



COMPTROLLER
of MARYLAND

Serving the People

Peter Franchot



COMPTROLLER
of MARYLAND
Serving the People

IFTA Program

*Chuck Ulm
MATT Regulatory Division
Comptroller of Maryland*

What is IFTA?

- International Fuel Tax Agreement
- Commonly referred to as:
 - ✓ Motor carrier decals
 - ✓ Fuel tax stickers
 - ✓ Road tax stickers

History



- Prior to IFTA, a commercial truck traveling into different States would be required to be registered with each State's highway use tax it traveled through. That is why until several years ago it was common to see a tractor trailer with numerous State decals affixed to the door. The operator was required to file mileage and fuel purchase reports to each State that the vehicle was registered to operate in.

History *cont'd*

- The trucking industry lobbied Congress, and the result was IFTA. All States are now required to participate, and most Canadian Provinces are also members. Mexico and the District of Columbia are not currently members.
- IFTA is actually administered by a private association, International Fuel Tax Association Inc. Each State has a commissioner and meetings are held to review, change, and update the rules. Each State has unique rules for in State usage.
- Maryland joined IFTA in 1996.

Who needs an IFTA decal and registration?

- Vehicles traveling in two or more jurisdictions...
 - ✓ That have a Gross Vehicle Weight over 26,000 pounds.
 - ✓ With three or more axles, regardless of weight.
 - ✓ With a registered combined weight of over 26,000 pounds.

Who does NOT need IFTA?

- Vehicles registered in and operating only in the State of Maryland.
- Vehicles registered to the U.S. Government, civilian or military.
- State or Local Government vehicles.
- Recreation Vehicles.

Who does NOT need IFTA? *cont'd*

- Vehicles operating under a valid trip permit.
- Antique or historic registered vehicles.
- Farm truck/Farm area vehicles with two axles and registered or operating GVW less than 40,001 pounds.

How does the system work?

- Vehicle operator or company completes a work sheet disclosing the miles operated in, and fuel purchased in each State that the vehicle operated in for the quarter.
- Worksheets are submitted to the base State that issued the decals.
- Can only be based in one State.

How does the system work? *cont'd*

- Information from the reports is transmitted to several clearing houses, Maryland uses one in New York.
- Monies are electronically transferred depending on fuel taxes collected versus miles traveled.
- Issuing State is responsible for audits and disciplinary action for not filing reports.

General

- IFTA decals issued for the period of January 1 thru December 31.
- Decals for the upcoming year can be displayed one month prior to the end of the year.
- If a vehicle displays a valid decal from the prior year then there is a 60 day grace period extending into the new year.
- Vehicles displaying District of Columbia truck permits or registration plates, in addition to regular Maryland truck registration, are subject to IFTA registration when operating in Maryland.
- IFTA registration is a privilege.

Web Access



- http://compnet.comp.state.md.us/MATT_Regulatory_Division
 - ✓ On-line Registration (Application) and Renewal
 - ✓ IFTA E-File
 - ✓ Compliance Manual
 - ✓ Frequently Asked Questions
 - ✓ Glossary of Terms
 - ✓ Bulletins/Updates/Administrative Releases

Branch Offices

- Baltimore (410) 767-1300
- Cumberland (301) 777-2165
- Elkton (410) 996-0580
- Frederick (301) 694-1982
- Hagerstown (301) 791-4776
- New Carrollton (301) 459-9195
- Salisbury (410) 713-3660
- Towson (410) 321-2306
- Upper Marlboro (301) 952-2810
- Waldorf (301) 645-2226
- Wheaton (301) 949-6030

IFTA Inc.



- www.iftach.org
- Downloads – IFTA Procedures Manual
- Exemptions
- Important notices
- IFTA news
- Tax rates

Registration



- Ensure IRP registration first
- US DOT Number
- EIN/SSN
- Resolve other tax delinquencies (BUS, IND, DLLR)

Lease Agreements



- Must specify which party is responsible for fuel tax.
- Must be subject to Maryland law.

Bond Requirement



- Delinquent filing
- Failure to remit tax due
- At discretion of Comptroller (History)
- Company providing surety must be licensed in Maryland.

Reporting

- Quarterly returns due no later than the last day of the month following the reporting period.
- Submit return even if no miles traveled or Maryland miles only.
- Maintain records of all fuel purchased and miles traveled.
- Without records, subject to assessment (40 gallons/vehicle/day)

Trip Permits



- Valid for 15 consecutive days.
- Must be carried in cab of vehicle.
- Vehicle specific.

Trip Permits *cont'd*

■ Available from the following authorized vendors:

- | | | |
|--------------------------------|----------------|------------------|
| ✓ Xero-Fax | 1-800-937-6329 | Albany, NY |
| ✓ Comdata | 1-800-749-6058 | Carrollton, TX |
| ✓ Custom Permit
Service Co. | 1-800-669-5014 | Columbus, OH |
| ✓ The Permit Co. | 1-800-331-0418 | Pasadena, CA |
| ✓ J.J. Keller | 1-800-843-2311 | Neenah, WI |
| ✓ National Permits | 1-800-331-4805 | North Canton, OH |

Decals



- Must be permanently affixed to both sides of cab.
- Matching cab card must remain in vehicle (photocopy okay).
- Decals are property of the State.
- Additional/replacement decals available.

Updated Procedures



- Due process.
- Show cause hearings.
- Appeal to Circuit Court.
- Permanent revocation.
- Lein procedures.

Common Errors/Problems



- Calculation errors.
- Reporting bulk purchase instead of propulsion tank gallons.
- Registration mistakes.
- Use of prior reporting period tax schedules.
- Report is illegible.
- Late filing/penalties.

Advise Comptroller of Changes



- Lease arrangement.
- Vehicle sold or traded.
- Company name or address change.
- DOT, SSN, or EIN change.

Help



- Returns Processing (410) 260-7138
- Licensing and Registration (410) 260-7215
- http://compnet.comp.state.md.us/MATT_Regulatory_Division

Questions?

