



U.S. Department

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Federal Motor Carrier Safety Administration

Office of Information Management

Worksheet for Calculating Carrier Classification (Motor Carriers of Property)

What Is This About?

This is to help you determine your carrier classification, which affects the reporting requirements of Form M and Form QFR.

Carrier Classification and Reporting Requirements

Motor carriers of property are classified based on their adjusted annual operating revenue. Carrier classification, in turn, determines what reports are required by FMCSA. We are providing the worksheet below for your convenience to help you calculate your carrier classification. If your classification has changed or is incorrect, please contact us. We will make any necessary adjustments and give you further instructions on any filing requirements.

<i>Classification</i>	<i>Adjusted Annual Operating Revenue</i>	<i>Reports Required By Law</i>
Class I	\$10 million or greater	Form M (Annual) Form QFR (Quarterly)
Class II	\$3 - 10 million	Form M (Annual)
Class III	Less than \$3 million	None

How to Calculate Your Carrier Classification

Upward and downward classification will be effective as of January 1 of the year immediately following the **third consecutive year** that your revenue qualifies. The steps in calculating your carrier classification are as follows:

1. Calculate your annual operating revenues. This is revenue from the transportation of property in interstate, and intrastate service while operating as a common and/or contract carrier. This includes:
 - Line haul and pickup & delivery services
 - revenues received under all operating authorities (regulated and unregulated)
 - revenues from your portion of interline shipments
 - revenues from local cartage service

Company Name: _____ MC #: _____

-revenues received from any other motor carriers for lease of your operating rights and operating equipment -commissions received for performing brokerage services: **-This excludes:**

- (1) revenues from private carriage, compensated inter-corporate hauling, and leasing vehicles with drivers to private carriers
- (2) revenues from non-trucking activities

2. Multiply this figure by the revenue deflator. In Table 1, we have calculated the revenue deflator for you. The revenue deflator is the 1994 average producers price index of finished goods (PPI) divided by the revenue year's average PPI, as shown in Table 2. Table 3 is an example calculation. This carrier would be a Class III because of its 2004 revenue. If 2007 revenue surpasses \$3 million, it will be reclassified as Class II in 2008.

Table 1

<i>Year</i>	<i>Annual Operating Revenue</i>	<i>x Revenue Deflator</i>	<i>= Adjusted Annual Operating Revenue</i>
2004	\$ _____	.85	\$ _____
2005	\$ _____	.80	\$ _____
2006	\$ _____	.77	\$ _____

Table2

<i>Year</i>	<i>Producers Price Index (PPI)</i>	<i>Revenue Deflator</i>
1994	125.5	1.00
2004	147.8	.85
2005	157.1	.80
2006	163.0	.77

Table3

<i>Year</i>	<i>Annual Operating Revenue</i>	<i>x Revenue Deflator</i>	<i>= Adjusted Annual Operating Revenue</i>
2004	\$3,495,000	0.85	\$2,970,750
2005	\$3,945,000	0.8	\$3,156,000
2006	\$4.543.000	0.77	\$3.498.110