INTERNATIONAL FUEL TAX AGREEMENT

Information Handbook

SP 273
(R2/8-14)

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Information About Motor Carrier Services

Motor Carrier Services Division's (MCSD's) One Stop Shop offers the motor carrier industry a variety of conveniences while conducting business with the State of Indiana. The following options illustrate how a motor carrier can submit applications, transactions, permits, and filings for processing by MCSD.

Mail

Customers can mail the necessary documents to the appropriate unit for processing within the One Stop Shop. The following address is the physical location of MCSD. If you receive correspondence from MCSD that includes a self-addressed return envelope, please return mail in the self-addressed envelope provided by MCSD.

Motor Carrier Services Division
ATTN: Fuel Tax Division
7811Milhouse Rd., Suite M
Indianapolis, IN 46241

Please designate the appropriate unit on the attention line (ATTN:) when using the address shown above. Some examples of units are IRP, IFTA/MCFT, DOT, OS/OW Permits.

Customer Service Center

Customers can personally submit the necessary documents to a One Stop Shop professional team member for processing in our facility or use a computer kiosk to submit required paperwork.

The Customer Service Center is located at the physical address shown above. The center is located approximately 2 miles southwest of I-465 on SR67 in the Ameriplex Complex. Center hours are 8:00 a.m. to 4:30 p.m. Monday through Friday, excluding holidays*.

Facsimile

Customers can fax the necessary documents to the appropriate unit within the One Stop Shop. All unit fax numbers and telephone numbers are provided on page 4.

Credentials

Credentials are mailed by Motor Carrier Services; however, customers can designate one of the following options:

- A delivery service (at customer's expense); or
- Pick-up in the One Stop Shop facility.

Carriers can fax credentials to a specific unit. Please refer to the appropriate unit's information handbook for the availability of this option. One Stop Shop forms may be downloaded from the MCSD's webpage located at www.in.gov/dor/4106.htm.

Telephone Numbers

MCSD welcomes any questions or comments. Please contact the appropriate unit at the telephone or fax numbers listed here:

Unit	Telephone	Fax
Accounting	(317) 615-7232	(317) 615-7388
IFTA/Motor Fuel	(317) 615-7345	(317) 615-7333
IRP	(317) 615-7340	(317) 615-7310
Oversize/Overweight	(317) 615-7320	(317) 615-7241
Safety and Insurance	(317) 615-7350	(317) 615-7374
Voice Response Unit	(317) 615-7433	N/A

Holiday Schedule

*The Department of Revenue will be closed in observance of the following:
New Years Day
Martin Luther King, Jr. Day
Good Friday
Memorial Day
Independence Day
Labor Day
Columbus Day
Veterans Day
Thanksgiving Holidays
Christmas Holidays

If any due date falls on a day on which MCSD is closed (including weekends), then the due date defaults to the next business day.

Additional Information

Indiana State Police
Commercial Motor Vehicle Enforcement
7811 Milhouse Rd., Suite S
Indianapolis, IN 46241
(317) 615-7373
(800) 523-2350
Fax: (317) 821-2350
Web address: www.state.in.us/isp/cmv

Mailing Address for IFTA

Indiana Department of Revenue
Motor Carrier Services Division
P.O. Box 6175
Indianapolis, IN 46206-6175

This publication is for informational purposes and is intended to provide nontechnical assistance to the public. Every attempt has been made to provide information that is consistent with the appropriate statutes, rules, and IFTA Articles of Agreement; however, the Indiana Code and the IFTA articles should be consulted for specific concerns, or you should consult your tax attorney.

Introduction

What Is IFTA?

The International Fuel Tax Agreement (IFTA) is an agreement between various taxing jurisdictions of the United States and Canadian provinces. The goal of the member jurisdictions is to simplify the tax licensing and reporting of interstate motor carriers. The purpose of IFTA is to establish and maintain the concept of one fuel use license and one administering base jurisdiction for each license holder (licensee). The member jurisdictions include all of the United States (except Washington, D.C; Alaska; and Hawaii) and all Canadian provinces (except Labrador, Yukon, and the Northwest Territories). Any motor carrier based in Indiana and operating one or more qualified motor vehicles in at least one other IFTA member jurisdiction may file an IFTA license in Indiana.

Is Indiana Your Base Jurisdiction?

Indiana is your base jurisdiction for IFTA licensing and reporting interstate motor carrier activity if:

- Your qualified motor vehicles are IRP registered in Indiana;
- You have an established place of business in Indiana from which motor carrier operations are performed;
- You maintain the operational control and operational records for qualified motor vehicles in Indiana or can make those records available in Indiana; and
- You have qualified motor vehicles that actually travel on Indiana highways.

The following guidelines also apply to IFTA licenses:

- If you have an established place of business in Indiana and have all owner operators leased to you, then you are eligible for an Indiana IFTA license.
- If you are an Indiana resident who is leased onto an out-of-state carrier, you will need proof of your IRP (IRP cab card) if registered in another jurisdiction.
- Farm registered vehicles need an IFTA license only if they are traveling out of Indiana.

The IFTA license offers several benefits to the interstate motor carrier. These include one license, one set of credentials, one quarterly tax report, and one audit in most circumstances. These advantages all lead to cost and time savings for the interstate carrier.

Definitions

Definitions

Audit means a physical examination of the records and source documents supporting the licensee's quarterly tax reports.

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

(1) where operational control and operational records of the licensee's qualified motor vehicles are maintained or can be made available; and

(2) where some travel is accrued by qualified motor vehicles within the fleet.

The commissioner of two or more affected jurisdictions may allow the consolidation of several fleets that would otherwise be based in two or more jurisdictions.

Carrier means a person who operates or causes to be operated a qualified motor vehicle on any highway in Indiana.

Commissioner means the official designated by the jurisdiction to be responsible for the administration of the IFTA.

Department means the Indiana Department of Revenue.

Fleet means one or more vehicles.

IFTA means the International Fuel Tax Agreement.

IRP means the International Registration Plan.

In-jurisdiction distance means the total number of miles or kilometers operated by a registrant's/licensee's qualified motor vehicles within a jurisdiction. In-jurisdiction miles or kilometers do not include those operated on a fuel tax trip permit or those exempted from fuel taxation by a jurisdiction.

Jurisdiction means a state of the United States, the District of Columbia, or a province or territory of Canada.

Lessee means the party acquiring the use of equipment from another, with or without a driver.

Lessor means the party granting the use of equipment to another, with or without a driver.

Licensee means a person who holds an uncanceled IFTA license issued by the base jurisdiction.

Member jurisdiction means a jurisdiction that is a member of the IFTA.

Motor fuels means all fuels used for the generation of power for propulsion of qualified motor vehicles.

Person means an individual, a corporation, a partnership, an association, a trust, or another entity.

Qualified motor vehicle means a motor vehicle used, designed, or maintained for the transportation of persons or property and:

- having two axles and a gross vehicle weight or registered gross weight exceeding 26,000 pounds or 11,797 kilograms; or
- having three or more axles regardless of weight; or

- that is used in combination when the weight of such combination exceeds 26,000 pounds or 11,797 kilograms gross vehicle weight or registered gross vehicle weight. Qualified motor vehicle does not include recreational vehicles.

Recreational vehicle means a vehicle such as a motor home, pickup truck with attached camper, or bus when used exclusively for personal pleasure by an individual. To qualify as a recreational vehicle, the vehicle must not be used in connection with any business endeavor.

Reporting period means a period of time consistent with the quarterly calendar periods of January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31.

Revocation means withdrawal of a license and privileges by the licensing jurisdiction.

Temporary decal permit means a decal permit issued by the base jurisdiction to be carried in a qualified vehicle in lieu of the permanent annual decal. A temporary permit is valid for 30 days and is issued to give the carrier adequate time to obtain and affix the annual permanent decal. The carrier must furnish a valid IFTA license to be used in conjunction with the temporary decal permit.

Total distance means all miles or kilometers traveled during the reporting period by every qualified motor vehicle in the licensee's fleet, regardless of whether the miles or kilometers are considered taxable or nontaxable by a jurisdiction.

Weight means the maximum weight of the loaded vehicle or combination of vehicles during the registration period.

Licensing Procedures

New License Application Procedures

Any motor carrier based in Indiana and operating one or more qualified motor vehicles in at least one other IFTA member jurisdiction may file an IFTA License Application in Indiana. If a carrier qualifies as an IFTA licensee but does not want to participate in the IFTA program, trip permits must be obtained to travel through member jurisdictions, according to the regulation(s) of each member.

A carrier can print an IFTA License Application by going to www.in.gov/dor/mcs and following the link for "Publications." A carrier can also request an application by telephone or walk-in service center or in writing. The IFTA application requests basic information about the carrier and the operations of the carrier.

The carrier must complete and submit the license application and the annual license fee ($25) to the department for processing. If any information is omitted from the license application, the department will contact the carrier. This will create delays in processing the application, so great care should be taken to complete it thoroughly and accurately. After the application is processed, the IFTA credentials will be issued to the carrier.

Credentials

Licensing Procedures

Your IFTA credentials will not be issued if you were previously licensed in another IFTA member jurisdiction and your license is under suspension or has been revoked by that jurisdiction. Also, the department will not issue a license if the license application contains misrepresentations or misstatements or has missing information.

Renewal License Application Procedures

Each year the department will issue you a reminder to file your IFTA license renewal. The renewal application is completed online and must be completed thoroughly and accurately. You must submit it no later than November 1 to ensure that you receive your credentials in a timely manner.

Annual Fee

The annual processing fee is **$25**, and it must be paid online. Acceptable forms of payments are business check, money order, Visa, and MasterCard. After payment has been made, the department will issue, at no additional cost, decals and a license card by mail. The original license card should be retained in your files, and a photocopy should be carried in each qualified motor vehicle operated by the licensee.

Bonding

The department may require an IFTA licensee to post a bond when reports have not been filed timely, when tax has not been remitted, or when an audit indicates problems severe enough that (at the department's discretion) a bond is needed to protect the interests of all member jurisdictions.

IFTA License

The department will issue one license card per carrier. The original license card should be retained in your files, and a photocopy should be made and carried in each qualified vehicle operated by the licensee. If you are found operating a qualified motor vehicle without an IFTA license card, you will be subject to citations and/or fines and will be required to purchase a trip permit. The license card is valid from January 1 through December 31 of the calendar year.

IFTA Decals

The department will issue IFTA decals at no cost, based on the decal order information on the license application. A set of decals will be issued for each qualified motor vehicle. A decal must be placed on the exterior portion of both sides of the cab. IFTA decals are valid from January 1 through December 31 of the calendar year and can be displayed one month prior to the effective date. However, if you choose to display renewal credentials prior to January 1, the current year's license card must also remain in the vehicle until January 1. If you fail to display the IFTA decals properly, you will be subject to citations and/or fines and might be required to purchase a trip permit.

Credentials

Additional decals can be ordered, at no cost, throughout the year simply by contacting the department. Please have your tax identification (TID) number or FEIN available when you call or you can log on to your Fuel Tax Account at https://motorcarrierirp.in.gov/mcsd/mcsdHome.

Temporary Decal Permits

After you have received your original order of credentials from the department, you also can request a Temporary Decal Permit. This temporary permit is valid for 30 days and allows you to place another qualified motor vehicle in service immediately. You can log on to your Fuel Tax Account at https://motorcarrierirp.in.gov/mcsd/mcsdHome to process and print a temporary decal permit. The temporary decal permit and a copy of the original license card should be placed in the vehicle for which the temporary decal was issued. A temporary decal permit will not be issued unless your account is in good standing.

The temporary permit allows the driver to operate a specific vehicle prior to receiving a fuel tax decal from the department. When ordering a temporary permit, the department must have the tax identification number, licensee number, make, year, VIN, unit number, and a fax number. Permanent IFTA decals for the calendar year will be sent to you within 30 days.

Quarterly Reports

All license holders must file an IFTA quarterly tax report. The quarterly tax report is where you calculate the tax due for each member jurisdiction. You should write only one check for the net tax due and make it payable to the Indiana Department of Revenue. Likewise, in the case of a refund(s), you will receive one refund check from the Indiana Department of Revenue. The due date for the quarterly reports is the last day of the month immediately following the close of the quarter for which the report is being filed.

Reporting Quarter Due Date

January - March	April 30
April - June	July 31
July - September	October 31
October - December	January 31

Caution: Your return must be postmarked or hand delivered on or before the due date to be considered timely. If the due date falls on a Saturday, Sunday, or federal observed holiday, the next business day is considered the due date. You will be subject to penalty and interest charges if your return is late.

Tax rates provided with the IFTA quarterly tax report will be current for all member jurisdictions. As tax rates and procedures change, the base jurisdiction will inform licensees.

The following information is reported on your quarterly tax report:

- The total miles (taxable and nontaxable) traveled by qualified motor vehicles in all jurisdictions (IFTA and non-IFTA), including trip permits
- The total gallons of fuel consumed (taxable and nontaxable) by your qualified motor vehicles in all jurisdictions (IFTA and non-IFTA)
- The total miles and taxable miles traveled in each member jurisdiction
- The taxable gallons consumed in each member jurisdiction
- The tax paid gallons purchased in each member jurisdiction

A reminder to file the IFTA quarterly tax report will be sent to the current mailing address or email address on file for all IFTA license holders at least 30 days prior to the due date. If you have changed your address, it is your responsibility to notify the department of your new address. This includes your email address. Failure to receive the remind notice does not relieve you from reporting obligations. Quarterly tax reports may be obtained by contacting the department. **A quarterly tax report must be filed even if the licensee does not operate in any IFTA member jurisdiction or purchase any taxable fuel in a particular quarter.**

Reporting Requirements

Measurement Conversion Table

Indiana IFTA licensees are required to report based upon United States measurements. Metric conversion rates are as follows:

- 1 Gallon = 3.785 Liters
- 1 Liter = .2642 Gallons
- 1 Mile = 1.6093 Kilometers
- 1 Kilometer = .62137 Miles

All numbers must be rounded to the nearest whole gallon or mile.

Penalty and Interest

When a licensee fails to file a tax report, files a late tax report, or fails to remit full payment of the tax due, the licensee is subject to penalty and interest. The penalty is the greater of $50 or 10% of the net tax due to all member jurisdictions.

Interest accrues at a variable rate; to get the current rate, please contact the department. The interest should be calculated from the date the tax was due for each month, or fraction thereof until the month that the tax is paid. Unlike penalty, interest is computed on the tax due each member jurisdiction.

Assessments for Failure to File Reports

If the license holder fails, neglects, or refuses to file an IFTA Quarterly Tax Report, the licensee will be assessed the tax, penalty, and interest. This assessment will be based on the best information available, including the licensee's past filing history. In the absence of adequate records, a standard of four miles per gallon will be used to determine fuel consumption and miles traveled. A $300 civil penalty for each unfiled report will also be issued. The burden of proof remains with the licensee to show that the assessment is incorrect.

Lease Agreements

Lease Agreements

Every qualified motor vehicle leased to a carrier is subject to the IFTA requirements to the same extent and in the same manner as a qualified motor vehicle owned by that carrier. The most common questions and areas of confusion surround the issue of **who** is liable for the tax and reporting.

Consequently, the following guidelines are established based on the type of business activity *and* the type of lease:

Rental and Leasing – Long-Term Leases: Generally, a lessor regularly engaged in the business of leasing or renting motor vehicles without drivers is considered to be the responsible party and may be issued a license if an application has been properly filed and approved. The exception to this is in the case of certain short-term leases, explained in the following.

Rental and Leasing – Short-Term Leases: In the case of a lessor regularly engaged in the business of leasing or renting motor vehicles without drivers to others for 29 days or less, the lessor must report and pay the fuel use tax *unless* both of the following two conditions are met:

- The lessor has a written rental contract that designates the lessee as the party responsible for reporting and paying the fuel use tax; and
- The lessor has a copy of the lessee's IFTA fuel tax license that is valid for the term of the rental.

Household Goods Carriers: In the case of household goods carriers using independent contractors, agents, or service representatives under intermittent leases, the party responsible for motor fuel use tax is one of the following:

- The lessee (carrier) is responsible if the qualified motor vehicle is being operated under the lessee's jurisdictional operating authority. The base jurisdiction for IFTA tax reporting purposes is the base jurisdiction of the lessee (carrier) regardless of where the vehicle is registered for vehicle registration purposes by the lessor or lessee.

- The lessor (independent contractor, etc.) is responsible if the qualified motor vehicle is being operated under the lessor's jurisdictional operating authority. The base jurisdiction, for IFTA reporting purposes, is the base jurisdiction of the lessor, regardless of where the vehicle is registered.

Independent Contractors – Short-Term Leases: In the case of a carrier using independent contractors under short-term leases of 29 days or less, the lessor will report and pay all fuel use taxes.

Independent Contractors – Long-Term Leases: In the case of a carrier using independent contractors under long-term leases (30 days or more), the lessor and lessee will be given the option of designating which of them will report and pay the motor fuel use tax.

If there is no written agreement or contract, or if the written document is silent regarding responsibility for reporting paying fuel use tax, the lessee will be responsible for reporting and paying fuel use tax. If the lessee (carrier) assumes responsibility through a written agreement or contract, the base jurisdiction for IFTA tax reporting purposes will be the base jurisdiction of the lessee, regardless of where the vehicle is registered for vehicle registration purposes by the lessor.

In addition to the previous guidelines for leases, no member jurisdiction will require the filing of such leases, but the leases must be made available upon request by any member jurisdiction.

Proportional Use Credit

Certain vehicles may qualify for a proportional fuel use credit. Any carrier that files an IFTA/Motor Carrier Fuel Tax return and has a vehicle(s) equipped with a power take-off (PTO) unit must be certified by the department to qualify for claiming a proportional use credit. The credit applies only to gallons consumed in Indiana. Carriers must maintain adequate records to support the credit and must file a claim for proportional use credit (MCS-1789). **Caution:** This claim and subsequent credit cannot be claimed on the quarterly return; an MCS-1789 must be submitted with the quarterly return.

To become certified, the carrier must complete the Proportional Use Credit Certification (PROP-1) and remit a onetime fee in the amount of $7. The carrier must be certified before April 1 of the current calendar year to claim a proportional use credit for the first quarter of the same year. The Claim for Proportional Use Credit (MCS-1789) must be filed with the quarterly tax return. The quarterly tax returns must be submitted with the proper payment and filed timely.

Filing quarterly tax returns late (the due date is shown on the tax return) or failing to submit the quarterly tax return (MCFT-101 or IFTA-101) with payment will result in denial of your claim for credit.

A non-Indiana carrier must submit a copy of the quarterly tax return filed in the carrier's base state, along with the Claim for Proportional Credit form (MCS-1789). No claim for credit forms can be processed without the quarterly tax return for the tax quarter in which the proportional claims are being made.

Tax-exempt Miles

IFTA Trip Permit miles traveled in other jurisdictions are generally exempt on the IFTA return. However, IFTA recognizes that some jurisdictions have unique economic and geographic characteristics that have given rise to various definitions of tax-exempt miles. Questions concerning the exemptions in specific jurisdictions should be directed to that specific jurisdiction. A listing of all IFTA jurisdictions and their telephone numbers is provided on pages 18 and 19.

Refunds

The most common cause of an overpayment is when tax paid fuel is used outside the jurisdiction where the fuel was purchased. On your quarterly report, any credits of this nature will first be used to offset liabilities in other jurisdictions. If a credit amount still remains, the refund of overpaid tax must be claimed on the IFTA quarterly tax report for the period in which the overpayment occurred. Your refund will be issued after the department determines that all tax liabilities, including any outstanding audit assessments, or other Department of Revenue tax types have been satisfied. A refund request may be denied if you are delinquent in filing any quarterly tax report(s).

No overpayments can be carried forward to future filings; all overpayments must be refunded in the quarter in which they occurred. The statute of limitations for filing a claim for refund is three years from the end of the calendar year containing the overpayment. For example, if an overpayment occurred in the second quarter of 2011, the last date on which a refund can be claimed is Dec. 31, 2014.

Status Changes to Licenses

License Cancellation

An IFTA license may be cancelled at the request of the licensee, provided all reporting requirements and tax liabilities to all member jurisdictions have been satisfied. The cancellation box on the final IFTA quarterly tax report can be checked to indicate the end of operations under IFTA. The license also can be cancelled by sending a written request for cancellation. Upon cancellation, you must return the original IFTA license and all unused IFTA decals to the department. A final audit may be conducted by any member jurisdiction upon cancellation of an IFTA license. The record retention period of four years from the due date of the final quarterly tax report applies. **Caution:** Simply not renewing your license does ***not*** mean that your license will be cancelled.

License Revocation

An IFTA license may be revoked for failure to comply with any of the provisions of the IFTA agreement, such as but not limited to:

- Failure to file an IFTA quarterly tax report;
- Failure to remit all taxes due to all member jurisdictions; or
- Failure to pay and/or protest an audit assessment within the established time period.

The department will notify the Indiana State Police and all member jurisdictions when a revocation has occurred or has been released.

License Reinstatement

The department may reinstate a revoked IFTA license after the licensee holder files all required reports and remits all outstanding liabilities to all member jurisdictions. The department may require an IFTA licensee to post a bond in an amount sufficient to satisfy any potential liabilities of all member jurisdictions. The license reinstatement fee is $25.

Record Keeping Requirements

It is the license holder's responsibility to maintain records of ***all*** interstate and intrastate operations of qualified motor vehicles. The records must support the information reported on the quarterly tax report. The Individual Vehicle Mileage Record (IVMR), as required for the International Registration Plan, is an acceptable source document for recording vehicle distance information. Another acceptable source document is a trip report that must include the following:

- The starting and ending dates of the trip;
- The trip origin and destination, including city and state;
- The routes of travel and/or beginning and ending odometer readings;
- The total trip miles or kilometers;
- The distance by jurisdiction;

- The vehicle unit number;
- The vehicle fleet number; and
- The licensee's name.

Quarterly odometer readings are also an acceptable method to record miles for interstate operations.

Part of your recordkeeping must include quarterly recaps for each vehicle. These summaries should contain at least the following information, *per vehicle*:

- Both taxable and nontaxable use of fuel;
- Distance traveled for taxable and nontaxable use; and
- Distance recaps for each vehicle *for each jurisdiction* in which the vehicle is, or was, operated.

Onboard recording devices may be used, at the option of the carrier. However, onboard recording devices must meet the requirements set forth in the IFTA articles.

Contact the Motor Carrier Services Division for more details.

Fuel Receipts

The license holder must maintain complete records of all fuel purchases. Separate totals must be compiled for each fuel type. Fuel types include gasoline, gasohol, diesel, kerosene, liquefied petroleum gas (LPG), and compressed natural gas (CNG). The fuel records must contain the following:

- The date of the purchase;
- The name and address of the seller;
- The number of gallons or liters purchased;
- The type of fuel purchased;
- The price per gallon or liter or total amount of sale;
- The unit number of the vehicle into which the fuel was placed;
- The purchaser's signature;
- The type of fuel purchased;
- The price per gallon or liter or total amount of sale;
- The unit number of the vehicle into which the fuel was placed; and
- The purchaser's signature.

Acceptable fuel receipts include an invoice, a credit card receipt, or an automated vendor-generated invoice or transaction listing showing evidence of the purchase and the taxes paid. These records can be kept on microfilm/microfiche or another computerized or condensed record storage system that meets department requirements. Receipts that contain alterations or erasures will not be accepted by the department.

Bulk Fuel Storage

A license holder who maintains a bulk fuel storage facility can obtain credit for tax paid on fuel withdrawn from that storage facility if the following records are maintained:

- The date of withdrawal;
- The number of gallons or liters withdrawn;
- The fuel type;
- The unit number of the vehicle into which the fuel was placed (this must include all vehicles, both subject and non-subject); and
- The purchase and inventory records to substantiate that tax was paid on all bulk fuel purchases.

Record Retention Period

Adequate recordkeeping is important when seeking a refund or credit for tax paid fuel and is equally important to the department to ensure compliance with the reporting and payment of all tax liabilities. The license holder must maintain records to substantiate information reported on the quarterly tax report. These records must be maintained for a period of four years from the due date of the return or the date that the return was filed, whichever is later. Records must be made available upon request by any member jurisdiction. Failure to provide records demanded for the purpose of an audit extends the statute of limitations until the records are provided.

Penalty for Failure to Maintain Records

You must retain the previously described records for a period of four years from the date of filing the quarterly tax report. Noncompliance with any recordkeeping requirement may be cause for revocation of your license. Also, the department may impose a penalty of 100% of the amount of tax due based on an estimated assessment.

Location of Records

Your records should be maintained at an Indiana location. If these records are not maintained in Indiana or are not made available in Indiana, the auditor's travel expenses will be billed to you upon completion of the audit. The purpose of an IFTA audit is the verification of fuel and mileage data reported on the IFTA quarterly tax reports. The department will audit IFTA licensees on behalf of all member jurisdictions.

The Audit and Appeals Process

Audit Selection

According to the IFTA AGREEMENT, the department is obligated to audit 15% of its IFTA accounts at least once every five years. Any Indiana IFTA licensee may be selected for audit; however, 15% of audits will be selected from the smallest licensees and 25% will be selected from the largest licensees. Unless problems are discovered on the quarterly returns, audits are selected randomly.

Notification of Audit Date

Prior to conducting an IFTA audit, an auditor will contact you by telephone to arrange an acceptable date to begin the audit. At that time, the auditor will outline the time period to be audited and the records to be reviewed. To confirm the audit date, the auditor will send a follow-up letter detailing the audit date, time periods to be audited, and record requirements. When operational records are not located or made available in Indiana, the auditor's travel expenses will be billed to you upon completion of the audit.

The Audit Conferences

At the beginning of the audit, the auditor will confer with you to determine background information, reporting methods, and records to be reviewed. As the audit progresses, the auditor will discuss with you the sample periods, the sampling techniques, and any problem areas. A final conference will be held with you to explain the audit adjustment and future reporting practices.

The Audit Results

An audit report will be sent to you after the written copy of the audit is processed through the department's audit review and billing processes. You will have 30 days to submit a payment or to file a protest on an audit assessment. If a refund is due, it will be issued after any outstanding tax liabilities have been offset or satisfied. The department will submit audit reports to all member jurisdictions. You may be subject to a re-examination of the audit findings by any member jurisdiction. A member jurisdiction may re-audit a licensee, at its own expense, after notifying the base jurisdiction and the licensee of reasonable cause for the re-audit.

30-day Protest Period

You may appeal an audit finding issued by any member jurisdiction by sending a written request for a hearing within 30 days of receipt of the original notice of tax due. If the hearing is not requested within 30 days, you have forfeited your protest period and the audit finding is final.

To protest an audit finding within 30 days of receipt of the original notice of tax due, your written protest should include the taxpayer's name, address, and tax identification number and a copy of the audit assessment. You should include a written explanation of your objections to the audit findings, and you should state that you would like a hearing. The department may contact you to gather information and clarify issues prior to the hearing.

Hearing Procedure

If you protest the assessment within 30 days and request a hearing, the department will send written notice of the date, time, and place of the hearing at least 20 days prior to the hearing date. The hearing will be held in a timely manner but can be rescheduled for a reasonable cause shown by either party. The department will participate in the appeal process on behalf of all member jurisdictions. You may appeal in person and/or be represented at the hearing. However, a person may not represent you unless either you are present at all times or the person representing you has a properly executed power of attorney.

Notification of Hearing Results

The department will notify you in writing of the findings and rulings on the appeal. You may request a supplemental audit from any member jurisdiction if you object to the findings of the department. The requested member jurisdiction may accept or deny the request.

The Tax Court

If all administrative remedies have been exhausted and you are not satisfied with the department's findings, an appeal may be filed with the Indiana Tax Court. The Indiana Tax Court will hear the case as if no action had been taken by the department. Therefore, the Indiana Tax Court will hear and consider all evidence presented by the parties.

IFTA Jurisdiction Membership List

The member IFTA jurisdictions are

Alabama	(334) 242-9621
Alberta, Canada	(780) 644-4122
Arizona	(602) 712-7626
Arkansas	(501) 683-4175
British Columbia, Canada	(250) 387-0635
California	(916) 373-3012
Colorado	(303) 205-8205
Connecticut	(860) 541-3222
Delaware	(302) 744-2702
Florida	(850) 617-3002
Georgia	(404) 417-6704
Idaho	(208) 334-7830
Illinois	(217) 785-6652
Indiana	(317) 615-7345
Iowa	(515) 237-3239
Kansas	(785) 291-3658
Kentucky	(502) 564-9900 (ext. 4103)
Louisiana	(225) 219-7656
Maine	(207) 624-9000 (ext. 52136)
Manitoba, Canada	(204) 945-3194
Maryland	(410) 260-7216
Massachusetts	(617) 887-5080
Michigan	(517) 636-6230
Minnesota	(651) 205-4566
Mississippi	(601) 923-7151
Missouri	(573) 751-0061
Montana	(406) 444-7248
Nebraska	(888) 622-1222 or (402) 471-4435
Nevada	(775) 684-4711
New Brunswick, Canada	(506) 453-3029
Newfoundland, Canada	(709) 729-2770
New Hampshire	(603) 223-8079
New Jersey	(609) 633-9407
New Mexico	(505) 476-1551
New York	(518) 591-3091
North Carolina	(919) 707-7500
North Dakota	(701) 328-2928
Nova Scotia, Canada	(902) 424-2850
Ohio	(614) 644-1244
Oklahoma	(405) 522-4527
Ontario, Canada	(905) 440-4186 or (905) 433-6972
Oregon	(503) 373-1987
Pennsylvania	(717) 787-3644
Prince Edward Island, Canada	(902) 368-6577
Quebec, Canada	(418) 652-4382
Rhode Island	(401) 574-8788
Saskatchewan, Canada	(306) 787-6632
South Carolina	(803) 896-2694
South Dakota	(605) 773-4109

Tennessee	(615) 399-4259
Texas	(512) 463-6056
Utah	(801) 297-6887
Vermont	(802) 828-2070
Virginia	(804) 249-5130
Washington	(360) 664-1868
West Virginia	(304) 926-0799 or (800) 542-1902
Wisconsin	(608) 266-9900
Wyoming	(307) 777-4827

Note: You are responsible for contacting the other IFTA jurisdictions for specific tax information.