax payment.

5) When are IFTA returns due?

You are required to file quarterly fuel tax returns. The reporting quarters and due dates are:

Reporting Quarter	Due Date
January-March	April 30
April- June	July 31
July-September	October 31
October-December	January 31

- ❖ ***If a due date falls on a Saturday, Sunday, or legal holiday the return may be submitted on the following business day; which means a day that is not a Saturday, Sunday, legal holiday, and the days the Federal Reserve Bank is closed.***

Returns submitted by	Your return is considered as received...
Mail	By the postmark date on the envelope
Walk-in	On the date it is brought into the office
Electronically	On the date it is submitted

6) Do I file a quarterly fuel tax return, if I did not have any miles during the quarter?

Yes, you are required to file a quarterly fuel tax return, even if there was no activity.

7) How do I file my quarterly fuel tax returns?

Fuel tax returns can be filed in one of two ways.

A month before each quarter ends you will receive a paper fuel tax return and a return envelope furnished by the Department. If you misplace your form or need instructions on completing the return contact the Department at sdmotorcarrier@state.sd.us.

You can also file your tax return online by logging on to your account at: <https://interstateonline.sd.gov>. Click on the “Work on IFTA” option and then “Start this Q#’s filing.” If you do not have an online account, you can create one by going to <https://interstateonline.sd.gov>. The Department will receive notification of your application and will approve the request.

8) Do I have to file my returns quarterly?

If your distance in all IFTA member jurisdictions other than South Dakota totals less than 5,000 miles during a calendar year, you may choose to report on an annual basis. You

must have a one-year filing history under the IFTA program to be eligible for this exception.

If you wish to report annually, you must petition the Division of Motor Vehicles prior to renewing your IFTA license for the upcoming year. Requests for annual filing submitted after the first quarter will not go into effect until the next license year. When the division receives your request, it will notify the other member IFTA jurisdictions of the request. If any jurisdiction objects to your request, the request will be denied. You will receive notification that the annual filing privilege has been granted to you. Once notified, you will be responsible for filing four separate tax returns at the end of the year.

9) Why do some of the states on my return have two lines?

The states listed in the chart below have surcharge taxes that are all calculated in the same manner. Two lines will appear for each surcharge tax state. The first line will always be recorded as the tax rate that is assessed at the pump. The second line is for the surcharge tax. This tax, which is collected based on the taxable gallons shown on the previous line (column 4), is only collected on this return. **Do not add the surcharge tax line as part of your total IFTA miles/kilometers because you will report this on the previous line.** A second line for a state may appear on the return if a state's fuel tax has changed during a quarterly report period.

State	Tax	Surcharge
Kentucky	K1	K2
Virginia	V1	V2

10) What if the amount I owe to the Department on my quarterly return is under \$5.00?

If the tax amount due on your quarterly return is under \$5.00 you are not required to remit any tax to the Department. If the amount is \$5.00 or greater a payment will need to be submitted.

Please note: if a refund amount is calculated on your quarterly return for under \$5.00 the amount on the return will be considered a drop-credit and will be written off.

11) What happens if I file my return late?

If you file your fuel tax return late you will be assessed a \$50.00 penalty fee or 10% of Tax Due, whichever is greater and interest on any tax owed.

12) What happens if I fail to file or pay a quarterly return?

If you fail to file a quarterly return and fail to bring your account current within 30 days of the due date of the return your license will be suspended and a Jeopardy assessment will be generated.

If you file a quarterly return, but fail to make payment on the return, including late fees, penalty and interest, within 90 days of the due date, your license will be revoked and a Jeopardy assessment will be generated. Your license will remain cancelled until full payment of all tax, penalty, and interest is paid.

Once a Jeopardy has been assessed, you will have 60 days to file and/or pay the delinquent return. After 60 days you will be responsible for paying the full amount of the Jeopardy. When your account has been brought current, you will need to apply to have your license reinstated and will be required to post a \$1000.00 bond prior to the revocation being lifted.

13) I have a credit on my account; why haven't I received a refund?

A refund check will not be generated until you have accrued a balance of \$25.00 or greater.

14) How do I renew my license?

Your IFTA license can be renewed in one of two ways.

Each September the Department will automatically send every IFTA license holder a renewal notice. You will be asked to verify the existing license information and order the appropriate number of decals for the next calendar year. Your license and decals will not be mailed until the UCR (Unified Carrier Registration) fees have been paid for the next calendar year.

You can also renew your IFTA license online by logging on to your account at: <https://interstateonline.sd.gov>. Click on the "Work on IFTA" option and then "Renew License." If you do not have an online account, you can create one by going to <https://interstateonline.sd.gov>. The Department will receive notification of your application and will approve the request.

Your license will NOT be renewed if you are delinquent in filing your tax returns or if you owe any taxes, owe on an audit, or have a delinquent IRP account.

15) How do I display IFTA Fuel license?

Effective July 1, 2018, the IFTA Fuel License will be issued on an 8 ½ X 11 sheet of paper. South Dakota carriers may now receive their license in paper or electronic format. Beginning January 1, 2019, per IFTA ballot FTFBP #05-2017, all states will accept the presenting of the IFTA license or temporary decal permits electronically. If an IFTA license is not electronic, the paper copy must be carried in the vehicle.

16) How do I obtain a new IFTA decal?

Each time you renew your license you will be sent new decals for the renewal year. If you have lost your decals or they have been damaged and are no longer readable, please send a written request that includes your name, address, IFTA account number, number of decals required, and payment of \$2.50 for each set of decals ordered to:

South Dakota Motor Vehicle Division
IFTA Section
445 E Capitol Avenue
Pierre, SD 57501

Written request can also be emailed to sdmotorcarrier@state.sd.us or faxed to (605) 773-4117.

17) What do I do if my business changes its name, address, and contact officer, ownership, or ceases operation?

You must notify the Department of Revenue immediately when your business has any changes to its name, address, and contact information. You can notify the Department by completing the Update IFTA/IRP Account Information form located on www.sdtruckinfo.com.

In situations where your business changes ownership please contact the Department of Revenue for information on what to do.

- Please call 605-773-2104

If your business ceases operation you must notify the Department by sending a letter signed by an owner or officer we have on file for your company with the cancellation effective date and reason for cancellation. Your business is responsible for filing a quarterly return up to the date of cancellation.

18) Who do I need to contact for more information on IFTA?

For general IFTA questions or IFTA Jeopardies please contact:

Phone: 605-773-2104

Email: sdmotorcarrier@state.sd.us

You may also visit <https://dor.sd.gov> or www.iftach.org for more information.