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## Introduction

Michigan is a member of IFTA (International Fuel Tax Agreement). All 48 states in the continental United States and most Canadian provinces are members of IFTA.

Participation in this agreement is a benefit to the interstate motor carriers and the participating jurisdictions. The primary advantage is that an interstate motor carrier can acquire IFTA credentials from their base jurisdiction and file one fuel tax return with that jurisdiction. Prior to IFTA, a motor carrier had to acquire credentials from each jurisdiction they operated in and file a separate return with each jurisdiction.

## What's New?

Effective September 1, 2006, Michigan's Legislature amended our Motor Carrier Fuel Tax Act. They reduced the fuel tax rate for motor carriers consuming **biodiesel** in their qualified motor vehicles. The rate was reduced by 3 cents per gallon. The diesel blend must be at least 5% biodiesel to qualify for the rate reduction.

You must keep track of your biodiesel consumption in this state plus purchases of biodiesel in this state and other jurisdictions to take advantage of the reduced tax rate on biodiesel.

For updates visit our IFTA tax information Web site at [www.michigan.gov/businessstaxes](http://www.michigan.gov/businessstaxes). Click on the IFTA/Motor Carrier Taxes Link.

## Contact Information

### Phone Numbers

Telephone assistance is available Monday through Friday from 8 a.m. to 4:45 p.m.

Questions regarding IFTA Fuel Tax:

Licensing: (517) 636-4580

Reporting: (517) 636-4580

Fax: (517) 636-4593

Deaf, hearing, or speech-impaired persons should call (517) 636-4999 (TDD).

Blank forms are available on the Internet at [www.michigan.gov/businessstaxes](http://www.michigan.gov/businessstaxes). Click on the IFTA/Motor Carrier Taxes link, or call (517) 636-4580.

The Taxpayer Advocate's telephone number is (517) 636-4001.

### **Address**

Michigan Department of Treasury  
Customer Contact Division, Special Taxes  
P.O. Box 30474  
Lansing, Michigan 48909-7974

**IFTA fuel tax license applications and fuel tax returns should be mailed to the address printed on the form.** All other correspondence may be sent to the above address.

## **Definitions Motor Carriers Should Know**

**The IFTA Account number** is one of the following:

- Federal employer identification number (FEIN).
- Social security number of an officer, partner or owner if the company does not have an FEIN.
- Michigan's IFTA account number is preceded by MI and ends with two numbers which are the fleet designators. The fleet designator identifies the location of the fleet.

Treasury issues a TR number if the motor carrier's primary IFTA number is a social security number and the entity does not have an FEIN. TR numbers are primarily for internal use. TR numbers will be used for billing purposes if the Department has to issue an assessment for an amount due.

**Audit.** The physical examination of a licensee's records and source documents to determine if they support the information reported on the tax return.

**Base jurisdiction.** The member jurisdiction where (1) qualified motor vehicles are based for vehicle registration purposes, (2) operational control and opera-

tional records of the licensee's qualified motor vehicles are maintained or can be made available and; (3) some travel is accrued by qualified motor vehicles within the fleet. The commissioners of two or more affected jurisdictions may allow a person to consolidate several fleets that would otherwise be based in two or more jurisdictions.

**Cancellation.** Annulment of a license and its provisions by either the licensing jurisdiction or the licensee.

**Fleet.** One or more vehicles.

**In-jurisdiction distance.** Total number of miles or kilometers driven by a licensee's qualified motor vehicles within a jurisdiction. In-jurisdiction distance does not include miles or kilometers of vehicles operated on fuel tax trip permits, or those exempted from fuel taxation by a jurisdiction.

**Jurisdiction.** A state of the United States of America, the District of Columbia, a province or territory of Canada, or a state of the United Mexican States.

**Licensee.** A person who holds an uncancelled Agreement License issued by a base jurisdiction.

**Motor fuel.** All fuels placed in the supply tank of qualified motor vehicles.

**Non-qualifying motor vehicle.** A vehicle that cannot register with IFTA for fuel tax reporting purposes. Any vehicles operating interstate which do not meet the weight or axle requirements, or recreational vehicles are non-qualifying vehicles. A recreational vehicle is a vehicle used for personal pleasure by an individual and not used in a business endeavor.

**Qualified motor vehicle.** Qualified Motor Vehicle means a motor vehicle used, designed or maintained for transportation of persons or property and, (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) Is used in combination, when the weight of such combination exceeds 26,000 pounds or 11,797 kilograms gross vehicle or

registered gross vehicle weight. Qualified motor vehicle does not include recreational vehicles.

**Revocation.** Withdrawal of the license and privileges by the licensing jurisdiction.

**Total distance.** All miles and kilometers traveled during the reporting period by every qualified vehicle in the licensee's fleet, regardless of whether the miles or kilometers are considered taxable or non-taxable by a jurisdiction.

## **IFTA Licensing; Temporary Permits, Trip Permits, Cancellation of License and Quitting Business**

### ***IFTA Licensing***

Persons operating qualified motor vehicles between IFTA member jurisdictions must have the proper IFTA credentials and these credentials must be renewed annually. A motor carrier is encouraged to apply for their credentials as early as possible. The renewal application must be filed no later than December 1 to ensure timely licensing. Prior year decals may be displayed until the last day of February in the current license year. All activity under this grace period must be reported. Credentials consist of a license and one set of fuel decals for each qualified motor vehicle operated between member jurisdictions.

***IFTA Credentials (License and Decals):*** There are no licensing fees for the IFTA fuel tax license and fuel decals issued by this jurisdiction. Michigan issues one license to a motor carrier and it is the responsibility of the motor carrier to make copies of this license and place a copy in the cab of every qualified motor vehicle operating interstate. Decals must be affixed to 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. Qualified motor vehicles operated by more than one IFTA licensee during the license year may display IFTA decals for each active licensee concurrently.

Motor carriers are encouraged to order only the number of decal sets they will need. **In case of an audit, the motor carrier must provide a satisfactory explanation as to the use of all decals issued to their account.**

**The IFTA fuel tax license and decals are not transferable.**

First time licensees or licensees who were not licensed for IFTA fuel taxes in the previous quarter must complete application form 2823, *Michigan IFTA Fuel Tax License Application*. Licensees obtaining additional fuel decals during a quarter will also use this form. Blank forms are available on the Internet at [www.michigan.gov/businessstaxes](http://www.michigan.gov/businessstaxes). Click on the IFTA/Motor Carrier Taxes link or call (517) 636-4580. **Incomplete applications will result in delays longer than 30 days or denial of the applicant's IFTA license.**

Complete sections 14 and 15 of the application to the best of your knowledge. This information will be used to prepare your pre-identified IFTA fuel tax reports.

**Applications will not be processed if section 22a and 22b are incomplete;** attach additional sheets if necessary. Completion of these sections is necessary because of Michigan's statutory provisions for officer liability.

If a motor carrier had a Michigan IFTA license in the previous year, Treasury will mail them Form 3014, *Renewal Application for Michigan IFTA Fuel Tax License*. This form will be mailed approximately two months before the new license year begins. Motor carriers are encouraged to complete this application and return it as soon as possible to ensure that they have their license and decal sets before the new license year begins. **Incomplete applications will result in delays longer than 30 days or denial of the applicant's IFTA license.**

**Motor carriers operating qualified motor vehicles, which are not properly licensed when the new license year begins, will be cited by law enforcement authorities.**

**Temporary Permits:** Upon request, the Department will issue Form 2873, *Michigan Temporary Permit*, to a motor carrier who is already licensed for the tax year. The temporary permit is used in lieu of a motor carrier's fuel decals until they are received in the mail. A temporary permit is valid for 30 days and is vehicle specific. There is no charge for a temporary permit. This permit must be carried in the vehicle operating under the permit so law enforcement personnel can verify the motor carrier's licensing status. Temporary permits are available at [www.michigan.gov/businessstaxes](http://www.michigan.gov/businessstaxes), then click on the IFTA/Motor Carrier Taxes link. Form 2873 must be accompanied by a completed Form 2823 (Michigan IFTA Fuel Tax License Application) or it cannot be processed. The completed permit and application can be faxed to (517) 636-4593. The Special Taxes Section must authorize temporary permits before they are valid.

**Trip Permits:** Motor carriers who only occasionally travel interstate may find it advantageous to use a trip permit. Under a trip permit, the motor carrier does not have to report the vehicular activity on a tax return. The cost of the trip permit covers the Motor Carrier's Michigan liability for the duration of the permit. Trip permit requirements and costs vary from jurisdiction to jurisdiction. Michigan's trip permits cost \$20.00 plus any fees charged by the permitting service. Michigan's trip permits are valid for 5 consecutive days. A motor carrier can only obtain 3 Michigan trip permits during a calendar year. After that they must license under IFTA if they intend to operate in this jurisdiction. A trip permit is specific to one vehicle only. It is the responsibility of the motor carrier to determine the trip permit requirements of each jurisdiction in which they intend to operate. Contact information for each jurisdiction can be obtained on the IFTA, Inc. Web site at [www.iftach.org](http://www.iftach.org). Information for obtaining Michigan Trip Permits can be obtained by calling (517) 636-4580.

**Cancellation of License:** If a motor carrier ceases operating his/her interstate "qualified motor vehicles" he/she must cancel the IFTA fuel tax license. The motor carrier shall destroy their IFTA license and remove all decals and copies of the license from its

qualified motor vehicles. All unused decals shall be returned to the Department. When the motor carrier files his/her final fuel tax return he/she must check the box labeled cancel license. **Failure to follow this procedure will result in the issuance of computed assessments to the motor carrier's account.**

**Quitting Business:** If a motor carrier has ceased all business operations, he/she must file Form 163, *No-tice of Change or Discontinuance* with Treasury. These forms are available by calling (517) 636-4660 or by visiting [www.michigan.gov/businessstaxes](http://www.michigan.gov/businessstaxes) and click on the Register for Michigan Taxes link.

## Record Keeping, Fuel Tax Reporting, Regulated Fuel Types, Exempt Vehicles and Buses

### *Record Keeping*

Motor carriers licensed for fuel tax reporting must keep records of mileage (taxable and exempt) and fuel purchases for each member jurisdiction in which they operate. This information is necessary to prepare the quarterly IFTA fuel tax return. **Failure to keep adequate records is the primary reason motor carriers are assessed large deficiencies in an audit. The IFTA Audit Manual provides for a 4-miles-per-gallon fleet average mileage in the absence of adequate records or other substantial evidence to the contrary.**

Records must be maintained for a period of four years from the due date of the fuel tax return or the date the return was filed, whichever is later. Records may be maintained on paper, microfilm, microfiche, digital imaging or other means of storage which have been **approved, in writing**, by Michigan Department of Treasury.

In general, operational records must be made available in the jurisdiction in which a motor carrier is based. If the motor carrier's operational records are not available in the base jurisdiction and the base jurisdiction's auditors must travel to where such records are maintained, the base jurisdiction may require the licensee to pay the base jurisdiction per diem

and travel expenses incurred by the auditor(s) in performance of such an audit.

*Mileage Records:* Total miles reported on the IFTA fuel tax return must include taxable and tax-exempt mileage. Mileage which is exempt from taxation varies from jurisdiction to jurisdiction. Licensees can get exempt mileage information on the IFTA, Inc. Web site at [www.iftach.org](http://www.iftach.org) or by contacting the individual jurisdictions. Motor carriers based in U.S. jurisdictions must report mileage in U.S. measurements.

Mileage conversion table:

One Mile = 1.6093 Kilometers  
One Kilometer = 0.62134 Miles

A motor carrier's daily vehicle mileage and fuel report is approved as a mileage source document if properly completed. Trip reports must include the following:

- Date of trip (starting and ending dates).
- Trip origin and destination.
- Routes of travel (list the highway used when leaving and entering the jurisdiction).
- Total trip miles (beginning and ending odometer or hubometer reading by vehicle and by quarter).
- Mileage by jurisdiction (odometer or hubometer readings at each jurisdiction line).
- Power unit number or vehicle identification number (VIN).
- Fleet number to which vehicle is assigned.
- Motor carrier fuel tax licensee's name.

*Fuel Purchase Records:* A motor carrier must have adequate records to support their tax-paid fuel credit on the IFTA fuel tax return. **If tax-paid documentation is unavailable, all claims for tax-paid fuel will be disallowed.** Motor carriers based in U.S. ju-

risdictions must report fuel quantities in U.S. measurements.

Quantity Conversion Table:

One Gallon = 3.785 Liters  
One Liter = 0.2642 Gallons

*On the Road Purchases of Fuel Into Qualified Motor Vehicles:* It is very important to obtain a properly prepared invoice from the fuel vendor. Fuel receipts which do not meet the following standards may be disallowed as tax-paid credits in an audit. The standards are:

- a. Date of purchase.
- b. Seller's name and address.
- c. Number of gallons or liters purchased.
- d. Fuel type purchased.
- e. Fuel tax paid per gallon or liter.
- f. Price per gallon or liter or total amount of sale.
- g. Base plate number of vehicle being fueled and the two-letter designation of the jurisdiction that issued the fuel decals. For example, the two-letter designation for Michigan is (MI), Ohio (OH) and Ontario (ON).
- h. Purchaser's name. In an equipment lease agreement fuel receipts can be in the name of either party, provided a legal connection can be made between the reporting party and the other party.

Fuel purchases must be supported with original receipts or invoices, credit card receipts or microfilm or micro fiche images of receipts or images of receipts created by a method approved by the Department. *The Department will not accept altered or erased receipts to support a claim of tax paid purchases.*

Motor carriers who have bulk storage facilities in the State of Michigan must maintain bulk storage acquisition and withdrawal records. The withdrawal records must contain the following information:

1. Date of withdrawal from storage.
2. Number of gallons withdrawn.
3. Fuel type withdrawn. Each fuel type must be accounted for in the motor carrier's records.

- 4. a. If the vehicle being fueled is a **qualified motor vehicle**, the unit number or base plate number of the vehicle being fueled and the two-letter designation of the jurisdiction that issued the fuel decals must appear in the records.
- b. If the vehicle being fueled is **not a qualified motor vehicle**, the unit number of the vehicle or base plate number will suffice for the records.

Michigan’s IFTA audit staff will not allow a credit for fuel purchases without a valid purchase receipt. Disbursements from bulk storage facilities must be supported by adequate withdrawal records.

**Fuel Tax Reporting**

New licensees will receive pre-identified fuel tax returns based on information provided on the original application (Form 2823, *Michigan IFTA Fuel Tax License Application*). Motor carriers licensed previously will receive pre-identified fuel tax returns based on their prior activity.

A motor carrier’s fuel tax return consists of a cover sheet (IFTA-100), schedules (IFTA-101) and a rate chart (IFTA-105).

If a jurisdiction is listed on the IFTA-101 that a motor carrier did not operate in, leave the fields blank. If a motor carrier operated in a jurisdiction that is not pre-identified on the IFTA-101, record that jurisdiction's information on the form.

**Regulated Fuel Types:** Fuel types regulated under IFTA vary from jurisdiction to jurisdiction. Michigan only requires reporting of diesel and biodiesel consumed in this jurisdiction on the IFTA fuel tax return. However, Michigan does collect the fuel tax for other jurisdictions. If a motor carrier based in this jurisdiction consumes a fuel type in a jurisdiction that regulates that fuel type under IFTA, it must be reported. Fuel types currently regulated by IFTA jurisdictions are as follows:

- A-55
- Biodiesel
- Diesel
- E-85

- Ethanol
- Gasohol
- LNG
- M-85
- Methanol
- Motor Fuel Gasoline
- Natural Gas (CNG)
- Propane (LPG)

**Exempt Vehicles:** Michigan exempts from regulation under the Motor Carrier Fuel Tax Act vehicles owned by this state, a political subdivision of this state, or the federal government; or a qualified motor vehicle owned by or leased and operated by a non-profit private, parochial, or denominational, school, college, or university; or a public school, college, or university.

The above vehicles may not be exempt from fuel taxes in other jurisdictions. Therefore, when these vehicles operate between Michigan and another IFTA jurisdiction the motor carrier will need to contact the other jurisdiction as to their requirements.

**Buses:** Buses are defined as vehicles, which transport 10 or more passengers and operate under a certificate of authority or other qualifying certificate.

Michigan law requires that bus companies pay the diesel fuel tax when fueling their motor coaches and other highway vehicles or acquiring fuel into their bulk storage facilities. It should be noted that bus companies can no longer place dyed diesel fuel in their highway vehicles, as it is a violation of federal law.

Bus companies file their IFTA fuel tax returns in the same manner as any other motor carrier. They must include all the mileage and fuel purchases for qualifying vehicles in the Michigan column of their IFTA fuel tax return. However, Michigan Law does treat the taxation of diesel fuel consumed in their motor coaches differently. Fuel acquired in Michigan and

consumed in Michigan, in a motor coach, qualifies for a refund of the diesel fuel tax. Fuel acquired in Michigan and consumed elsewhere, in a motor coach, does not qualify for a refund of the diesel fuel tax.

You must file form 4338 with the State of Michigan to receive a refund for any overpayment on your IFTA fuel tax return.

## **Payment of Tax, Late Payment Penalty and Interest, Refunds and Assessments, Appeal Rights, License Revocation and License Reinstatement**

### ***Payment of Tax***

The quarterly fuel tax returns are due on the last day of the month following the end of the quarter. Returns are due as follows:

1 <sup>st</sup> Quarter	April 30
2 <sup>nd</sup> Quarter	July 31
3 <sup>rd</sup> Quarter	October 31
4 <sup>th</sup> Quarter	January 31

If the due date falls on a Saturday, Sunday or legal holiday, the return is due the next business day.

A fuel tax return and payment are considered timely filed if the envelope the fuel tax return and payment were mailed in is **metered by or canceled by the U.S. Postal Service or the Canadian Post or Delivery Service or postage was metered by the motor carrier on or before the due date of the return.**

### ***Late Payment Penalty and Interest***

Motor carriers must file fuel tax returns timely to avoid late payment penalty and interest charges.

The IFTA Articles of Agreement provide for a late payment penalty in the amount of \$50 or 10 percent of the tax due, whichever is greater.

In addition, Michigan's Revenue Act provides for a failure to pay penalty. Section 24 states, "Except as provided in subsections(3) and (6), if a taxpayer fails or refuses to file a return or pay a tax within the time

specified for notices of intent to assess issued after February 28, 2003, a penalty of 5 percent of the tax shall be added if the failure is for not more than 2 months, with an additional 5 percent penalty for each additional month or fraction of month during which the failure continues or the tax and penalty is not paid, to a maximum of 25 percent." **Prior to February 28, 2003 the maximum penalty charge was 50 percent.**

Interest is charged at 1 percent per month or portion of a month. The annual rate is 12 percent. Interest on the IFTA-101 is calculated on the amount of tax due to each individual jurisdiction and not the net amount of tax due.

### ***Refunds and Assessments***

If the Department discovers an error on a fuel tax return which results in an additional credit, the credit may be applied to any existing liabilities. If not, it will be carried forward or refunded. A refund must be requested on the appropriate line on the return.

If the Department discovers an error which results in additional tax due and no credits are available, a billing letter will be issued.

### ***Appeal Rights***

If the motor carrier does not agree with an intent to assess, reduction in refund, or denial of refund, he/she has 60 days from the date of notification to request an informal conference.

If the Office of Hearings grants an informal conference, the motor carrier will be notified of the time and place of the conference.

If the motor carrier fails to request an informal conference within the 60-day time limit, the Motor Carrier has 35 days from the date of final assessment or decision to appeal to the Michigan Tax Tribunal or 90 days to appeal to the Court of Claims. Any uncontested portion of the final assessment or decision shall be paid as a prerequisite to appeal.

### ***License Revocation***

If a motor carrier fails to file timely fuel tax reports and make full payment of the amount due, the De-

partment may schedule a "show cause" hearing concerning the motor carrier's continued licensing as an IFTA motor carrier. The motor carrier will be provided with a written notice, sent certified mail, of the time, place and reason for the "show cause" hearing. Failure to appear at the hearing will result in immediate revocation of the motor carrier's fuel tax license. The Department will notify motor carrier enforcement personnel and other IFTA jurisdictions of the revocation.

Once a motor carrier's license has been revoked, it is illegal for the motor carrier or the motor carrier's representative to operate qualified motor vehicles in any IFTA jurisdiction.

If a motor carrier operates vehicles on a revoked fuel tax license, motor carrier enforcement personnel will take the vehicles out of service. The vehicles will remain out of service until such time as the motor carrier remedies the cause for revocation. **If the motor carrier fails to remedy the cause for revocation the Department may, after 35 days, place the vehicle up for auction to satisfy the outstanding debts.**

#### ***License Reinstatement***

If a motor carrier satisfies the requirements for reinstatement of their IFTA fuel tax license, the Department may reinstate the license. The Department will provide the motor carrier with written notice of reinstatement. It is the responsibility of the motor carrier to carry a copy of this reinstatement letter in the cab of each of the qualified motor vehicles as proof of reinstatement. This letter must be shown to motor carrier enforcement personnel as proof of reinstatement. Failure to do this may result in the vehicle being taken out of service unnecessarily. The Department will notify motor carrier enforcement personnel and other IFTA jurisdictions of the reinstatement but this can take several days.

A motor carrier whose license has been revoked and reinstated will be provided a letter from the Department. This letter, sent by certified mail, will outline conditions which must be met for continued licensing as an IFTA motor carrier. If the motor carrier vio-

lates the conditions listed in the letter, the IFTA fuel tax license will be immediately revoked, without further benefit of a "show cause" hearing.

If a motor carrier continues to violate the statutes the Department is under no obligation to reinstate their fuel tax license. A motor carrier revoked by one IFTA jurisdiction cannot be licensed by another IFTA jurisdiction until such time as the cause for revocation is remedied in the revoking jurisdiction.

## **Field Audits**

The Department will make every effort to notify an IFTA motor carrier at least 30 days before the beginning of an IFTA audit. The only time advance notice may not be possible is if it is deemed that a delay would jeopardize the collection of tax. A motor carrier should make every effort to have all records available at the beginning of the audit. This will enable Treasury audit staff to expedite the audit with as little inconvenience to the motor carrier as possible. Treasury audit staff will make every effort to keep the motor carrier informed of any adverse findings during the course of the audit.

When the audit is complete, a final conference will be held to explain the findings and recommendations.

## **Bankruptcy and Bonding**

### ***Bankruptcy***

If a motor carrier files bankruptcy, he/she must send a copy of the order or notice of bankruptcy to the Michigan Department of Treasury, Collections Division Claims, P.O. Box 30168, Lansing, Michigan 48909-4222.

### ***Bonding***

Bonding may be required as a condition of licensing or continued licensing. Bonding may be in the form of a surety bond, cash bond or other instrument approved by the Department. Examples of circumstances which may require bonding are: late filing of IFTA fuel tax returns; late payment of tax, penalty and interest; or failure to demonstrate sound finan-

cial standing which requires that the interests of participating IFTA jurisdictions be protected.

If a motor carrier is required to post a bond, the Department will notify the Motor Carrier, in writing, of the required amount.

## Frequently Asked Questions (?)

**1. Q:** How long will it take to get my decals through the mail?

**A:** Allow 30 days for processing when ordering through the mail.

**2. Q:** What are the IFTA licensing and decal fees in Michigan?

**A:** Michigan does not charge a fee for IFTA licensing and decals.

**3. Q:** Can I license my Michigan intrastate qualified motor vehicles under IFTA?

**A: NO.** Intrastate qualified motor vehicles do not qualify for licensing as they do not operate between two member jurisdictions. In addition, recent law changes make it possible for intrastate qualified motor vehicles to satisfy their fuel tax liability when they purchase fuel. Michigan has eliminated intrastate motor carrier licensing.

**4. Q:** What does the term 'taxable gallons' mean on the IFTA-101?

**A:** Taxable gallons means the number of gallons a motor carrier consumes in the operation of qualified motor vehicles in a jurisdiction, in an activity that is not exempt from taxation by the jurisdiction.

**5. Q:** What does the term "tax-paid gallons" mean on the IFTA-101?

**A:** Tax-paid gallons means the number of gallons a motor carrier purchased in a jurisdiction where they paid the jurisdiction's fuel tax at time of purchase. However, fuel purchased into a bulk storage tank cannot be claimed on the tax-paid gallons line until it is withdrawn from the storage tank and placed into a 'qualifying' vehicle(s).

**6. Q:** Do I have to file the quarterly IFTA fuel tax return if I had no activity during the quarter?

**A: Yes.** IFTA motor carriers have to file the quarterly fuel tax return even if they have no activity. Check the box that indicates no activity in any jurisdiction on the IFTA-101. **Failure to file will result in the issuance of estimated bills against their accounts.**

**7. Q:** What does the term 'total IFTA miles' mean on the IFTA-101?

**A:** This term means all miles traveled by qualified motor vehicles in all IFTA jurisdictions. This figure will include any miles exempt from taxation by the individual jurisdictions.

**8. Q:** If I sell my qualified motor vehicle can I transfer my IFTA decals to the new owner?

**A: NO.** A motor carrier's IFTA license and fuel decals are not transferable. The new owner must license the vehicle under his/her name and account number.

**9. Q:** If for some reason my application is incomplete, will this delay my receiving my annual license and decals?

**A: Yes,** incomplete applications cannot be processed and will cause a considerable delay in your receiving the annual license and decals.

For a complete list of frequently asked questions, visit Treasury's Web site at [www.michigan.gov/business taxes](http://www.michigan.gov/business taxes). Click on the IFTA/Motor Carrier Taxes link, and then click on the Frequently Asked Questions link under the Other Helpful Information section.