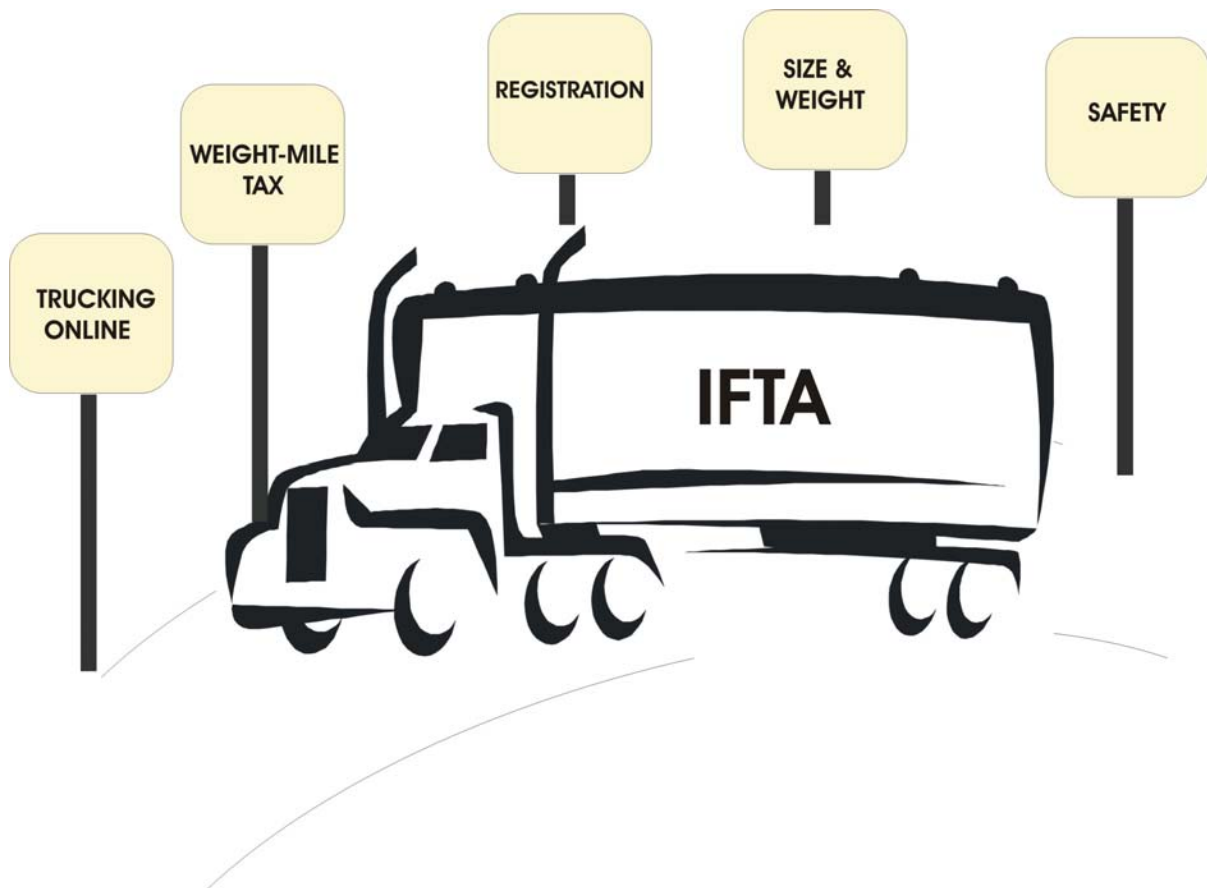


OREGON DEPARTMENT OF TRANSPORTATION

MOTOR CARRIER EDUCATION MANUAL



Trucking companies must have knowledge in all areas of regulations in order to fulfill their regulatory requirements. This material provides concise and relevant information to your business and is provided to you by the Oregon Department of Transportation, Motor Carrier Transportation Division.

This section describes International Fuel Tax Agreement (IFTA).

INTERNATIONAL FUEL TAX AGREEMENT - Overview

What is IFTA The International Fuel Tax Agreement (IFTA) is an agreement between member jurisdictions to simplify the reporting of motor fuel use taxes. One tax return is filed for fuel consumed in all member jurisdictions. The State of Oregon implemented its IFTA program in 1994. It is administered by the Motor Carrier Transportation Division (MCTD) of the Oregon Department of Transportation (ODOT).

Each jurisdiction assigns its own tax rates to the various types of fuel. Each jurisdiction may define what constitutes taxable activity and what is tax-exempt. For more information, motor carriers are encouraged to contact those jurisdictions in which they intend to operate. For a complete list of the member jurisdictions, contact the MCTD IFTA Unit, or access the IFTA, Inc. web site at www.iftach.org for jurisdiction contact information.

Definitions

Applicant A person in whose name the uniform application for licensing is filed with Oregon for the purpose of motor fuel tax reporting under the provisions of the IFTA.

Base Jurisdiction The member jurisdiction where qualified motor vehicles are based for vehicle registration purposes; and

Where operational control and records are maintained or can be made available; and

Where some travel is accrued by qualified motor vehicles within the fleet. The commissioners of affected jurisdictions may allow consolidation of fleets based in two or more jurisdictions.

Farm Rate To qualify for the Farm rate for your IFTA license, more than half of the vehicles you operate under IFTA must have Oregon farm registration plates. Use the following chart to determine if you qualify for the Farm rate.

Total number of IFTA-Qualified vehicles.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Number of those vehicles that must be farm-plated in order to qualify for the farm rate.	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9	10	10	11

INTERNATIONAL FUEL TAX AGREEMENT - Overview

In-Jurisdiction Distance	The total number of miles operated by a licensee's qualified motor vehicles within a jurisdiction. In-Jurisdiction miles do not include miles operated on a fuel tax trip permit or miles exempted from fuel taxation by a jurisdiction.
Jurisdiction	A state of the United States, the District of Columbia, a province or territory of Canada, or a state of the United Mexican States.
Lessee	The party acquiring the use of equipment with or without a driver from another.
Lessor	The party granting the use of equipment with or without a driver to another.
Licensee	A person who holds an uncanceled Agreement license issued by the base jurisdiction.
License Fee	Oregon IFTA License Fee is determined by the number of vehicles being operated under IFTA. Carriers qualifying for the farm rate will pay a fixed amount, regardless of the number of vehicles operated under IFTA as long as more than half of those IFTA qualified vehicles are Oregon farm-plated.
Motor Fuels	All fuels placed in the supply tank of qualified motor vehicles.
Person	An individual, corporation, partnership, association, trust, or other entity.
Qualified Motor Vehicle	A motor vehicle used, designed, or maintained for transportation of persons or property and: <ul style="list-style-type: none">• Having two axles and gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds; or• Having three or more axles regardless of weight; or• Is used in combination, when the weight of such combination exceeds 26,000 pounds gross vehicle or registered gross vehicle weight. Qualified Motor Vehicle does not include recreational vehicles.

INTERNATIONAL FUEL TAX AGREEMENT - Overview

Recreational Vehicle	Vehicles such as motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure by an individual. In order to qualify as a recreational vehicle, the vehicle shall not be used in connection with any business endeavor.
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.
Total Distance	All miles traveled during the reporting period by every qualified vehicle in the licensee’s fleet, regardless of whether the miles are considered taxable by a jurisdiction.
Weight	The maximum weight of the loaded vehicle or combination of vehicles during the registration period.
Application	Any person who is based in a member jurisdiction and operates a qualified motor vehicle(s) in two or more member jurisdictions is required to obtain an IFTA license unless an election is made to satisfy motor fuels use tax obligations by purchasing a temporary fuel tax permit on a trip-by-trip basis.

To obtain an Oregon-based IFTA license, you must fully complete an “Oregon Application for IRP and/or IFTA – Schedule A” (Form 735-9908). You may apply for both IFTA and IRP (International Registration Plan) using the same application.

IFTA forms are available at the MCTD web site:

www.oregontruckingonline.com

- ✓ Click on FORMS tab
- Or
- ✓ Call the Oregon IFTA Unit at 503-373-1634

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals

Oregon as the Base Jurisdiction

A carrier must qualify as an Oregon-based carrier in order to obtain Oregon IFTA credentials. In order to base a fleet in Oregon, a motor carrier must have:

1. An “established place of business” in Oregon, which means a physical structure owned, leased, or rented by the fleet registrant designated by a street number or road location;
2. A publicly listed Oregon telephone number listed in the fleet registrant’s name and a person to contact during normal business hours, both located in the physical structure described in #1 above;
3. Mileage accrued in Oregon by the fleet; and
4. Operational records of the fleet maintained or made available.

Owner operators who do not meet the requirements listed in #1 and #2 above may qualify as Oregon-based by having an Oregon Commercial Drivers License (CDL), a publicly listed cell phone number, and may use an agent who is reasonably accessible during normal business hours (a Power of Attorney must be on file with MCTD).

Exception: A carrier based in a jurisdiction that is not a member of IFTA may apply to Oregon for a license. If accepted, the carrier agrees to make operational records available for audit in Oregon, or pay reasonable per diem travel expenses for auditors to audit records located outside of Oregon.

License

As your base jurisdiction, Oregon will issue one IFTA license to the qualified applicant. The licensee is required to make copies of the IFTA license so that one copy can be carried in each qualified motor vehicle. A vehicle will not be considered to be operating under IFTA unless there is a copy of the license in the vehicle. Failure to display a copy of the IFTA license may subject the vehicle operator to the purchase of a fuel use trip permit or citation or both. The IFTA license is valid for the current calendar year, and expires each December 31.

Change of Address

Notify MCTD when there is a change of address or telephone number. There is no fee for these changes. Carriers who have signed up to use Oregon’s Trucking Online, may also change their company’s address on line, using:

www.oregontruckingonline.com

Change of Ownership

If there is a change in ownership of the licensee, you must submit an new application, with payment, for a new IFTA license for the new entity. The IFTA account for the original entity should be closed if it is no longer operating. A separate license fee is required for each entity if they both operate under IFTA during the same calendar year.

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals

Examples of ownership changes include, but are not limited to, the following:

- Individual to Partnership
- Partnership to Individual
- Individual to Corporation
- Partnership to Corporation
- Partnership to LLC
- Corporation to LLC

In most cases, a new Federal Employer Identification Number (FEIN) is required by the Internal Revenue Service, and must be included on the Oregon IFTA license application.

Renewal

Current IFTA licensees will be sent a renewal application each year for a new IFTA license and decals. For most motor carrier's the IRP and IFTA renewals will be combined. You may opt to renew IFTA separately by contacting the Oregon IFTA unit at 503-373-1634.

If there has been a change in ownership, you may use the renewal application to close the IFTA account for the original entity, and to request an application form for credentials for the new entity. You will also need to complete a new Application for Motor Carrier Permit (Form 735-9075) with the new ownership information.

The grace period for operating with IFTA decals from the previous year is from January 1 through February of the renewal year. The grace period is only for carriers who are renewing and is to allow time for carriers to place the new year's credentials in vehicles. If you do not renew your IFTA license by December 31, you may be subject to citation if you operate in other jurisdictions on decals from the previous year during the grace period.

If you operate in other jurisdictions during the grace period and you have NOT renewed your Oregon IFTA license, you may either file a tax return for the 1st Quarter's operations with Oregon IFTA or contact other jurisdictions directly. If you renew your license later, tax returns will be required for taxable operations in all periods between December 31 and the date of your renewal.

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals

Application for Oregon IRP and/or IFTA

You may obtain an Oregon Application for IRP and/or IFTA – Schedule A License (Form 735-9908) by calling the IFTA Unit at (503) 373-1634 or download the application from the MCTD web site at:

All MCTD forms are available at the MCTD web site:

www.oregontruckingonline.com

✓ Click on FORMS tab

Or

✓ Call the Oregon IFTA Unit at 503-373-1634

- Indicate what type of credentials you are applying for, IRP (International Registration Plan) and/or IFTA (International Fuel Tax Agreement).
- Indicate the effective date of the application. This will be your IFTA liability date and you will owe tax returns from this date forward.
- Indicate whether this is a new account, reactivation of a closed or cancelled account, new fleet (IRP), address change, or ownership change. There is no fee for a name change if the ownership has not changed, or for an address or telephone number change. If the ownership has changed (for example, from an individual to a partnership or corporation), check the Ownership Change box and provide information requested about the previous account.
- Enter your MCTD Account Number. If requesting a new account, leave blank. If you do not already have a MCTD account with Oregon, you must also complete the Application for Motor Carrier Account (Form 735-9075) and an MCTD account number will be assigned. Submit this form along with your IRP/IFTA Application.
- Enter your Federal Employer Identification Number (FEIN). If you do not have a FEIN and you are operating as an individual owner; please obtain one by contacting the Internal Revenue Service.
- Enter your Oregon Farm ID Number, if applying for IFTA Farm Rate or Prorated Farm Plates. To qualify for the IFTA Farm rate for your IFTA license, more than half of the vehicles you operate under IFTA must have Oregon farm registration plates.
- Enter any previous Oregon account number, if applicable.

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals

- Name of Individual Owner, Partners, Corporation, or LLC – enter legal name. If a partnership, all partners must be listed.
- DBA – if operating under a different name, enter assumed business name (must be on file with Oregon Secretary of State Corporation Division).
- Address and Phone – enter the location address and location phone number. Location address can not be a PO Box or Drop Box address.
- Contact Name, Phone, and Email Address – enter the name, phone, and email address of the person to contact regarding this application and IRP and/or IFTA transactions on this account.

NEW ACCOUNTS/FLEETS IRP:

- Mailing address – enter mailing address if different from location address.
- Indicate if previously registered in another jurisdiction and provide jurisdiction name and IRP account number.
- If all vehicles on the account will be exempt from Oregon’s weight/mile tax, indicate reason so qualified.
- Drug Consortium Name – enter name of consortium, “In-House” if maintaining your own program, or “Exempt” if you have no vehicles that require a CDL to operate.
-

NEW ACCOUNTS/IFTA Section:

- Mailing address – enter mailing address if different from location address.
- Indicate if an IFTA license has ever been obtained from another jurisdiction and provide name of jurisdiction.
- Bulk Fuel Storage – list jurisdiction(s) where you maintain bulk fuel storage or check box for none.
- Enter number of IFTA qualified vehicles for which you need decals.

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals

- Enter license fee from chart below. If applying for both IRP and IFTA, the fees will be calculated on and paid with the IRP Invoice.

# OF VEHICLES	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16 - 20	21 & over
REGULAR FEE	\$280	\$295	\$310	\$325	\$340	\$355	\$370	\$385	\$400	\$415	\$430	\$445	\$460	\$475	\$490	\$525	\$575
FARM FEE	\$50 Flat Fee Note - More than 50% your of IFTA qualified vehicles must be Farm plated																

IRP and IFTA

- Sign and date application.
- To obtain IRP (International Registration Plan) credentials (plates, cabcards and stickers) plates for your vehicles, complete the Apportioned Registration Forms, Schedule B & C and forward to ODOT – MCTD at the address below, or you may fax them to the Oregon Vehicle Registration Unit at 503-378-6643.
- For IFTA Only, return this application and applicable fees to:

Oregon Department of Transportation, MCTD
PO Box 5330
Salem, OR 97304-0330

- After your application has been approved, you will receive an International Fuel Tax Agreement (IFTA) License. Make a copy of the license for each vehicle. You will also receive a pair of decals for each vehicle.
- ODOT will send tax return forms to you during the last month of each reporting period. Returns must be filed even if no tax is due. Penalties will be assessed for late returns, and returns must be accompanied by payment of any tax due to be considered filed.

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals



PHONE: IRP (503) 378-6643
IFTA (503) 373-1634
FAX: (503) 378-5765

OREGON APPLICATION FOR IRP AND/OR IFTA INTERNATIONAL REGISTRATION PLAN - SCHEDULE A INTERNATIONAL FUEL TAX AGREEMENT - LICENSE APPLICATION

IRP SCHEDULE A - APPORTIONED REGISTRATION APPLICATION

OREGON IFTA APPLICATION

EFFECTIVE DATE: _____

TYPE OF APPLICATION			
<input type="checkbox"/> NEW/REACTIVATE ACCOUNT	<input type="checkbox"/> NEW FLEET	<input type="checkbox"/> NAME CHANGE	<input type="checkbox"/> ADDRESS CHANGE <input type="checkbox"/> OWNERSHIP CHANGE
ACCOUNT NUMBER	FEDERAL EMPLOYER IDENTIFICATION NUMBER	FARM ID NUMBER	PREVIOUS ACCOUNT NUMBER
OR			
NAME OF OWNER, PARTNERS, CORPORATION, OR LLC		OREGON PUBLICLY LISTED TELEPHONE NO ()	
DBA -MUST BE ON FILE WITH OREGON		FAX NO ()	
CARRIER STREET ADDRESS	CITY	STATE	ZIP
RECORDS LOCATION ADDRESS (IF DIFFERENT FROM ABOVE)	CITY	STATE	ZIP
CONTACT PERSON	CONTACT PHONE	E-MAIL ADDRESS	

NEW ACCOUNTS/FLEETS: IRP

NEW ACCOUNTS: IFTA

MAILING ADDRESS (IF DIFFERENT FROM ABOVE) <input type="checkbox"/> AGENT ADDRESS			MAILING ADDRESS (IF DIFFERENT FROM ABOVE) <input type="checkbox"/> AGENT ADDRESS		
CITY	STATE	ZIP	CITY	STATE	ZIP
VEHICLES PREVIOUSLY REGISTERED? <input type="checkbox"/> YES <input type="checkbox"/> NO			PREVIOUS IFTA LICENSE IN ANOTHER JURISDICTION? <input type="checkbox"/> YES <input type="checkbox"/> NO		
IF YES, WHERE? JURIS: _____ IRP ACCT#: _____			IF YES, WHERE? IF YES, CURRENT STANDING OF IFTA LICENSE IN PRIOR JURISDICTION? <input type="checkbox"/> REVOKED <input type="checkbox"/> SUSPENDED <input type="checkbox"/> CANCELLED		
IF ALL VEHICLES ARE WEIGHT/MILE TAX EXEMPT, CHECK APPROPRIATE BOX. <input type="checkbox"/> UNDER 26,000 <input type="checkbox"/> CHARITABLE <input type="checkbox"/> PRIVATE USE <input type="checkbox"/> FARM (PROVIDE FARM ID# ABOVE)			LIST JURISDICTIONS WHERE YOU MAINTAIN BULK STORAGE OF FUEL. IF NONE, CHECK NONE <input type="checkbox"/> NONE		
PROVIDE NAME OF DRUG AND ALCOHOL TESTING CONSORTIUM IN WHICH YOUR COMPANY IS ENROLLED OR WRITE 'IN-HOUSE' IF YOU MAINTAIN YOUR OWN PROGRAM. TESTING PROGRAMS MUST BE IN COMPLIANCE WITH USDOT REQUIREMENTS (49 CFR PART 382). _____ CONSORTIUM NAME			IFTA ONLY _____ # OF IFTA DECAL PAIRS _____ LICENSE FEE (SEE FEE CHART ON REVERSE).		

IF APPLYING FOR AN IFTA LICENSE, I AGREE TO COMPLY WITH THE REPORTING, PAYMENT, RECORD KEEPING, AND LICENSE DISPLAY REQUIREMENTS AS SPECIFIED IN THE INTERNATIONAL FUEL TAX AGREEMENT. I FURTHER AGREE THAT OREGON MAY WITHHOLD ANY REFUNDS DUE IF I AM DELINQUENT ON PAYMENT OF FUEL TAXES DUE ANY MEMBER JURISDICTION. FAILURE TO COMPLY WITH THE PROVISIONS SHALL BE GROUNDS FOR REVOCATION OF MY LICENSE IN ALL MEMBER JURISDICTIONS.

THIS CERTIFICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE. I UNDERSTAND THAT ORS 803.375 MAKES IT A CRIME TO KNOWINGLY PROVIDE FALSE INFORMATION RELATED TO A VEHICLE REGISTRATION. ORS 803.385 MAKES IT A CRIME TO AFFIRM OR CERTIFY ANY INFORMATION RELATED TO A VEHICLE REGISTRATION THAT THE PERSON KNOWS TO BE FALSE. EACH OFFENSE IS A CLASS A MISDEMEANOR AND EACH IS PUNISHABLE BY A JAIL SENTENCE OF UP TO ONE YEAR, A FINE OF UP TO \$5,000, OR BOTH.

SIGNATURE REQUIREMENTS: OWNER; A PARTNER; CORPORATE OFFICER; MANAGER/MEMBER OF LIMITED LIABILITY COMPANY (LLC), GENERAL PARTNERS IN A LIMITED LIABILITY PARTNERSHIP; PARTNER IN A LIMITED LIABILITY PARTNERSHIP; OR AGENT (ATTACH POWER OF ATTORNEY).
FAXED SIGNATURES ARE ACCEPTABLE.

SIGNATURE	TITLE	DATE
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FORM 735-9908 (5-06) STK# 320195

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals

INSTRUCTIONS

Check the boxes to indicate whether this application is for IRP, IFTA, or both.

Complete the following fields:

- Effective Date – The date this account will become active. If applying for IFTA, this will be the tax liability date for which you will be required to start filing IFTA tax returns until cancelled.
- Type of Application - Check appropriate box indicating reason for application.
- Account number – for new accounts leave blank, all others enter your Oregon file number.
- Federal Employer Identification Number (FEIN) – enter the FEIN or if applying as an individual owner with no FEIN, enter your social security number.
- Farm Identification Number – enter if applicable.
- Previous Account Number – enter any previous Oregon file numbers assigned.
- Name of Individual Owner, Partners, Corporation, or LLC – enter legal name. If a partnership, all partners must be listed.
- DBA – if operating under a different name, enter assumed business name (must be on file with Oregon Secretary of State Corporation Division).
- Address and Phone – enter the location address, and location phone number. Location address can not be a PO box or Drop Box address.
- Contact Name, Phone, and Email Address – enter the name, phone, and email address of the person to contact regarding this application and IRP and/or IFTA transactions on this account.

IRP

- Mailing address – enter mailing address if different from location address.
- Indicate if previously registered in another jurisdiction and provide jurisdiction name and IRP account number.
- If all vehicles on the account will be exempt from the Oregon's weight/mile tax, indicate reason so qualified.
- Drug Consortium Name – enter name of consortium, "In-House" if maintaining your own program, or "Exempt" if you have no vehicles the require a CDL to operate.

IFTA

- Mailing address - enter mailing address if different from location address.
- Indicate if an IFTA license has ever been obtained from another jurisdiction and provide name of jurisdiction.
- Bulk Fuel Storage – list jurisdiction(s) where you maintain bulk fuel storage or check box for none.
- Enter number of IFTA qualified vehicles for which you need decals.
- Enter license fee from chart below.

Number of Vehicles	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16-20	21& over
Regular Fee	\$280	\$295	\$310	\$325	\$340	\$355	\$370	\$385	\$400	\$415	\$430	\$445	\$460	\$475	\$490	\$525	\$575
Farm Fee	\$50 Flat Fee Note - More than 50% your of IFTA qualified vehicles must be Farm plated																

IRP and IFTA

- Sign and date application. Return application and any applicable fees to Motor Carrier, 550 Capitol St NE, Salem, OR 97301-2530.

INTERNATIONAL FUEL TAX AGREEMENT - Application, License, Decals

Placement of Decals

The qualified applicant will be issued a set of two IFTA decals for each qualified motor vehicle in the fleet. The IFTA decals must be placed on the exterior portion of both sides of the cab. In the case of transporters, manufacturers, dealers, or drive-away operations, the decals need not be permanently affixed, but may be temporarily displayed in a visible manner on both sides of the cab. Failure to display IFTA decals in the required locations may subject the vehicle operator to the purchase of a fuel use trip permit or citation or both. The IFTA decals are issued annually, and are not vehicle-specific.

A 30-day temporary decal permit will be issued to a carrier on request when an IFTA license is issued, when the carrier is adding a new vehicle. The permit is vehicle-specific, and must be carried in each vehicle listed on the permit, along with a copy of the current valid Oregon IFTA license, until the new decals are placed on the vehicle. The following information is required for each vehicle to be listed on the temporary decal permit: unit number, year, make and vehicle identification number.

Your IFTA license and IFTA decals qualify you to operate in all member jurisdictions without further licensing or identification requirements in regard to motor fuel use taxes. Motor carriers should contact jurisdictions in which they intend to operate for any other requirements of those jurisdictions. For a complete list of the member jurisdictions, see the IFTA Jurisdiction List on the back cover of the IFTA Handbook, contact the MCTD IFTA Unit, or access the IFTA, Inc. web site at www.iftach.org for jurisdiction contact information.

To obtain additional IFTA decals throughout the year, contact the IFTA Unit at (503) 373-1634, Monday through Friday, 8:00 a.m. to 5:00 p.m. Be sure to have your Oregon account number ready when you call. You may also obtain IFTA decals at one of MCTD's field registration offices, or by mail. Ordering more decals may increase the amount of your annual license fee, and the additional amount must be paid before the decals will be issued. Carriers who have signed up for Trucking Online, may also order replacement decals on MCTD's web site:

www.oregontruckingonline.com

Many IFTA transactions are available Oregon's Trucking Online with more transactions planned in the near future. Sign up today!

INTERNATIONAL FUEL TAX AGREEMENT – Record Keeping Requirements

Record Keeping and Audit

Records must be made available for audit upon request during normal business hours. *Do not include supporting documents such as fuel receipts when you file your tax returns.* Carriers must retain all records to substantiate tax returns for four (4) years from the due date of the return or date filed, whichever is later. Record keeping periods may be longer if you fail to provide records requested at time of audit.

The licensee must maintain detailed mileage records on an individual vehicle basis. These records must contain the following:

1. Total taxable and non-taxable usage of motor fuel;
2. Total distance traveled for taxable and non-taxable use; and
3. Distance recaps for each vehicle for each jurisdiction in which the vehicle operated.

Mileage Records

The licensee's records must include mileage data on each individual vehicle for each trip and be recapitulated in monthly fleet summaries:

1. Date of trip (starting and ending);
2. Trip origin and destination;
3. Route of travel;
4. Beginning and ending odometer or hubodometer reading of the trip;
5. Total trip miles;
6. Miles by jurisdiction;
7. Unit number or vehicle identification number;
8. Vehicle fleet number; and
9. Licensee's name

Fuel Records

The licensee must maintain a complete record of all fuel purchased, received, and used in the conduct of business. Separate totals must be compiled for each motor fuel type, and be recapitulated in monthly summaries. Retail fuel purchases and bulk fuel purchases are to be accounted for separately. These records must contain the following:

1. The date of each receipt of fuel;
2. The name and address of the person from whom purchased or received;
3. The number of gallons received;
4. The type of fuel; and
5. The vehicle or equipment into which the fuel was placed.

INTERNATIONAL FUEL TAX AGREEMENT – Record Keeping Requirements

Tax Credits

To obtain credit on the tax return for tax-paid purchases on a jurisdictional basis, the licensee must keep the following records:

- Receipt; or
- Invoice; or
- Credit card receipt; or
- Automated vendor-generated invoice or transaction listing; or
- Microfilm/microfiche of the receipt or invoice that shows evidence of the purchase and that tax was paid.

Receipts that have been altered or indicate erasures are not accepted for tax-paid credit. Receipts must identify the vehicle by the plate or unit number. An acceptable receipt or invoice taken as credit must include the following:

1. Date of purchase;
2. Seller's name and address;
3. Number of gallons purchased;
4. Fuel type;
5. Price per gallon or total amount of sale;
6. Unit number; and
7. Purchaser's name (In the case of a lessee/lessor agreement, receipts will be accepted in either name, provided a legal connection could be made to the reporting party for that purchase.)

Bulk Fuel

Fuel tax may or may not be paid at the time of delivery to bulk fuel tanks. The licensee must retain copies of all delivery tickets and/or receipts. Receipts that have been altered or indicate erasures are not accepted for credits. Bulk fuel inventory reconciliations must be maintained to distinguish fuel placed in qualified vehicles from other uses. In the case of withdrawals from licensee owned tax-paid bulk storage, credit may be obtained if the following detailed records are maintained:

1. Date of withdrawal;
2. Number of gallons;
3. Fuel type;
4. Unit number; and

INTERNATIONAL FUEL TAX AGREEMENT – Record Keeping Requirements

5. Purchase and inventory records to substantiate that tax was paid on all bulk purchases. Inventory shall be maintained on first-in, first-out basis.

Non-compliance with any record keeping requirement may be cause for an assessment to the licensee's account and/or revocation of the IFTA license. The assessment may include reduction of fleet MPG and disallowance of tax-paid credits claimed on the licensee's tax returns.

INTERNATIONAL FUEL TAX AGREEMENT – Reporting Requirements

Tax Returns

After you receive your IFTA license, the IFTA Unit will send you the “International Fuel Tax Agreement Tax Return” (Form 735-9740) each quarter which you must complete and file with payment of any tax that is due. You must list on the tax return form all operations in member jurisdictions. The IFTA tax return is to be used only by the motor carrier whose name is printed on it. If the business name, location, or mailing address is not correct, mark through the incorrect information and print the correct information.

When the IFTA Unit mails each quarterly IFTA tax return, a fuel tax rate schedule and filing instructions will be included. The rate schedule will provide the current fuel tax rates for each fuel type by jurisdiction that must be used when completing the quarterly IFTA tax return. Any credits or balances due from prior periods will be pre-printed on the return. **Credits should be verified by contacting the IFTA Unit before being deducted from current amounts due.**

If you do not receive a quarterly IFTA tax return, you may either call the IFTA Unit at (503) 373-1634 or download a tax return form from the MCTD web site at:

www.oregontruckingonline.com

✓ Click on FORMS tab

Oregon’s IFTA tax return allows a licensee to report all fuel types and jurisdictions on one form. ODOT staff cannot perform calculations for you on your returns.

Who Must File

Every Oregon-based motor carrier issued a license under the International Fuel Tax Agreement is required to file an IFTA tax return (Form 735-9740).

If your IFTA license is revoked, you are still required to file returns for all periods your account remains open. Filing a return does not authorize operation in other jurisdictions. Operation in member jurisdictions without valid credentials is illegal and cause for citation, fines, and penalties.

INTERNATIONAL FUEL TAX AGREEMENT – Reporting Requirements

Qualified Motor Vehicles

All vehicles in the licensee’s fleet bearing an Oregon IFTA decal must be included on the IFTA tax return, including vehicles bearing Oregon IFTA decals that did not leave Oregon during the reporting period. Qualifying motor vehicle means a motor vehicle:

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

Due Dates

IFTA tax returns, properly signed and accompanied by a check or money order **payable to Oregon Department of Transportation (ODOT/IFTA)**, are due the last day of the month immediately following the end of each reporting period. Tax returns must be postmarked on or before the due date to be considered on time. **Tax returns must be filed even if there is no tax due, there were Oregon operations only, or there were no operations for the reporting period.**

QUARTER	DUE DATE	QUARTER	DUE DATE
1 st Quarter	April 30	3 rd Quarter	October 31
2 nd Quarter	July 31	4 th Quarter	January 31

If the due date falls on a weekend or holiday, the tax return is due the next business day.

Where to File

Mail completed IFTA tax returns to:

Motor Carrier Transportation Division
550 Capitol Street NE
Salem, OR 97301-2530

IFTA tax returns can be filed using www.oregontruckingonline.com
Sign up today!

Please note that IFTA forms and payments must not be submitted to the IFTA Unit through DMV offices. Leaving IFTA tax returns or payments at a DMV office will cause a delay in filing, possibly resulting in penalty and interest charges.

INTERNATIONAL FUEL TAX AGREEMENT – Reporting Requirements

Penalties and Interest

IFTA returns not filed by the due date will be assessed a penalty of \$50 or 10% of the total amount of tax due, whichever is greater. Interest will also be assessed at the rate of one percent per month, or partial month, for each jurisdiction for which tax is due.

Amended Returns

If it becomes necessary to correct a previously filed return, please make a copy of the original return filed, write “AMENDED” at the top of the form, and make the necessary changes next to the incorrect figures.

An explanation of the changes must accompany the amended return. An amended return may be subject to a late penalty charge and interest if amended after the due date.

Computer-Generated Tax Returns

If you wish to use your own computer-generated version of the tax return, or one supplied by a software developer or reporting service you must first obtain written approval by sending a sample of the form to:

Motor Carrier Transportation Division
IFTA System Administrator
550 Capitol St. NE
Salem OR 97301-2530

Oregon IFTA encourages the use of computer-generated tax return forms because they are usually easier for the carrier to use, can often accommodate additional lines for a jurisdiction when necessary, and sometimes automate calculations, which decreases the number of errors in tax returns filed. The arrangement of the form should be similar to that of our standard form, placing information in the same general area and order.

The following items must be included in the form:

1. Name and mailing address of the base jurisdiction:
OREGON DEPARTMENT OF TRANSPORTATION
MOTOR CARRIER TRANSPORTATION DIVISION
550 CAPITOL ST NE
SALEM OR 97301-2530
2. The type of return being filed (IFTA TAX RETURN).
3. The quarter for which the return is being filed.
4. The date the return is due.

INTERNATIONAL FUEL TAX AGREEMENT – Reporting Requirements

5. The IFTA license number (Federal Employer Identification Number).
6. The Oregon Taxpayer ID (Oregon tax file number).
7. The name and address of the licensee filing the return.
8. A space to indicate no operations or Oregon operations only.
9. Totals for Oregon miles, IFTA jurisdiction miles, and non-IFTA jurisdiction miles should be listed by fuel type as well as the total miles traveled.
10. Total fuel used in all jurisdictions for each fuel type.
11. The average fleet MPG for each fuel type should be calculated to two decimal places.
12. Provision for reporting alternative fuels, if used.
13. The headings on the columns should conform to the headings on the Oregon IFTA Tax Return form, and be in the same order.
14. Oregon miles and gallons should not be listed as a jurisdiction line in the body of the tax return and should not be included in the totals of IFTA jurisdiction miles and gallons.
15. Surcharges should be identified as such.
16. Separate columns for “TAX DUE” (before interest is added), “INTEREST DUE” and “TOTAL DUE”.
17. Totals for all columns.
18. A space for penalty for late filing.
19. A space for the total remittance of the return.
20. A space for a signature of the person filing the return.
21. A space for the title of the person filing the return.
22. A space for the date of the submitted return.
23. A space for the phone number of the person filing the return.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

Tax Return Instructions

When completing your IFTA tax return, read and follow the instructions mailed with the return each quarter.

Minimum Required Information

The following information is the **MINIMUM** required for the IFTA tax return to be accepted:

- Quarter and year of return;
- IFTA license number;
- Oregon Taxpayer ID number;
- Name and address of taxpayer;
- Return **with no operations** or Oregon operations only:
 - √ Check appropriate box;
- Return **with operations**:
 - √ Fuel/miles summary columns 1 through 6 completed; and
 - √ Columns A through G completed for a minimum of one (1) jurisdiction
- Signature and date

Calculation Guidelines

CONVERT metric fuel and distance measurements to gallons and miles using the following factors:

$$\begin{array}{lcl} 1 \text{ liter} & = & 0.2642 \text{ gallons} \\ 1 \text{ kilometer} & = & 0.62137 \text{ miles} \end{array}$$

ROUND all miles and gallons in columns 1 through 5 to the nearest whole number:

$$\begin{array}{lcl} 525.5 & = & 526 \\ 525.4 & = & 525 \end{array}$$

Return Header

Generally, the header of the IFTA tax return will be pre-printed with the appropriate report and motor carrier information. However, if completing a blank tax return form, ensure the following information is correctly entered:

- Reporting period;
- Return due date;
- IFTA License No.; and
- Oregon Taxpayer ID No.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

FILE NUMBER		QUARTER										
A	B	C	D	E	F	G	H	I	J	K		
JRS.	FUEL TYPE (G & ETC)	TOTAL MILES IN JURISDICTION	TAXABLE MILES IN JURISDICTION	TAXABLE GALLONS (D ÷ avg mpg)	TAX PAID GALLONS	NET TAXABLE GALLONS (E minus F)	TAX RATE	TAX DUE OR (CREDIT)	INTEREST DUE	TOTAL DUE OR (CREDIT) (I plus J)		
LA												
ME												
MD												
MA												
MI												
MN												
MS												
MO												
MT												
NE												
NV												
NH												
NJ												
NM												
NY												
NC												
ND												
OH												
OK												
PA												
RI												
SC												
SD												
TN												
TX												
UT												
VT												
VA												
VA	SURCHARGE											
WA												
WV												
WI												
WY												
AB												
BC												
MB												
NB												
NL												
NS												
ON												
PE												
QC												
SK												
SUBTOTALS (TO FRONT)												

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

OREGON DEPARTMENT OF TRANSPORTATION INTERNATIONAL FUEL TAX AGREEMENT (IFTA) QUARTERLY RETURN FILING INSTRUCTIONS

WHO MUST FILE. Every Oregon-based motor carrier issued a license under the International Fuel Tax Agreement is required to file an International Fuel Tax Agreement (IFTA) Tax Return, Form No. 735-9740.

If your IFTA License is revoked, you are still required to file returns for all periods your account remains open. Filing a return does not authorize operation in other jurisdictions. Operation in member jurisdictions without valid credentials is illegal and cause for citation, fines, and penalties.

WHEN AND WHERE TO FILE. This return, properly signed and accompanied by a check or money order payable to Oregon Department of Transportation (ODOT/IFTA), will be considered timely filed if postmarked on or before the last day of the month following the quarter covered by the return. A return is required for each quarter even when no fuel tax is due. Mail to Motor Carrier Transportation Division (MCTD), 550 Capitol St. NE, Salem, OR 97301-2550; or fax to (503) 378-8015 (credit card payment can be made by phone before 5 p.m.).

Check the **NO OPERATIONS** box if none of your qualified vehicles had operations in the quarter covered by this return. Check the **OREGON OPERATIONS ONLY** box if you have operated only in the state of Oregon. If you check either of these boxes, information in the Fuel/Miles Summary is not required. Check the **CHANGE OF ADDRESS** box if you have changed your address. Mark through the incorrect address and print the correct address. Sign and return to MCTD.

PREHEADED RETURNS. This return is to be used only by the motor carrier whose name is printed on it. If you have not received a return for a reporting period, request a duplicate from the IFTA staff. If the business name, location, or mailing address is not correct, mark through the incorrect information and print the correct information.

QUALIFIED MOTOR VEHICLES. All vehicles in the licensee's fleet bearing an Oregon IFTA decal must be included on this report, including vehicles bearing Oregon IFTA decals that did not leave Oregon during the reporting period. Qualifying vehicle means a motor vehicle (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) used in combination when the weight of such combination exceeds 26,000 pounds or 11,797 kilograms gross vehicle weight.

AMENDED RETURNS. If it becomes necessary to correct a previously filed return, please make a copy of the original return filed, check the 'AMENDED' box at the top of the form, and make the necessary changes next to the incorrect figures.

An explanation of the changes must accompany the amended return. An amended return may be subject to a late penalty and interest if amended after the due date.

VERIFICATION AND AUDIT. The records you used to prepare this return must be retained and be available for at least four years from the due date of the return or the date filed, whichever is later.

MINIMUM REQUIRED INFORMATION. The following information is required for the return to be accepted:

Quarter and year of return
IFTA license number
Oregon Taxpayer ID number
Name and address of taxpayer
Return with no operations or Oregon operations only:
Check appropriate box
Return with operations:
Fuel/miles summary columns 1 through 6
Columns A through G completed for a minimum of one jurisdiction
Signature and date

FUEL/MILES SUMMARY

OTHER: Indicate fuel type used. If all lines are full, place additional information on a separate sheet of paper and include in TOTALS.

CONVERT metric fuel and distance measurements to gallons and miles using the following factors: 1 liter = 0.2642 gallons; 1 Kilometer = 0.62137 miles.

ROUND all miles and gallons in columns 1 through 5 to the nearest whole number. For example, show 525.5 as 525 and show 525.4 as 525.

COLUMN 1 OREGON MILES: Enter the total number of miles traveled in Oregon, including Oregon off-road miles, for each fuel type used.

COLUMN 2 IFTA JURISDICTION MILES: Enter the total number of miles traveled in all IFTA jurisdictions, including permit miles and off-road miles for IFTA jurisdictions (do not include any miles traveled in Oregon). The TOTAL of this column must be the same as the GRAND TOTAL of Column C.

COLUMN 3 NON-IFTA JURISDICTION MILES: Enter the total number of miles traveled in all non-IFTA jurisdictions, including off-road miles for non-IFTA jurisdictions (do not include any miles traveled in Oregon): ALASKA; HAWAII; WASHINGTON, D.C.; NORTHWEST TERRITORY; YUKON TERRITORY; or any other jurisdiction not listed on the return form.

COLUMN 4 TOTAL MILES: Total of all miles traveled for each fuel type (Columns 1, 2, and 3 must equal Column 4).

COLUMN 5 TOTAL GALLONS: For each fuel type, enter the total of all gallons used in all jurisdictions in which you traveled. Report all fuel placed in the supply tank of a qualified motor vehicle.

COLUMN 6 AVERAGE FLEET MPG: Calculate miles per gallon (MPG) by dividing the number in Column 4 by the number in Column 5. Carry this calculation to three decimal places, then round to two decimal places. For example, show 5.255 as 5.26, and show 5.254 as 5.25. Enter the result in Column 6 for each fuel type used.

Fuel 735-9740 (3-06) 378-32026

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

COLUMN B FUEL TYPE: Using the codes below, enter fuel type you are reporting on this line. If you use more than one fuel type in a jurisdiction, place additional information on a separate sheet of paper.

D - Diesel	SG - Surcharge Gasoline
G - Gasoline	SP - Surcharge Propane
P - Propane	SGH - Surcharge Gasohol
GH - Gasohol	SLN - Surcharge Liquid Natural Gas
LNG - Liquid Natural Gas	SDH - Surcharge Compressed Natural Gas
CNG - Compressed Nat Gas	E - Ethanol
M - Methanol	SE - Surcharge Ethanol
MS - E-85	SM - Surcharge Methanol
MSS - M-85	SES - Surcharge E-85
ASS - A-85	SMS - Surcharge M-85
SD - Surcharge Diesel	SAS - Surcharge A-85

COLUMN C TOTAL MILES IN JURISDICTION: Enter the total miles traveled in each jurisdiction for each fuel type listed. Include off-road miles and permit miles. The GRAND TOTAL of this column must be the same as in Column 2.

COLUMN D TAXABLE MILES IN JURISDICTION: Enter the taxable miles traveled in each IFTA jurisdiction. Contact the jurisdiction directly to learn if any of your operations are not taxable. Do not include off-road nontaxable miles or fuel tax permit miles in this column.

COLUMN E TAXABLE GALLONS: Divide the amount in Column D by the average miles per gallon from Column 8 for each fuel type and round to the nearest whole gallon. For example, 525.5 should be shown as 526 and 525.4 should be shown as 525.

COLUMN F TAX PAID GALLONS: Enter the number of gallons purchased in that jurisdiction during this reporting period on which fuel taxes have been paid, rounding to the nearest whole gallon. Purchases must be supported by invoices from the vendor and retained in your records.

COLUMN G NET TAXABLE GALLONS: Subtract the amount in Column F from the amount in Column E. If F is greater than E, enter the credit figure in brackets (for example, [732]).

COLUMN H TAX RATE: Enter the tax rate from the tax rate tables provided. Tax rate tables change each quarter. Use the rate table for the quarter of the return you are filing.

COLUMN I TAX DUE OR CREDIT: Multiply the amount in Column G by the amount in Column H. Enter this amount in dollars and cents, with credit amounts in brackets.

COLUMN J INTEREST DUE: If this return is filed late, interest is due to each jurisdiction where there is tax due. (A return is late if not postmarked on or before the last day of the month following the quarter covered by the return and accompanied by payment of any tax due.) Multiply the Column I amount by 1% for each month or partial month the report is late. Do not calculate interest on credit amounts in Column I.

COLUMN K TOTAL DUE OR CREDIT: Total the amounts in Columns I and J. Enter credit amounts in brackets.

SURCHARGE: Currently, Indiana, Kentucky, and Virginia levy a surcharge. If you have traveled in any of these states, use the second line filed SURCHARGE to calculate your surcharge: multiply the taxable gallons (Column E) by the surcharge tax rate found on the enclosed tax rate sheet.

7. TOTAL FUEL TAX AND INTEREST DUE OR (CREDIT): Total amounts in Column K.

8. PREVIOUS BALANCE DUE: Balance due resulting from a partial payment, mathematical or clerical error, penalty, or interest relating to prior returns. Add this amount to other amounts due and include in your payment.

9. PREVIOUS CREDIT: This amount represents a credit on your account. Do not pay this amount. Before subtracting this credit from what you owe, verify the credit is valid and has not already been refunded or used. All adjustments are subject to audit.

10. PENALTY: If this return is filed late, enter 10% of the total amount of Column I, or \$50, whichever is greater.

11. REINSTATEMENT FEE: If your account was revoked and you need to reinstate, include a \$25 reinstatement fee. Your account will be reinstated only if all deficiencies have been satisfied.

12. TOTAL BALANCE DUE OR CREDIT: If the amount on this line is a balance due, attach payment. Penalty and interest will be assessed on tax returns where incorrect calculations result in underpayment.

PLEASE RETAIN A COPY OF YOUR TAX RETURN FOR YOUR RECORDS

2007 OREGON IFTA CALENDAR

<u>1st Quarter 2007</u>		<u>3rd Quarter 2007</u>	
Returns Due By	04-30-2007	Returns Due By	10-31-2007
<u>2nd Quarter 2007</u>		<u>4th Quarter 2007</u>	
Returns Due By	07-31-2007	Returns Due By	01-31-2008

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

Check the NO OPERATIONS box if none of your qualified vehicles had operations in the quarter covered by this return.

Check the OREGON OPERATIONS ONLY box if you have operated only in the State of Oregon.

Check the CHANGE OF ADDRESS box if you have changed your address. Mark through the incorrect address and print the correct address.

Fuel/Miles Summary

Fuel Type

Most carriers will use only the diesel or gasoline lines provided. If any of your IFTA-qualified vehicles use a type of fuel other than diesel or gasoline, such as propane, methanol, etc., list the fuel as “OTHER” in this column. If all lines are full, place additional information on a separate sheet of paper and include in TOTALS.

Not every jurisdiction taxes fuel other than diesel. To determine if gasoline or any fuel other than diesel is taxed in the IFTA jurisdictions in which you operate, see the tax rate table that is included with the tax return mailed to you each quarter. Tax rate tables are different each quarter due to changes in fuels taxed and tax rates in member jurisdictions. It is important to use the tax rate table for the quarter you are reporting. Be sure to read any footnotes for the jurisdiction in question.

If fuel is used in any IFTA jurisdiction in which it is taxed, list it for all jurisdictions in which it is used by IFTA-qualified vehicles, whether taxed or not. This information is necessary to determine the MPG and to calculate the tax for the jurisdiction in which it is taxed. Do not list a fuel anywhere on the tax return if it is not taxed in any IFTA jurisdictions in which you operated.

Column 1 Oregon Miles

Enter the total number of miles traveled in Oregon, including Oregon off-road miles, for each fuel type used. All of your Oregon miles should be listed here and none of your Oregon miles should be listed in any other column on this form.

Column 2 IFTA Jurisdiction Miles

Enter the total number of miles traveled in all IFTA jurisdictions, including trip permit miles and off-road miles for **IFTA** jurisdictions (do not include any miles traveled in Oregon). The **TOTAL** of this column must be the same as the **GRAND TOTAL** of Column C.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

Column 3 Non-IFTA Jurisdiction Miles	Enter the total number of miles traveled in all non-IFTA, jurisdictions including off-road miles for non-IFTA jurisdictions (do not include any miles traveled in Oregon): ALASKA; HAWAII; WASHINGTON, D.C.; NORTHWEST TERRITORY; YUKON TERRITORY; or any other jurisdiction not listed on the return form.
Column 4 Total Miles	For each fuel type listed, add the figures across in Columns 1 through 3, and enter the total in Column 4. Add the figures down in Columns 1 through 3, and enter each total at the bottom of the column.
Column 5 Total Gallons	For each fuel type, enter the total of all gallons used in all jurisdictions in which you traveled. Report all fuel placed in the supply tank of a qualified motor vehicle.
Column 6 Average Fleet MPG	Calculate the miles per gallon (MPG) by dividing the number in Column 4 by the number in Column 5. <i>Carry this calculation to three decimal places, then round to two decimal places. For example, show 5.255 as 5.26, and show 5.254 as 5.25.</i> Enter the result in Column 6 for each fuel type.

Jurisdiction Information

Column A Jurisdiction	Listing of all IFTA member jurisdictions. If there are two lines for a jurisdiction on the tax rate table, with a date included on one of the lines, it means the tax rate changed during the quarter, so there is a “split rate” for that jurisdiction. For example, British Columbia had a split rate for the 1 st Quarter 2003 with one tax rate for diesel in January and February, and with a different tax rate for diesel beginning March 1. Forms are not always modified to accommodate split rates because they are in effect for one quarter only. You may use a line for a jurisdiction where you did not operate (crossing out the original jurisdiction code listed and writing in the jurisdiction code you need to use) or place additional information on a separate sheet of paper. Be sure to include information for each column (A through K), and to include the figures from this line when calculating totals on the return form.
Column B Fuel Type	Using the codes below, enter the fuel type you are reporting on this line. If you use more than one fuel type in a jurisdiction, you may either use a line for a jurisdiction where you did not operate (crossing out the original jurisdiction code listed and writing in the jurisdiction code you need to use) or place additional information on a separate sheet of paper. Be sure to include information for each column (A through K), and to include the figures from this line when calculating totals on the return form.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

CODE	FUEL TYPE	CODE	FUEL TYPE
D	Diesel	SD	Surcharge Diesel
G	Gasoline	SG	Surcharge Gasoline
P	Propane	SP	Surcharge Propane
GH	Gasohol	SGH	Surcharge Gasohol
LNG	Liquid Natural Gas	SLN	Surcharge Liquid Natural Gas
CNG	Compressed Nat. Gas	SCN	Surcharge Compressed Nat. Gas
E	Ethanol	SE	Surcharge Ethanol
M	Methanol	SM	Surcharge Methanol
E85	E-85	SE8	Surcharge E-85
M85	M-85	SM8	Surcharge M-85
A55	A55	SA5	Surcharge A55

**Column C
Total Miles in
Jurisdiction**

Enter the total miles traveled in each jurisdiction for each fuel type listed. Include off-road miles and permit miles. **The GRAND TOTAL of this column must be the same as in Column 2.**

**Column D
Taxable Miles in
Jurisdiction**

Enter the taxable miles traveled in each IFTA jurisdiction. Do not include off-road non-taxable miles or fuel tax permit miles in this column. For the mileage to be deductible, the trip permit must indicate it is for fuel tax. Mileage operated on a registration trip permit or any other type of trip permit that is not for fuel tax cannot be deducted as non-taxable on the IFTA tax return.

Off-road miles means any of the miles operated in an IFTA jurisdiction that are considered off-road non-taxable miles by that jurisdiction. Many jurisdictions do not have mileage exemptions. Contact the jurisdiction directly to learn if any of your operations are not taxable.

Additional information for specific jurisdictions are in the footnotes at the bottom of the tax rate table that is included with the tax return mailed to you each quarter. Some exemptions may not be taken on the IFTA tax return form, and must be applied for directly to the jurisdiction. Failure to retain distance records may result in lowering the Average Fleet MPG to 4.0 MPG at time of audit.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

Column E Taxable Gallons	Divide the amount in Column D by the Average Fleet Miles per Gallon from Column 6 for each fuel type. Round to the nearest whole gallon. <i>For example, 525.5 should be shown as 526 and 525.4 should be shown as 525.</i> Failure to retain fuel records may result in lowering the Average Fleet MPG to 4.0 MPG at time of audit.
Column F Tax Paid Gallons	Enter the number of gallons purchased in that jurisdiction during this reporting period on which fuel tax has been paid. Round to the nearest whole gallon. Purchases MUST be supported by invoices from the vendor and retained in your records. Do not send invoices or receipts with your IFTA tax return. Failure to retain original vendor invoices may result in credit being disallowed at time of audit.
Column G Net Taxable Gallons	Subtract the Tax Paid Gallons (Column F) from the Taxable Gallons (Column E). If the Tax Paid Gallons in Column F are greater than the Taxable Gallons in Column E, enter the credit figure in brackets. <i>For example, [732].</i>
Column H Tax Rate	Enter the tax rate from the tax rate tables provided with the return.
Column I Tax Due or [Credit]	Multiply the Net Taxable Gallons (Column G) by the rate (Column H). Enter this amount in dollars and cents, with credit amounts in brackets.
Column J Interest Due	If this return is filed late, interest is due to each jurisdiction where there is tax due. (A return is late if not postmarked on or before the last day of the month following the quarter covered by the return, and accompanied by payment of any tax due.) Multiply the Tax Due in Column I by 1% for each month or partial month the report is late. Do not calculate interest on credit amounts in Column I.
Column K Total Due or [Credit]	Total the amounts in Columns I and J. Enter credit amounts in brackets.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

Surcharge	Currently, Indiana, Kentucky and Virginia levy a surcharge. If you have traveled in any of these states, use the second line titled SURCHARGE to calculate your surcharge. Multiply the Taxable Gallons (Column E) by the surcharge tax rate found on the enclosed tax rate sheet. Do not deduct any amounts related to the purchase of fuel from the Surcharge amount.
Subtotals (Front Page)	Total the amounts down in each of the columns on the front of the tax form: add amounts due and subtract credits. Enter the totals on the SUBTOTALS line for the front page.
Subtotals (Back Page)	Total the amounts down in each of the columns on the back of the tax form: add amounts due and subtract credits. Enter the totals on the SUBTOTALS line for the back page. Bring forward the subtotals for the back page to the appropriate line on the front page.
Grand Totals	Add the amounts in each column of the SUBTOTALS lines and enter the totals on the GRAND TOTALS line.
Box 7 Total Fuel Tax And Interest Due Or [Credit]	Enter the GRAND TOTAL amount for Column K.
Box 8 Previous Balance Due	Any balance due currently on your account will be printed. Previous balances could be the result of partial payments, mathematical or clerical errors, penalties, or interest relating to prior returns. Add this amount of other amounts due and include in your payment. If you believe you have paid the previous balance due or that it is incorrect, call the IFTA Unit at 503-373-1634.
Box 9 Previous Credit	Any credits currently on your account will be printed. <u>Do not</u> pay this amount. Before subtracting this credit from what you owe, verify the credit is valid and has not already been refunded or used. You may verify a credit by calling the IFTA Unit at 503-373-1634. All adjustments are subject to audit.
Box 10 Penalty	Enter 10% of the total amount of Column I or \$50, whichever is greater if the return is late. If the date this return is mailed (as determined by the postmark date on the envelope) or presented at an ODOT office that accepts IFTA transactions, is after the due date, the return is late and your account will be assessed a penalty. The amount of the penalty is 10% of the amount of the Grand Total of Column I or

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Instructions

\$50, whichever is more. Even if the total amount of tax in Column I is a credit, or the return reported no operations or Oregon-only operations, the penalty of \$50 is assessed. The penalty is assessed not for owing tax but because the return is late.

Box 11
Reinstatement
Fee

If your account is revoked and you need to reinstate, include a \$25 reinstatement fee. You must satisfy all causes of the revocation and pay the \$25 reinstatement fee before the account can be reinstated. Your IFTA license is not valid until then. Payment of the reinstatement fee alone will not be sufficient for reinstating the account if deficiencies on the account have not been met. If your account is revoked and you have questions about requirements for reinstatement, call the IFTA Unit at 503-373-1634.

Box 12
Total Balance
Due or [Credit]

If the amount on this line is a balance due, attach payment.
Penalty and interest will be assessed on tax returns where incorrect calculations result in underpayment.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Checklist

Tax Return Checklist

To prevent processing delays, please take the time to carefully check your tax return.

<input type="checkbox"/>	Are the numbers entered from your records accurate?
<input type="checkbox"/>	Have you completed the Fuel/Miles summary? This section must be completed if you did not check the “ <u>No-operations</u> ” or the “ <u>Oregon-operations-only</u> ” box.
<input type="checkbox"/>	Have you included miles in column 3? If so, make sure the mileage is for operations in jurisdictions that are <u>not</u> listed in Column A and the mileage is <u>not</u> for operations in Oregon.
<input type="checkbox"/>	Do the figures in Columns 1, 2 and 3 add up to the figure in Column 4?
<input type="checkbox"/>	Have you entered the total number of gallons in Column 5? Are any other required fields blank?
<input type="checkbox"/>	Check the figures you entered in Columns 1 through 5 and check your calculations.
<input type="checkbox"/>	Does the Average Fleet MPG in Column 6 fall within the range of 3 to 11 miles per gallon that is the average for most IFTA-qualified vehicles? If not, check your calculations for accuracy. If the calculations are correct, include with your return an explanation for the MPG being higher or lower than the expected range.
<input type="checkbox"/>	Are figures rounded correctly according to the instructions for the particular column? Rounding for column 6 is different than rounding for columns 1 through 5.
<input type="checkbox"/>	Have you entered information on the correct jurisdiction line? Many abbreviations are easily confused, such as NE for Nebraska and NV for Nevada. You will find the names and abbreviations of IFTA jurisdictions on the back cover of this handbook, and on the tax rate table included with the tax return form mailed to you each quarter. Make sure you are entering information for the jurisdiction on the line with the correct abbreviation in Column A on the tax return form.
<input type="checkbox"/>	Are the totals of Columns E and F the same? If so, check your entries. These two amounts are rarely, if ever, the same.
<input type="checkbox"/>	<p>Have you claimed tax-paid gallons in Column F for a jurisdiction for which no mileage is shown in Column C? If so, check your entries.</p> <ul style="list-style-type: none"> • All miles must be included in the total miles in Column C, even those miles that a jurisdiction regards as non-taxable. Column D is where non-taxable miles will be deducted. • Even if you traveled only a short distance into a jurisdiction for fuel, you must include the mileage in Column C. If you traveled less than one (1) mile, enter one (1) mile.

INTERNATIONAL FUEL TAX AGREEMENT – Tax Return Checklist

<input type="checkbox"/>	Have you entered the correct tax rate for the jurisdiction and the quarter you are reporting? Tax rate tables are different each quarter due to changes in fuels taxed and tax rates in member jurisdictions.
<input type="checkbox"/>	<ul style="list-style-type: none">• Always use the rate table for the quarter you are reporting.• Always check the rate for the jurisdiction you are reporting – it may have changed since your last return.
<input type="checkbox"/>	Are calculations for Columns 4, 6, E, G, I, J, and K complete and correct?
<input type="checkbox"/>	Have you remembered to complete the back of the form? If you are faxing your return, be sure to include the back of the form even if there are no entries on the back.
<input type="checkbox"/>	Have the total amounts been copied from the back page to the front page correctly?
<input type="checkbox"/>	Does the Grand Total for Column C equal the Total of Column 2? In Column C you are listing all of the miles separately for each jurisdiction that you listed as the total in Column 2, so the totals should be the same. If not: <ul style="list-style-type: none">• Is your addition correct?• Have you included a line for each jurisdiction in which you operated?• Have you included all mileage for all of your IFTA-qualified vehicles, and only those vehicles, in both Column 2 and Column C? (See the definition for “Qualified Motor Vehicle” on page 2).• Have you included all the miles you operate these vehicles in IFTA jurisdictions in these two columns, whether the miles are taxable or not? Non-taxable miles are to be included in Columns 2 and C, and are deducted only in column D.• Have you included all the mileage operated on all fuel types that are required to be included on the tax return?