



Earl F. Crago, III, Director

Motor Carrier Road Tax Commonly Asked Questions

1. What is a qualified motor vehicle?

A "Qualified motor vehicle" is a motor vehicle, other than a recreational vehicle, which is used, designed or maintained for transportation of persons or property and: (1) Having two axles and a gross weight or registered gross weight exceeding 26,000 pounds; or (2) Having three or more axles regardless of weight; (3) Used in combination, when the gross weight or registered gross weight of the combination exceeds 26,000 pounds. If there is no registered gross weight, then the gross vehicle weight rating (GVWR) or gross combination weight rating (GCWR) of the motor vehicle shall be used. 75 Pa.C.S. § 2101.1.

2. What is IFTA?

The International Fuel Tax Agreement (IFTA) was implemented in Pennsylvania in 1996 to allow motor carriers based in Pennsylvania to file one tax return with their base jurisdiction (Pennsylvania) on which the tax due to all jurisdictions would be reported and paid. The carrier only pays the net tax due to all jurisdictions.

3. What is a base jurisdiction?

A base jurisdiction is where one has a physical residence or business, and where the operational records of the licensee's qualified motor vehicles are maintained or can be made available.

IFTA CREDENTIALS/PA ONLY DECALS

1. Do I need an IFTA decal?

Vehicles based and operating in Pennsylvania, and any other IFTA jurisdiction, must display IFTA decals and carry an IFTA license.

2. What if I never travel outside of Pennsylvania?

Operators of vehicles traveling in Pennsylvania ONLY are required to:

- Display a PA Non-IFTA decal and carry a PA Non-IFTA registration card.
- Maintain records of miles traveled in Pennsylvania (miles traveled on the PA Turnpike must also be reported) and fuel purchases by vehicle; and report the total of each for the period July 1 through June 30 to the Department upon renewing a license. Failure to report this information will delay the issuance of decals.

3. What if I only have to travel outside of Pennsylvania once or twice a year. Do I need an IFTA decal?

No, you can contact a permitting service to obtain a trip permit(s). Visit the Department of Revenue's Web site at www.revenue.state.pa.us for a listing of agencies. If you have limited activity outside of Pennsylvania, the Department encourages you to purchase PA Non-IFTA decals.

4. Since I may only travel outside of Pennsylvania once or twice a year, should I register for a PA Non-IFTA decal?

Yes, if you have limited activity outside of Pennsylvania, the Department of Revenue would encourage you to purchase a PA Non-IFTA decal. Carriers with PA Non-IFTA decals do not have to file quarterly tax returns, since all fuel tax is paid at the time of purchase. However, PA Non-IFTA carriers must keep records of the miles traveled and fuel purchased by the gallon. This information must be reported to the Department upon renewing a license.

5. If I sell or trade my truck, are my decals transferable?

No, decals can not be transferred from one vehicle to another or from one company to another. You must remove your decals and keep them with your files for four years for auditing purposes. Once decals are removed from a vehicle they are considered void. You can request an additional decal application by calling 1-800-482-4382.

6. Can I purchase additional decals when I renew my license if I anticipate adding vehicles to my fleet throughout the year?

Yes, you can purchase additional decals, but you must account for all decals. If you purchase additional decals and fail to use them do **NOT** throw them away. Keep the unused decals with your records for four years. If you are selected for an audit, the auditors will reconcile decals purchased with the number of vehicle operations reported on your quarterly IFTA Tax Report. Decals/credentials unaccounted for will result in assessed additional taxable miles on which tax and interest will be due.

7. What if I ordered and received an IFTA decal, and now I have leased-on with a company that provides me with a decal and reports IFTA taxes for me?

Once you establish an IFTA account you must notify the Department's Bureau of Motor Fuel Taxes, in writing, of any account changes. This includes cancellations, address changes, etc. The account is your responsibility. Failure to notify the Bureau of such changes could result in penalties and/or an account suspension. Decals cannot be transferred from one vehicle to another or from one company to another. You must remove your decals and keep them with your files for four years for auditing purposes. Once decals are removed from a vehicle they are considered void. You can request an additional decal application by calling 1-800-482-4382.

REQUIRED RECORD KEEPING, REPORTS AND/OR TAX RETURNS

1. Do I have to report any information to the Department if I have a PA Non-IFTA decal?

Yes, you MUST report your Pennsylvania mileage and fuel purchases for the period July 1 through June 30 to the Department upon renewing your license. Failure to report this information will delay the issuance of your decals.

2. I ordered and received an IFTA decal. Now what?

Once your account has been established, the Bureau of Motor Fuel Taxes will mail you quarterly tax reports. The reports are mailed so that you have them within 30 days of the due date for the timely filing of each quarterly report. Late reports are subject to a penalty of 10 percent of the tax due or \$50, whichever is greater.

3. What information do I need to complete an IFTA tax report?

To complete an IFTA tax report, you will need mileage records for each vehicle that shows the miles traveled in each jurisdiction (**including Pennsylvania and the PA Turnpike**), and your fuel receipts, for each vehicle, showing the gallons and the state in which fuel purchases were made. Records must be kept separate for each quarter and for each fuel type. An acceptable fuel receipt consists of: date of purchase, name of company and address from whom the fuel was purchased, number of gallons purchased, type of fuel, price per gallon and the name and unit number of the trucker/company who purchased the fuel.

4. What if I incurred no mileage for a quarter. Do I still need to file a tax report?

Yes, you MUST file your quarterly report indicating, "no activity". Failure to do so could result in penalties and/or the suspension of your IFTA account.

5. My tax return is showing Total IFTA miles and Total Non-IFTA miles. What is the difference?

All miles traveled on roads in participating IFTA jurisdictions are considered IFTA miles (**including Pennsylvania**). Non-IFTA miles are miles traveled in jurisdictions that do not participate in the IFTA: Washington D.C., Northwest Territories, Yukon Territory, Alaska and Mexico.

6. Can I assume a miles per gallon (MPG) factor?

No, your MPG will fluctuate. Your MPG will be determined by your total miles traveled (for all states) and your total fuel purchased (for all states). **Example:** Total miles 13,256 ÷ Total gallons 2,568 = MPG 5.16.

7. Does the Bureau of Motor Fuel Taxes process the Heavy Highway Use Tax - Form 2290?

No, the federal government, Internal Revenue Service (IRS), processes the Form 2290. Information on the Form 2290 is available on the IRS's Web site at www.irs.gov or call 1-800-829-1040.

8. Does the Bureau of Motor Fuel Taxes regulate apportioned registration?

No, apportioned registration is regulated by the PA Department of Transportation, Commercial Registration Section. Information is available on the Department of Transportation's Web site at www.dot.state.pa.us or call 1-800-932-4600.

9. Where can I find additional information pertaining to Motor Carrier Road Tax and the IFTA?

Additional information is available on the Department of Revenue's Web site at www.revenue.state.pa.us or by calling 1-800-482-IFTA.

PA Dept of Revenue
Bureau of Motor Fuel Taxes
4th & Walnut Street
Harrisburg PA 17128
1-800-482-4382
www.revenue.state.pa.us

PennDOT
Dept of Motor Vehicles
1101 S Front Street
Harrisburg PA 17104
1-800-932-4600
www.dot.state.pa.us

IRS
US 1-866-699-4096
Canada or Mexico
1-859-669-5733
www.irs.gov