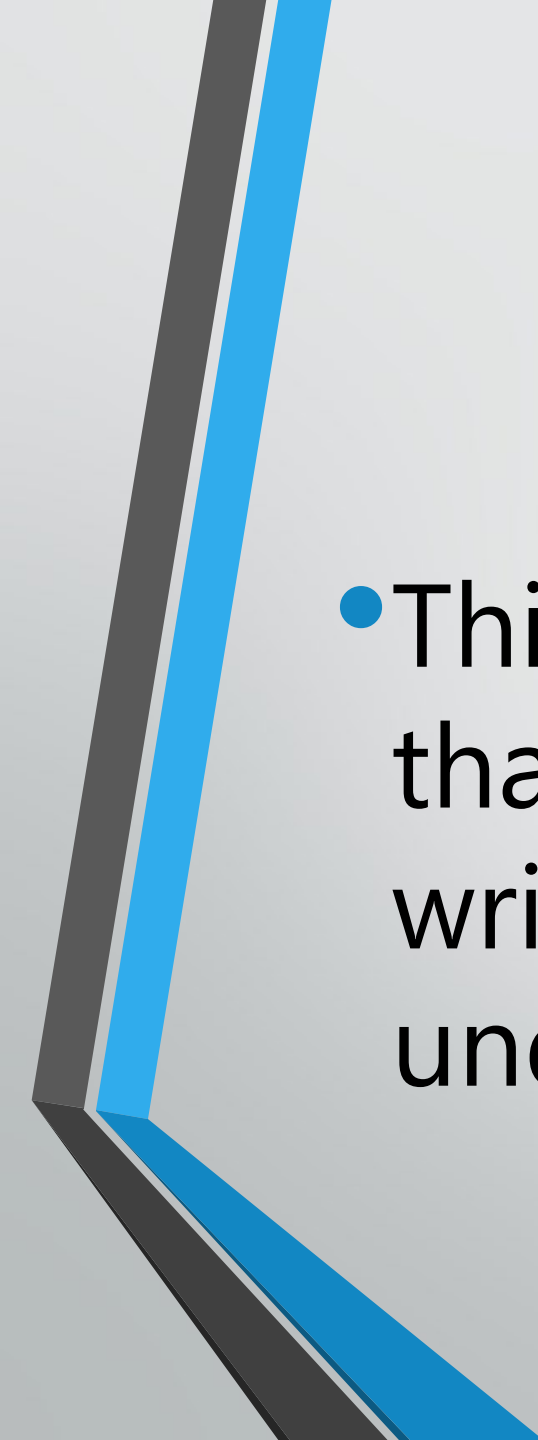




# MOTOR CARRIER TRAINING SEMINAR

JULY 2024



- 
- This presentation and the materials that accompany it do not constitute written advice to any specific taxpayer under SDCL 10-59-27.

## SD IFTA and IRP Staff



Darrin Gerry  
Supervisor



Stacey Green  
IFTA/IRP



Dawn Sass  
IFTA/IRP



Ariane Devine  
IFTA/IRP

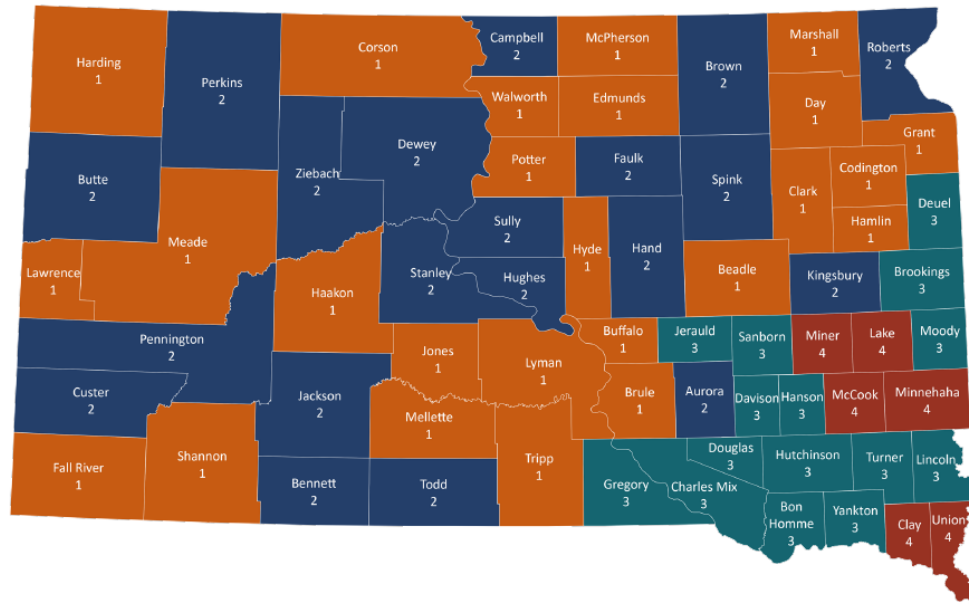


Jeff Salzman  
IFTA/IRP



Philip Durkin  
HVUT

**South Dakota Department of Revenue Motor Vehicle Division - Motor Carrier Services  
IRP/IFTA Commercial Carrier Representative Territory Map**



# TERRITORY MAP

	<b>Stacey Green</b>	<b>Dawn Sass</b>	<b>Jeffrey Salzman</b>	<b>Ariane Devine</b>
1	Email: <a href="mailto:Stacey.Green@state.sd.us">Stacey.Green@state.sd.us</a> and <a href="mailto:Sdmotorcarrier@state.sd.us">Sdmotorcarrier@state.sd.us</a>	Email: <a href="mailto:Dawn.Sass@state.sd.us">Dawn.Sass@state.sd.us</a> and <a href="mailto:Sdmotorcarrier@state.sd.us">Sdmotorcarrier@state.sd.us</a>	Email: <a href="mailto:Jeffrey.Salzman@state.sd.us">Jeffrey.Salzman@state.sd.us</a> and <a href="mailto:Sdmotorcarrier@state.sd.us">Sdmotorcarrier@state.sd.us</a>	Email: <a href="mailto:Ariane.Devine@state.sd.us">Ariane.Devine@state.sd.us</a> and <a href="mailto:Sdmotorcarrier@state.sd.us">Sdmotorcarrier@state.sd.us</a>
	Phone: 605-773-3314 - Option 1	Phone: 605-773-3314 - Option 2	Phone: 605-773-3314 - Option 3	Phone: 605-773-3314 - Option 4
	Mailing Address: 445 East Capitol Ave	Mailing Address: 445 East Capitol Ave	Mailing Address: 300 S Sycamore Ave., Ste 102	Mailing Address: 300 S Sycamore Ave., Ste 102
	Pierre, SD 57501	Pierre, SD 57501	Sioux Falls, SD 57110	Sioux Falls, SD 57110

# History of the IRP

The IRP was established in 1982 as a response to the complex and inconsistent system of vehicle registration and taxation in the United States and Canada. Before the IRP, trucking companies had to register their vehicles and pay taxes in each state or province where they operated, leading to confusion and unnecessary costs.

To address these issues, the IRP was established as a voluntary agreement between the United States and Canada. Today, it includes all 48 contiguous states of the United States, the District of Columbia, and all 10 Canadian provinces. It is administered by the International Registration Plan, Inc. (IRP), a non-profit organization that oversees the registration and taxation of commercial vehicles operating under the IRP.







The **International Registration Plan (IRP)** is a truck registration [reciprocity](#) agreement between the [contiguous United States](#) and [Canadian provinces](#) that provides apportioned payments of registration fees, based on the total distance operated in participating [jurisdictions](#), to them. IRP's fundamental principle is to promote and encourage use of the highway system.<sup>[1]</sup>

The benefit of this plan is that a carrier may be registered in only their home state, yet legally engage in interstate/interprovincial commerce. Each carrier vehicle needs only one, specially marked "Apportioned", "APP", or "PRP" [license plate](#), and a cab card that lists each jurisdiction the vehicle is allowed to operate in and how much weight it is registered to carry.



## Base Jurisdiction

**R212 Base Jurisdiction** means the member jurisdiction where qualified motor vehicles are based for vehicle registration purposes and

**.100** Where the operational control and operational records of the licensee's qualified motor vehicles are maintained or can be made available; and

**.200** Where some travel is accrued by qualified motor vehicles within the fleet. The commissioners of two or more affected jurisdictions may allow a person to consolidate several fleets that would otherwise be based in two or more jurisdictions.

# Benefits

- ✓ For Jurisdictions:
  - Fair share of revenue
  - Increased use of highways
  - Supersedes other agreements
  
- ✓ For Registrants:
  - “One Stop” process
  - Inter and intra-jurisdictional travel

# Benefits to the Licensee

- ✓ One license and one set of decals for each qualified motor vehicle to operate through all member jurisdictions
- ✓ One tax return filed each quarter with the base jurisdiction
- ✓ One tax payment or refund
- ✓ One audit by the base jurisdiction
- ✓ Reduced administrative costs

# Benefits to the Jurisdiction

- ✓ Fewer taxpayers
- ✓ Lower administrative costs
- ✓ Increased audit coverage
- ✓ Increased enforcement

# The Plan Today

The International Registration Plan (IRP) is a registration reciprocity agreement between the:

- 48 contiguous US states
- District of Columbia
- 10 Canadian provinces

# Qualified Motor Vehicle

- ✓ Motor vehicle used, designed or maintained for the transportation of persons or property and
- ✓ Gross vehicle or registered gross vehicle weight over 26,000 lbs. or 11,797 kgs.
- ✓ Three-axles regardless of weight
- ✓ Used in combination when the weight of the combination exceeds 26,000 lbs. or 11,797 kgs.

# CHANGING TO AN LLC

- If you set up and LLC and your FEIN # has changed you will need to set up a new account. It's always best to do this at renewal time, to save from losing any registration money.





# HOW TO APPLY FOR A SD IRP/IFTA ACCOUNT

<https://sd.motorcarrierconnect.com>



Although SD is considered an “Open State” for vehicle registration. SD follows the IRP PLAN for registering out of state carriers.

The International Registration Plan (IRP) requires that you provide a physical address for your established place of business. This means that you own, lease, or rent a physical structure that is designated by a street name or road. SD requires proof of this before we can set you up an IRP | account.

# RESIDENCE

**The base jurisdiction can be any IRP member jurisdiction where:**

- 1. The applicant has an established place of business,**
- 2. The fleet the applicant seeks to register accrues distance, and**
- 3. Records of the fleet are maintained or can be made available.**

**All three parts must be met to qualify as a base jurisdiction.**

**Established place of business is a physical structure located within the base Jurisdiction.**

**The Physical structure must be**

- **Open for business and**
- **Staffed during regular business hours by at least one person employed by the applicant or registrant on a permanent basis.**

**Records for the fleet must be maintained at the physical structure.**

Complete new Motor Carrier Account Application online at [sd.motorcarrierconnect.com](https://sd.motorcarrierconnect.com)

3 Forms of Residency

Proof of Established Place of Business

- Property taxes, mortgage, or lease agreement
- Property insurance
- Utility Bill – Cable, Electric, Garbage, Gas, Phone or Water
- SD Driver's license/Real ID
- SD S.O.S. filing or proof of Incorporation
- Title/Registration
- Proof of Incorporation
- Real estate or personal property taxes
- Bank Statement
- Driver License

- POA (If applicable)
- Title, Application for Motor Vehicle Title, and bill of sale for newly purchased units  
(If unit is already owned and titled in your name, we do not require these documents)

- Current stamped IRS Form 2290 for each vehicle registered over 55,000 lbs.  
(Name, FEIN, and VIN must match title information)

- Proof of Truck Insurance

- Copy of current year UCR (Unified Carrier Registration) receipt for fees must be paid [www.UCR.gov](https://www.UCR.gov)

**All applicable forms from this section must be uploaded to the application during completion.**

# Required documents for a new account.

# IF YOUR OPERATION MOVES OUT OF SD.

- You will need to set up an account in the jurisdiction that the company moved to.
- You can mail the Prorated plates back to our office and request a SD refund. SD will not refund any money that was paid into foreign jurisdiction. The carrier would need to write each state requesting a refund.

# STAYING IN COMPLIANCE IRP

- \* We have 4 renewal months. FEB, MAY, AUG, NOV (to be filed and paid online). The online system will have you upload the current UCR receipt and HVUT/2290.
- \*Please make sure your biannual update has been done at [www.fmcsa.dot.gov](http://www.fmcsa.dot.gov). The biennial update is a requirement set by the FMCSA to update your MCS-150 Form every two years as part of renewing your truck/fleet registration.



**SCHEDULE 1**  
**(Form 2290)**  
Department of the Treasury  
Internal Revenue Service

**Schedule of Heavy Highway Vehicles**  
For the period July 1, 2021, through June 30, 2022  
\* Complete and file both copies of Schedule 1. One copy will be stamped and returned to you for use as proof of payment when registering vehicles with a state.

OMB No. 1545-0043

1 Name  
XXXXXXXXXX

2 Employer identification number (EIN)  
XXXXXXXXXX

Type or Print  
3 Address (street, room, apartment, suite)  
XXXXXXXXXX

4 City or town, state or postal county, and ZIP or foreign postal code  
XXXXXXXXXX

5 Vehicle identification number (VIN)  
XXXXXXXXXX

6 State of first use (see instructions)  
Y 7 8 9 10 11 12 13 14  
X X X X X X X X X X

**Part I** Vehicles You Are Reporting (enter VIN and state of) (Category A through G, Category "N" for Subpart 1 vehicles)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
2																							
3																							
4																							
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23																							
24																							

**Part II** Summary of Reported Vehicles

1 Total number of reported vehicles

2 Enter the total number of taxable vehicles on which the tax is suspended (category W)

3 Total number of taxable vehicles. (Enter 0 if none)

For Penalty and Paperwork Reduction Act notices, see the separate instructions. (04-15-2020) Schedule 1 (Form 2290) (Rev. 7-2021)



2024 UCR Registration is VALID!



Confirmation # 0 [redacted]

Registered on: 10/06/2023 10:58 EST

Generated: 07/15/2024 13:53 EST

Year: 2024

Paid:	Date	Bracket	UCR Fee	Conv. Fee	Total
	10/06/2023	Bracket 5 [550 veh.]	\$3670.00	\$1.00	\$3671.00

Bracket: 101 to 1000 vehicles [550 vehicle(s)]

USDOT #: [redacted]

Classifications: Motor Carrier, Broker

Legal Name: [redacted] LINES INC

Base State: South Dakota

Principal: [redacted] UISE AVE  
[redacted] S, SD 57107  
[redacted] S

Payor: [redacted] LINES INC

\*\*\* Expires: 12/31/2024 \*\*\*

When renewing your Prorate account you will need to upload your current stamped 2290 and UCR.

Trucks that pull trailers will only receive the plate for the front of the power unit.





**APPORTIONED  
VEHICLE**

If your truck does not pull a trailer, it will need the Front and the back Apportioned plate.

## Credential Actions

### Plate Actions

- Issue Plate



### Plate Options

- No Apportioned Plate Action
- Issue Apportioned Plate



### Cab Card Actions

- Replace Cab Card

## Credential Actions

### Plate Actions

- Issue Plate



### Plate Options

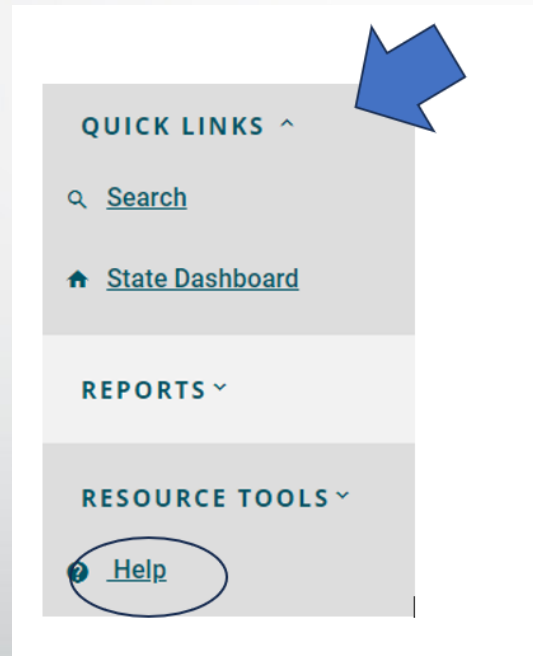
- No Apportioned Plate Action
- Issue Apportioned Plate



### Cab Card Actions

- Replace Cab Card

Our system has a help button in the Quick Links to help guide our carriers.



# IRP

## What you can do on the MMC Site.

---

\*RENEW REGISTRATION (You will need current UCR and HVUT/2290).

---

\*ADD UNITS (you will need the bill of sale/title/SD title app).

---

\*ADD UNITS USING CREDIT FROM A UNIT THAT YOU ARE NEEDING TO TAKE OFF ACCOUNT.

---

\*DELETE UNITS (only delete a unit if you are wanting the SD refund).

---

\*ORDER NEW PLATE (for lost or damaged plates).

---

\*ORDER NEW CAB CARD

---

\*WEIGHT INCREASES

---

\*PRINT TEMP (for new units) (new plates)

---

\*MAKE PAYMENTS (PLATES WILL MAIL OUT THE FOLLOWING BUSINESS DAY)

---

\*Print the Required doc sheet that needs to be mailed in with the title work.

---

\*Look at previous invoices

---

\*Look at current fleet status





QUESTIONS??

# Demos for IRP Tasks



Break time!!!



the history of the IFTA fuel tax here.

## What is IFTA?

IFTA stands for the International Fuel Tax Agreement. It requires all carriers to have a national permit for crossing state lines and includes fuel tax rules and regulations for interstate truck drivers. The [International Fuel Tax Association, Inc.](#) (IFTA, Inc.) is the corporation that was formed to manage and administer the International Fuel Tax Agreement.

## Where IFTA Filing Began

The IFTA fuel tax was created in 1983 for carriers who frequently crossed state lines, but only three states used this model at first: Arizona, Iowa and Washington. Three other states, Maine, New Hampshire and Vermont, used a similar model known as the Regional Fuel Tax Agreement (RFTA).

Between 1987 and 1990, a new model for IFTA was introduced and adopted by additional states. Arizona established a legislative body for IFTA filing, and in 1996 nearly all states were required to adopt the IFTA fuel tax. To date, only Alaska and Hawaii are exempt from IFTA filing.



Prior to IFTA each state had its own fuel tax system and a truck needed tax permits for each state in which it operated. Most states established Ports of Entry to issue permits and enforce tax collection, which was burdensome to the trucking industry and the states.



**CONNECTICUT**  
DEPARTMENT OF REVENUE SERVICES  
29196  
EXPIRES DEC. 31, 1991  
MOTOR CARRIER IDENTIFICATION MARKER

**I F T A**  
93  
SD

**ROAD USE TAX**  
19 91  
EXPIRES DEC. 31, 1991

**MISSISSIPPI**  
PERMITTED FUEL DECAL  
91  
L-190644  
Expires 12-31-91

**PROPERTY OF ALABAMA DEPARTMENT OF REVENUE**  
1991  
337144  
INTERSTATE FUEL MARKER  
EXPIRES DEC. 31, 1991  
RETURNABLE UPON DEMAND

1989-1990  
**WV**  
MOTOR CARRIER ROAD TAX  
IDENTIFICATION MARKER  
EXPIRES JUNE 30, 1990

**MASSACHUSETTS**  
DEPARTMENT OF REVENUE  
FUEL USER LICENSE  
1990  
No. 17735  
EXPIRES DECEMBER 31, 1990

**WEST VIRGINIA**  
MOTOR CARRIER ROAD TAX  
272056  
90-91

**S.C.**  
1990 052270 1991  
Expires Sept. 30, 1991

**OKLAHOMA**  
TRANSPORTATION DIVISION  
1990  
V.M. AFTER Feb. 1, 1991 \$7.00

**GA**  
91

**PA** 94  
EXPIRES March 31, 1995

**VEHICLE IDENTIFICATION**  
NJ  
524931  
EXPIRES MAR. 31, 1993

**INDIANA**  
EXPIRES MARCH 31, 1991  
559056 1990  
DEPARTMENT OF REVENUE

**90**  
NEVADA ROAD TAX  
EXPIRES 12-31-90

**90**  
NEVADA ROAD TAX  
EXPIRES 12-31-90

**DELAWARE**  
MOTOR FUEL  
91

98550

**IDAHO**  
FUEL PERMIT NUMBER  
**T 728**



## Before the IFTA Fuel Tax

Prior to IFTA, all truck drivers were legally required to have a permit for every state they crossed during transport. It was time-consuming and difficult for drivers to keep track of all fuel purchased, states crossed and fuel taxes per state. Additionally, the [process for filing fuel taxes was inconsistent](#) and often caused confusion in the following areas:

- Filing timeframes
- Tax/filing definitions
- Record keeping systems
- Guidelines
- Laws

Carriers needed a more comprehensive, timely and reliable solution for managing and filing their fuel taxes.

# Who Requires IFTA Filing Today?

According to [IFTA, Inc.](#), a Qualified Motor Vehicle is any motor vehicle used, designed, or maintained for transportation of persons or property and:

- 1) has two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds; or
- 2) has three or more axles regardless of weight; or
- 3) is used in combination, when the weight of such combination exceeds 26,000 pounds gross vehicle or registered gross vehicle weight.

## WHY HAVE 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.



IFTA RETURNS ARE FILED ONLINE AT  
<https://sd.motorcarrierconnect.com>

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



# What you need to file IFTA quarterlies.

---

\* You will need to keep track of miles traveled in each state, this includes your base state SD.

---

\* You will need to keep receipts so you can add your gallons of fuel purchased in each state.

---

\* If you have bulk fuel you need to be able to meter how many gallons of fuel you are pumping into each truck.

---

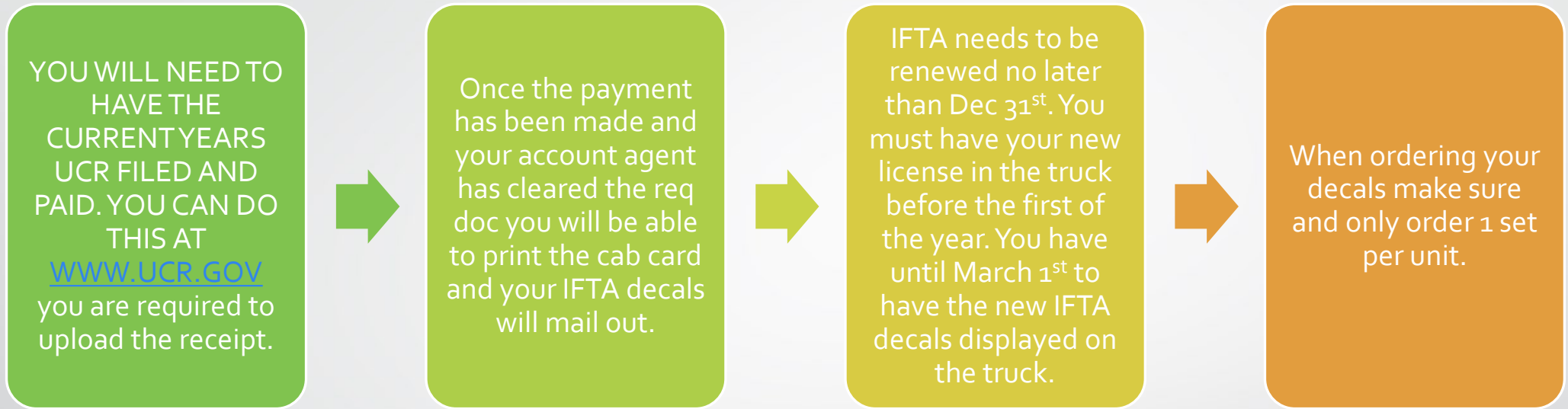
\* If you only travel in the state of SD for a quarter you still need to keep track of miles traveled and fuel purchased in SD for that quarter.

IF YOU  
SELL YOUR  
TRUCK OR  
GO OUT  
OF  
BUSINESS.

You are required to mail your decals back to our office along with your IFTA license.



If the transaction happens in the middle of a Q you are required to file that Q's return. EVEN IF YOU HAD NO MILES. If the state is not notified that you have gone out of business, we will have no idea that your account needs to be closed and you will have late fee's that will need to be paid.



IFTA RENEWALS OPEN OCT 15<sup>TH</sup> FILE ONLINE AT  
<https://sd.motorcarrierconnect.com>

You will need to upload the current UCR receipt.

# UNIFIED CARRIER REGISTRATION (UCR)

file online at [www.ucr.gov](http://www.ucr.gov)  
renewal opens Oct. 1<sup>st</sup>.

- The Unified Carrier Registration Program is a federal law that requires individuals and companies that operate commercial motor vehicles in interstate commerce to register their business with the United Carrier Registration System. You pay an annual fee based on the size of your fleet.
- The UCR applies to all states in the continental US.





# UCR

- The UCR fees are based on the number of commercial motor vehicles that you reported on your last MCS-150 form OR the number of commercial motor vehicles owned and operated for the 12-month period ending June 30 of the year immediately prior to the year for which the UCR registration is made.
- A “commercial motor vehicle” for the purpose of UCR is defined as a self-propelled or towed vehicle used on the highways in commerce principally to transport passengers or cargo, if the vehicle:
  - --Has a gross vehicle weight rating or gross vehicle weight of at least 10,001 pounds or more OR
  - --IS designed to transport 11 or more passengers( including the driver) OR
  - --IS used in transporting hazardous materials in a quantity requiring placarding.

### 2024 UCR Registration Open

Approved 2024 fees are now available for your reference. The 2024 Registration Portal through the NRS opened on October 1, 2023.

Bracket	Number of commercial motor vehicles owned or operated by exempt or non-exempt motor carrier, motor private carrier, or freight forwarder	Fee per entity for exempt or nonexempt motor carrier, motor private carrier, or freight forwarder	Fee per e for broke leasin compa
1	0-2	\$37.00	\$37.0
2	3-5	\$111.00	—
3	6-20	\$221.00	—
4	21-100	\$769.00	—
5	101-1000	\$3,670.00	—
6	1001 and above	\$35,836.00	—

# 2024 UCR REGISTRATION FEES

# IMAGE OF A UCR RECEIPT



2024 UCR Registration is **VALID!**



Confirmation # 01 [REDACTED]

Registered on: 10/06/2023 10:58 EST

Generated: 07/15/2024 13:53 EST

Year: 2024

Paid:	Date	Bracket	UCR Fee	Conv. Fee	Total
	10/06/2023	Bracket 5 [550 veh.]	\$3670.00	\$1.00	\$3671.00

Bracket: 101 to 1000 vehicles [550 vehicle(s)]

USDOT #: [REDACTED]

Classifications: Motor Carrier, Broker

Legal Name: [REDACTED] LINES INC

Base State: South Dakota

Principal: [REDACTED] WUISE AVE  
[REDACTED] S, SD 57107  
[REDACTED] S

Payor: [REDACTED] LINES INC

\*\*\* Expires: 12/31/2024 \*\*\*

# AGREEMENT TO MAINTAIN RECORDS



State of South Dakota  
Motor Vehicle Division  
445 E. Capitol Avenue  
Pierre, SD 57501  
605-773-3541 <http://dor.sd.gov>

Form# 1103

## Agreement to Retain Records and File Returns in timely manner for IFTA and IRP

**A**

Penalty Filing  
requirement

The quarterly return and payment shall be due on the last day of the month following quarter's end. If the last day of the month falls on a Sunday or a holiday, the return and payment shall be due on the next working day. A return is still required to be filed even if there was no activity for the quarter.

If the return is not filed on time, the following collection activity begins:

1. A Thirty Day Notice is mailed informing the licensee the return has not been received.
2. If the return is still delinquent, a Jeopardy Assessment is issued after 30 days have passed from issuance of the Thirty Day Notice.
3. If the return is still delinquent or payment in full on the Jeopardy Assessment is not made, a Tax Lien is filed after 60 days have passed from the issuance of the Jeopardy Assessment. Once a Tax Lien is filed, the license becomes suspended.
4. If the return still isn't filed or payment in full on the Tax Lien is not made, a Distress Warrant is filed after 30 days have passed from the filing of the Tax Lien. The Distress Warrant gives the County Sheriff authority to seize funds from personal checking and saving accounts to satisfy amount owed.

**B**

Record  
retention  
requirement

All records pertaining to IFTA must be kept for four years, including unused decals. Every quarter an IFTA return must be filed summarizing distance traveled and fuel purchased for all your qualified vehicles, even if no operations were conducted. Failure to maintain complete records could result in disallowing all tax paid credit and reduction of MPG to 4.0 mpg or by 20% for IFTA.

All records pertaining to IRP distance records must be retained to support the reported distance for the current registration year and the three previous registration years. Failure to make records available or provide adequate records for audit may result in an assessment of 20% of the Apportionable Fees paid by the Registrant for the Registration Year to which the records pertain. In an instance where the Registrant has a second such offense, the assessment will be 50%. In an instance where the Registrant has a third offense, the assessment will be 100%.

Date:  Name:   
CLICK TO SIGN  
Business Name:  Account/DOT #:

**C**

Unsworn  
Declaration

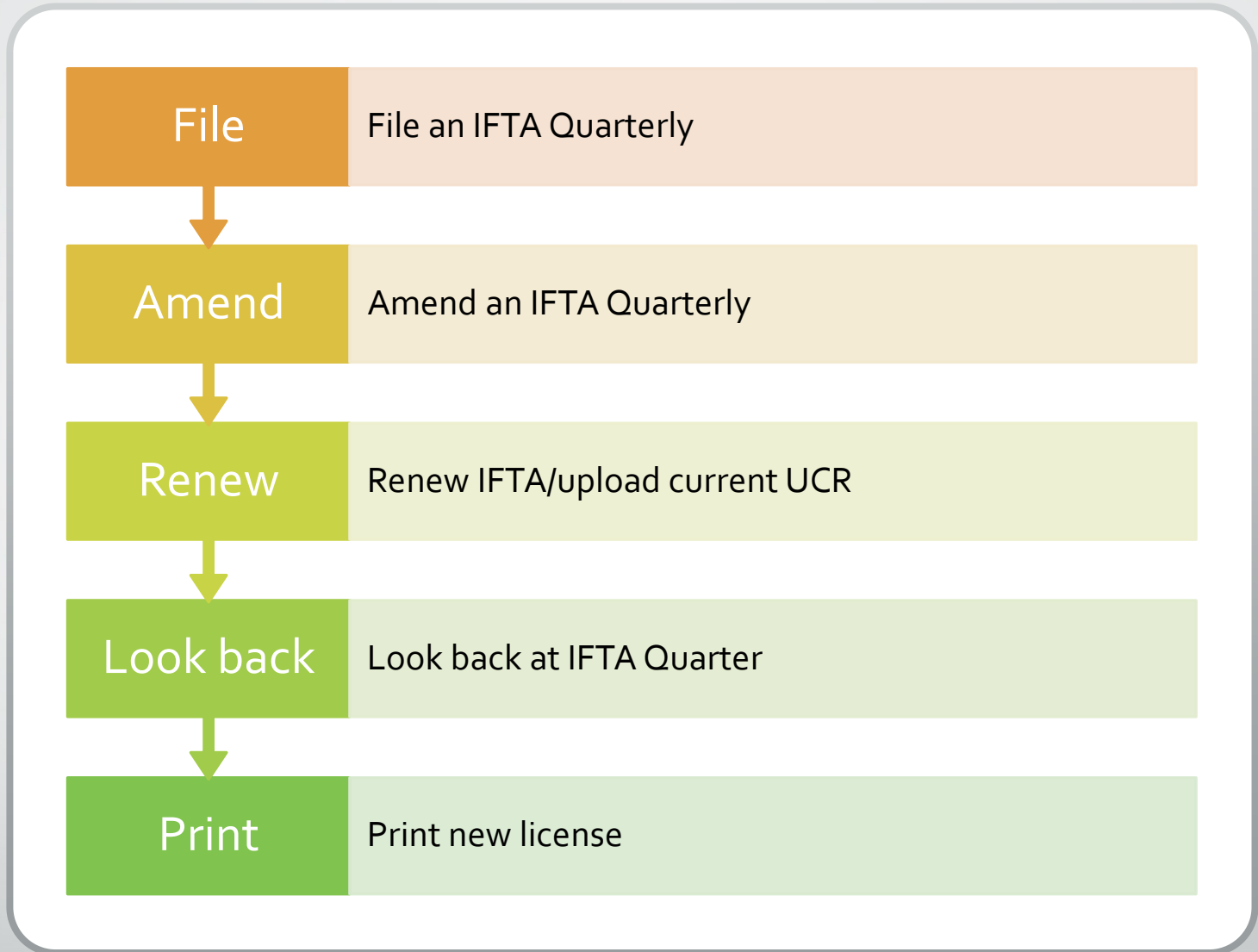
I declare under penalty of perjury under the law of South Dakota that the foregoing is true and correct.

Signed on the  day of  at    
Date Month Year City or other location State

Printed Name:  Signature:   
CLICK TO SIGN

# IFTA

## What you can do on MMC Site





# Demos for IFTA Tasks





QUESTIONS??



# IFTA & IRP Distance Record Requirements

A licensee shall retain the records of its operations to which IFTA reporting requirements apply for a period of four years following the date the IFTA tax return for such operations was due or was filed, whichever is later, plus any period covered by waivers or jeopardy assessments.

A licensee must preserve all fuel and distance records for the period covered by the quarterly tax returns for any periods under audit in accordance with the laws of the base jurisdiction.



# IFTA & IRP Distance Record Requirements

Distance records produced by a means other than a vehicle-tracking system that substantially document the fleet's operation and contain the following elements shall be accepted by the base jurisdiction as adequate:

- the beginning and ending dates of the trip to which the records pertain
- the origin and destination of the trip
- the route of travel
- the beginning and ending reading from the odometer, hub odometer, engine control module (ECM), or any similar device for the trip
- the total distance of the trip
- the distance traveled in each jurisdiction during the trip
- the vehicle identification number or vehicle unit number

# IFTA & IRP Distance Record Requirement continued

For tax-paid credit, a valid retail receipt, invoice, or transaction listing must contain:

The date of the fuel purchase.

The name and address of the seller of the fuel (a vendor code, properly identified, is acceptable for this purpose).

The quantity of fuel purchased.

The type of fuel purchased.

The price of the fuel per gallon or per liter, or the total price of the fuel purchased.

The identification of the qualified motor vehicle into which the fuel was placed.

The name of the purchaser of the fuel (where the qualified motor vehicle being fueled is subject to a lease, the name of either the lessor or lessee is acceptable for this purpose, provided a legal connection can be made between the purchaser named and the licensee)





# AUDITS



## **Purpose of the audit**

- Very compliance with the IFTA and IRP agreements and the correct mileage and gallons are reported.

## **Why am I getting audited?**

- Anyone who is registered with IFTA and IRP is subject to audit.

## **How did I get selected for audit?**

- There are many factors going into an account being selected for audit but some of the key factors are:
  - Very low or high mpgs
  - Large swing in mpgs between quarters
  - Large swing in mileage between quarters
  - Always reporting the same mpg
  - Fuel used gallons equal the fuel purchased gallons
  - Habit of late filing
  - Just luck

## What is needed for an audit?

Records, Records, Records

- Manual Records
  - Trip Sheets – any documentation that indicates where you went and how you got there.
    - ✓ identification information (driver name/unit number)
    - ✓ origin
    - ✓ destination
    - ✓ routes of travel
    - ✓ jurisdictional mileage
    - ✓ dates
    - ✓ odometer readings (daily, jurisdictional line, weekly)
  - Fuel Receipts
    - ✓ date of purchase
    - ✓ location
    - ✓ gallons
    - ✓ fuel type
    - ✓ price
  - Summaries for mileage and fuel for each unit.

- Electronic Records (ELD, GPS, VTS)
  - Need all the same information as manual, but it is pulled from software program. Depending on the program some of the names can be:
    - ✓ Distance summary reports
    - ✓ Jurisdictional reports
    - ✓ Location history reports
    - ✓ Breadcrumb trail
    - ✓ Activity Report
    - ✓ Trip Detail
  - Fuel
    - ✓ Can also be electronic but needs to contain all the information as the fuel receipts and should be from the fuel card provider or fuel provider. Must be unit specific.
    - ✓ Just a credit card statement **will not be** sufficient.
    - ✓ List of transactions in excel **will not be** sufficient.

## **What is the process of the audit?**

- The auditor reviews the information provided and verifies that the total mileage and fuel gallons reported.
  - Verifies the detailed data from the trips are summarized correctly and reported on the returns.
  - Verifies the total tax paid gallons.
  - Uses the information provided to reroute the trips using a routing software such as ProMiles.

## **In addition:**

- Make sure records are maintained for at least 4 years.
- Make sure ELD or GPS providers maintains the records for 4 years.
- Make sure service providers will give you back any records you have given them if you no longer use their service.