

IFTA
Information
&
Compliance Manual



TRANSPORTATION
CABINET

Department of Vehicle Regulation

Division of Motor Carriers

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Check website quarterly for updates: <http://www.iftach.org>

Chapter 1 INTRODUCTION

The International Fuel Tax Agreement (IFTA) is an agreement among states and Canadian provinces to simplify the reporting of fuel used by interstate/interjurisdictional motor carriers. Upon application, the carrier's base jurisdiction will issue credentials, which will allow the IFTA license to travel in all IFTA member jurisdictions.

As of July 1, 1999, the IFTA member jurisdictions will include all states and Canadian provinces, except Alaska, Washington DC, Yukon Territory and Northwest Territory. Kentucky carriers traveling in non-IFTA jurisdictions must continue to follow the procedures and file the reports required by the statutes and regulations of those non-IFTA jurisdictions. Carriers from non-IFTA jurisdictions must likewise comply with Kentucky statutes and regulations.

Kentucky is your base jurisdiction for IFTA licensing and reporting if you:

- ✓ have an established place of business in Kentucky from which motor carriers' operations are conducted.
- ✓ maintain operational control and operational records for qualified motor vehicles in Kentucky or can make records available to Kentucky;
- ✓ have one or more qualified motor vehicles that travel on Kentucky highways; and,
- ✓ operate in at least one other IFTA jurisdiction.

The IFTA license offers several benefits to the interstate/interjurisdictional motor carrier. These benefits include one license, one set of decals, one quarterly fuel tax report which reflects the net tax or refund due, and one audit in most circumstances. These advantages lead to cost and time savings for the carrier.

This manual will explain in further detail the application, licensing, reporting, record keeping requirements, and audit procedures for IFTA.

Chapter 2 DEFINITIONS

Applicant – person in whose name the application for licensing is filed with a base jurisdiction for motor



fuel tax reporting under the provisions of IFTA.

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

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

- 1) where operational control and 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 commissioners of two or more affected jurisdictions may allow the consolidation of several fleets, which would otherwise be based in two or more jurisdictions.

Cancellation - the annulment of a license by either the licensing jurisdiction or the licensee.

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

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

Division – the Division of Motor Carriers.

Inter-Jurisdictional Distance – total number of miles or kilometers operated by a registrant's/licensee's qualified motor vehicles within a jurisdiction. Inter-jurisdictional miles or kilometers do not include those operated on fuel tax trip permits or those exempted from fuel taxation by a jurisdiction.

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

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

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

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

Member Jurisdiction – a jurisdiction which is a member of the International Fuel Tax Agreement (IFTA).

Motor Fuels – all fuels used for the generation of power for propulsion of a qualified motor vehicle.

Person – an individual, trust, partnership, association, corporation, government, or other entity.

Qualified Motor Vehicle – any motor vehicle used, designed, or maintained for the transportation of persons or property and:

- 1) has two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds or 11,797 kilograms; or
- 2) has 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 weight or registered gross vehicle weight.

Qualified motor vehicle does not include recreational vehicles. Please refer to Chapter 5, Section D for exempt vehicles.

Recreational Vehicles – vehicles such as motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure by an individual. To qualify as a recreational vehicle, the vehicle shall not be used in connection with any business endeavor.

Registration – qualification of motor vehicles normally associated with prepayment of licensing fees for the privilege of using the highway and the issuance of a license plate and registration card or temporary registration containing owner and vehicle data.

Reporting Period – period consistent with the calendar quarterly periods of January 1 through March 31; April 1 through June 30; July 1 through September 30; and October 1 through December 31.

Revocation – removal of privileges granted to the licensee by the licensing jurisdiction.

Suspension – temporary removal of privileges granted to the licensee by the licensing jurisdiction.

Total Distance – 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 – the maximum weight of the loaded vehicle or combination of vehicles during the registration period.

jurisdiction must file an IFTA license application in Kentucky.

Carriers that qualify as IFTA licensees but do not have an IFTA license, must obtain trip permits to travel through member jurisdictions, according to the regulations and fees of each member jurisdiction.

Carriers who do not operate outside of Kentucky will be issued a Kentucky Intrastate Tax (KIT) license.

A carrier can obtain an IFTA license application, or an electronic version of our manual, on our web page at:

<http://drive.ky.gov/motor-carriers/Pages/IFTA.aspx>

Transportation Cabinet
 Division of Motor Carriers
 P.O. Box 2007
 Frankfort, Kentucky 40602
 Phone: 502-564-1257
 Fax: 502-564-4138
 E-mail: qp.dmc@ky.gov
<https://drive.ky.gov>

To apply for first time IFTA you must complete the Kentucky Trucking Application TC 95-1

Download the newest version of the Kentucky Trucking Application by visiting:

<http://drive.ky.gov/motor-carriers/Pages/IFTA.aspx>

Once the application is processed, the Division will issue proper IFTA credentials. A carrier will not be issued IFTA credentials if the carrier was previously licensed in another IFTA member jurisdiction and the carrier’s license is under suspension or has been revoked by that member jurisdiction. The Division will not issue a license if the license application submitted contains misrepresentations or misstatements or omits required information.

B. KYU

In addition to your IFTA fuel tax license, if you travel in New York, New Mexico, Connecticut, or Oregon, you will need to contact those states to obtain a mileage tax license. If any of your vehicles are licensed for 60,000 pounds or more, you will need to obtain a KYU t a x License from Kentucky via

Chapter 3
IFTA CREDENTIALS

A. IFTA License Application Procedures

Any motor carrier based in Kentucky and operating one or more qualified motor vehicles in at least one other IFTA member



online submission at: <http://drive.ky.gov/motor-carriers/Pages/IFTA.aspx>

C. Annual License Fee

Kentucky does NOT charge an annual renewal-processing fee for an IFTA license or decals. Refer to Chapter 4 for renewal options.

D. Account Identification

IFTA account identification numbers are created by using the prefix designated for Kentucky (KY) followed by the licensee's nine-digit Federal Employer Identification Number (FEIN) issued by the Internal Revenue Service (IRS). The preferred method to apply for and obtain the FEIN is online at: <https://www.irs.gov>

E. Failure To File Fee

The Division will require a failure to file/pay fee of \$500 prior to reinstatement when a licensee has failed to file timely reports, or when tax has not been remitted.

F. IFTA License

The Division will issue an IFTA license to the licensee. An electronic version of the license or a photocopy of a license must be maintained in the cab of each qualified motor vehicle. If a carrier is found operating a qualified motor vehicle without an IFTA license, the licensee may be subject to citations and/or fines and the licensee may be required to purchase a trip permit. The IFTA license is valid for the calendar year January 1 through December 31.

G. IFTA Decals

Two decals are issued to each qualified motor vehicle operated by the IFTA licensee. The decals must be placed on the rear exterior portion of both sides of the power unit. Failure to display the IFTA decals properly may subject the licensee to citations and/or fines, and the licensee may be required to purchase a trip permit. Licensees may acquire additional decals throughout the license year from the Division.

H. Displaying Credentials (grace period)

Every qualified motor vehicle must carry an active IFTA license and display two decals as described above. Such credentials may be displayed one month before their effective date (i.e., decals may be displayed effective December).

In subsequent years, carriers have been allowed a two-month grace period to display the issuing year's decals provided the immediate prior year's decals are displayed.

I. IRP

The International Registration Plan, based on mileage, is an apportioned tax registration program for commercial motor vehicles operating in interstate commerce. The IRP is a program that prorates license plate registration and should not be confused with the IFTA program that deals with fuel taxes. For more information and an electronic version of the IRP manual view on our web page at:

<https://drive.ky.gov/Motor-Carriers/Pages/IRP.aspx>

J. UCR

Unified Carrier Registration - Any motor carrier with a USDOT number that operates in interstate or international commerce is subject to the UCRA (Unified Carrier Registration Agreement) fees. This includes Motor Carriers, Motor Private Carriers, Leasing Companies, Brokers, and Freight Forwarders. You may register using the following website at <http://www.ucr.gov>.

Chapter 4 ANNUAL RENEWAL PROCEDURES



Each year the Division will send IFTA license renewal notifications that will instruct carriers to renew online by November 30 at: <https://ky.motorcarrierconnect.com/>.

IFTA decals will be processed in the order received and will not be mailed out until after Thanksgiving. Decals may not be displayed until December 1 for the upcoming year. Renewals submitted after November 30 will take 10-14 business days to process.

Renewal of the IFTA license may be denied if the Division determines that the licensee has failed to file any report or has failed to remit any amounts due any member jurisdiction. Renewals will not be processed if the UCR or any other state or federal delinquency is identified.

Chapter 5 REPORTING REQUIREMENTS



A. Quarterly Returns

All licensees must file an IFTA quarterly tax report online with the Division. The quarterly tax report indicates the tax or refund due for each member jurisdiction. Licensees shall file and pay online using the Motor Carrier Connect at: <https://ky.motorcarrierconnect.com/>.

The due date for the quarterly tax report is the last day of the month, immediately following the quarter for which the report is filed as follows:

<u>Reporting Quarter</u>	<u>Due Date</u>
January - March	April 30
April - June	July 31
July - September	October 31
October - December	January 31

If the due date is Saturday, Sunday, or a legal holiday, the next business day is considered the filing date. The licensee will be subject to the IFTA penalty and interest provisions if the report is not filed/paid by the due date.

Information required for filing the IFTA quarterly tax report is as follows:

- 1) total IFTA miles traveled in all jurisdictions by all qualified motor vehicles (taxable and nontaxable);
- 2) total non-IFTA miles traveled in all non-IFTA jurisdictions by all qualified motor vehicles (taxable and nontaxable);
- 3) total volume of fuel placed in all qualified motor vehicles in all jurisdictions (IFTA and non-IFTA);

- 4) total miles and taxable miles traveled in each member jurisdiction;
- 5) taxable volume consumed in each member jurisdiction (calculated on report);
- 6) tax-paid volume of fuel purchased and placed into qualified motor vehicles in each member jurisdiction.

A quarterly tax report must be filed by every licensee even if the licensee does not operate in any IFTA member jurisdiction or use any taxable fuel in a particular quarter.

Tax rates provided on the IFTA quarterly tax report will be current for all member jurisdictions. As tax rates and procedures change, the base jurisdiction will update information accordingly.

B. Penalty and Interest Provisions

When a licensee fails to file a tax report, files a late tax report, or fails to remit any tax due, the licensee is subject to penalty and interest. The penalty is \$50.00 or 10 percent, whichever is greater, of the net tax due to all member jurisdictions for each late occurrence. Interest accrues monthly at 1/12 of the annual rate for each month a payment is late. Unlike penalty, interest is computed on the tax due to each member jurisdiction. Penalty may be waived if the licensee can show reasonable cause for failure to comply. Interest must be paid to each member jurisdiction where tax was due and may not be waived for any other jurisdiction by Kentucky.

C. Measurement Conversion Table

Kentucky IFTA licensees are required to report based upon United States measurements. Conversion rates are:

<i>1 gallon = 3.785 liters</i>
<i>1 liter = .2642 gallons</i>
<i>1 mile = 1.6093 kilometers</i>
<i>1 kilometer = .62137 miles</i>

Volume and miles entered on each quarterly report must be rounded to the nearest whole unit or mile.

D. Tax Exempt Vehicles

IFTA recognizes that some jurisdictions have unique economic and geographic characteristics that have given rise to various definitions of tax-exempt vehicles. If further questions arise, contact the individual member jurisdictions. All

jurisdictions require documentation to support a claim of tax-exempt vehicles.

EXEMPT VEHICLES IN KENTUCKY

- Buses
- Farm Plated Vehicles
- Government or Official Plated Vehicles
- Non-Commercial Vehicles
- Vehicles not required by law to obtain a plate

Note: Fuel and mileage records should be kept for all vehicles.

Please see <http://www.iftach.org> for most current exemptions

Chapter 6 REFUNDS-CREDITS

A refund may be claimed on the IFTA quarterly tax report for any overpayment of tax in a reporting quarter. A refund will be issued once the Division determines that all tax liabilities, including any outstanding audit assessments, have been satisfied to all member jurisdictions. A refund may be denied if the licensee is delinquent in filing any quarterly tax report(s). A refund determined to be properly due will be paid within 90 days of receipt of the request for payment from the licensee. If a refund is not requested, the credit will be carried forward to the next quarter. *Unused credits will expire after eight quarters.* Credits may be used to offset tax, penalty, or interest due.

Refunds of tax-exempt fuel use, such as reefer fuel, concrete mixers, etc., may NOT be claimed on the IFTA tax report. Claims must be filed directly with each jurisdiction under the terms of their statutes. All fuel placed into the supply tank of the qualified motor vehicle must be reported as taxable on the IFTA report and included in the MPG calculation.

For information regarding refunds for power take off consumed in Kentucky contact:

Transportation Cabinet
Office of Audits
Division of Road Fund Audits
200 Mero Street
Frankfort, Kentucky 40622
Phone: (502) 564-6760
Fax: (502) 564-6766

<http://transportation.ky.gov/Audits/Pages/default.aspx>

Information regarding refunds for non-power take off (reefers, mixers, etc., using their own separate fuel tank) should be directed to:

Revenue Cabinet
501 High Street
Frankfort, Kentucky 40602
(502) 564-3853

<http://revenue.ky.gov>

Kentucky law requires that any fuel not subject to fuel tax will have sales tax assessed prior to a refund.

Chapter 7 ASSESSMENTS FOR FAILURE TO FILE

When the licensee fails, neglects, or refuses to file an IFTA quarterly tax report, the Division may assess the licensee for tax delinquency, including penalty and interest. This assessment is based on the best information available, including the licensee's filing history. In the absence of adequate records, a standard of four miles per gallon may be used to determine fuel consumption and miles or kilometers traveled in each jurisdiction. The burden of proof is on the licensee to show that the calculated assessment is incorrect.

Chapter 8 LEASE AGREEMENTS

General Lease Provisions

A. Leases of Less than 30 Days

For motor vehicle leases of less than 30 days, the lessor will be deemed to be the responsible party for IFTA tax reporting. This does not apply

if the qualified motor vehicle is leased to the same person under two or more consecutive leases. If both the lessor and the lessee are IFTA licensees, the party whose IFTA credentials are in and on the vehicle is responsible for reporting and paying this tax.

B. Leases of 30 Days or More

For motor vehicle leases of 30 days or more, the lessor and lessee will be given the option of designating which party is to obtain the IFTA license. Therefore, if an agreement is executed, the Division will require the party named in the agreement to report and pay the tax. No member jurisdiction shall require the filing of such leases, but such leases shall be made available upon request to any member jurisdiction.

Specific Lease Provisions:

Every qualified motor vehicle leased to a carrier is subject to IFTA requirements to the same extent and in the same manner as a qualified motor vehicle owned by that carrier.

In the case of lessors, lessees, independent contractors, and household goods agents the following will apply:

- 1) A lessor who regularly leases or rents motor vehicles without drivers to licensees or other lessees may be deemed to be the licensee. Such lessor may be issued a license if an application has been properly filed and approved by the base jurisdiction.
- 2) In the case of a carrier using independent contractors under long-term leases (30 days or more), the lessor and lessee may designate which party will report and pay fuel use tax. If the lessee (the carrier to whom the vehicle is leased) assumes responsibility for reporting and paying motor fuel taxes, the base jurisdiction for purposes of this agreement shall be the base jurisdiction in which the qualified motor vehicle is registered for vehicle registration purposes by the lessor.
- 3) In the case of a short-term motor vehicle rental by a lessor regularly engaged in the business of leasing or renting motor vehicles without drivers for compensation for 29 days or less, the lessor will report and pay the fuel use tax unless the following two conditions are met:
 - a. The lessor has a written rental contract which designates the lessee as the party responsible for reporting and paying the fuel use tax; and
 - b. The lessor has a copy of the lessee's IFTA fuel tax license, which is valid for the term of the rental.

- 4) In the case of a household goods carrier using independent contractors, agents, or service representatives under intermittent leases, the party liable for motor fuel tax shall be the party under whose operating authority the vehicle is being moved.
- 5) In the case of a carrier using independent contractors under short-term/trip leases of 29 days or less, the trip lessor will report and pay all fuel taxes.

Chapter 9

LICENSE CANCELLATION, SUSPENSION, REVOCATION & REINSTATEMENT

A. License Cancellation

An IFTA license may be cancelled at the request of any licensee if all reporting requirements and tax liabilities to all member jurisdictions have been satisfied. Once the final IFTA quarterly tax return is filed, submit a written request to the Division to indicate the end of operations under IFTA. Upon cancellation, the licensee must destroy the original IFTA license and return all unused IFTA decals. A final audit may be conducted by any IFTA member jurisdiction upon cancellation. Records must be kept for four years from the due date of the final quarterly tax report.

B. License Suspension and Revocation

An IFTA license may be suspended and/or revoked for failure to:

1. File an IFTA quarterly tax return;
2. Remit all taxes due; and
3. Pay and/or protest an audit assessment or other assessment within the established time.
4. Non-renewal of license.

When the license is revoked or suspended, the

Division of Motor Carriers will notify Commercial Vehicle Enforcement, a Division of Kentucky State Police. All member jurisdictions will also be notified when a suspension or revocation has occurred or has been released through the daily files to IFTA Clearinghouse.



***DO NOT OPERATE VEHICLES
WHEN A LICENSE HAS BEEN
REVOKED OR SUSPENDED.***

C. License Reinstatement

The Division may reinstate an IFTA license if the licensee files all required returns and remits all outstanding liabilities due to all member jurisdictions. The Division will require a failure to file/pay fee of \$500 prior to reinstatement

Chapter 10 RECORD KEEPING REQUIREMENTS

In addition to the normal records that an operating entity is required to maintain, a Kentucky IFTA Licensee is required to maintain the following records.

A. Fuel Records

1. Over The Road Purchases

The licensee must maintain complete records of all fuel purchased, received, or used in the conduct of its business. Separate totals must be compiled for each fuel type (Diesel/kerosene, Gasoline, Gasohol, liquefied petroleum gas (LPG), Propane, and compressed natural gas (CNG/LNG); and reported separately on your quarterly return. The fuel records must contain:

- ◆ date of purchase.
- ◆ name and address of seller.
- ◆ number of gallons purchased.
- ◆ type of fuel purchased.
- ◆ price per gallon or liter, or total amount of sale.
- ◆ unit number of the vehicle or equipment into which the fuel was placed; and
- ◆ purchaser's name (in the case of a lessee/lessor agreement, receipts will be accepted in either name, provided a legal connection can be made to the reporting party).

Acceptable fuel receipts include an invoice, a credit card receipt, automated vendor generated invoice or transaction listing, or verifiable microfilm/microfiche. Receipts that contain alterations or erasures will not be accepted.



2. Bulk Fuel Purchases / Withdrawals

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

- ◆ date of withdrawal.
- ◆ number of gallons or liters withdrawn.
- ◆ fuel type.
- ◆ vehicle unit number of the vehicle into which the fuel was placed.
- ◆ purchase and inventory records to substantiate that tax was paid on all taxable fuel disbursements.

Note: Records must be maintained to distinguish fuel placed in qualified vehicles from other uses. It is the licensee's responsibility to reconcile fuel purchases with the licensee's general ledger.

B. Mileage Records

It is the Kentucky IFTA Licensee's responsibility to maintain detailed distance records of ALL inter-jurisdictional and intrastate operations of qualified motor vehicles. These detailed distance records must show operations on an individual-vehicle basis. The licensee's records must support the information reported on the quarterly tax report. Mileage must be kept by fuel type. An acceptable source document is a trip report, which must include:

- ◆ date of trip (starting and ending).
- ◆ vehicle unit number.
- ◆ vehicle fleet number.
- ◆ trip origin and destination (including city & state).
- ◆ routes of travel.
- ◆ trip beginning and ending odometer readings.
- ◆ total trip miles or kilometers; and
- ◆ mileage by jurisdiction for each qualified motor vehicle.
- ◆ licensee's name

NOTE: If driver's logs are the primary / source document for mileage records, they should be retained for the required 4-year period.



C. Record Retention Period

Adequate record keeping is vital for documenting your compliance and your claim for a refund or credit for tax-paid fuel. Every licensee must maintain records to substantiate information reported on the quarterly tax report. These records must be maintained for a period of 4 years from the due date of the report or the date that the report 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 audit extends the statute of limitations until the records are provided.

D. Penalty for Failure to Maintain Records

Licensee shall retain the previously described records for a period of 4 years from the date of filing the quarterly tax return. Non-compliance with any record keeping requirement may be cause for revoking the license, and the Division of Road Fund Audits may construct a fuel tax liability based on the best available information.

Note: All decals must be accounted for by the Licensee. Additional mileage may be added during an audit for unaccounted decals.

E. Location of Records

Licensee records should be maintained at a location in Kentucky. If these records are not maintained in Kentucky or are not made available in Kentucky, the auditor's travel expenses will be billed to the licensee.

Chapter 11 AUDITS



An IFTA audit verifies fuel and mileage data reported on the IFTA quarterly tax returns. The Division of Road Fund Audits will audit Kentucky IFTA licensees on behalf of all member jurisdictions.

A. Notification of Audit Date

At least 30 days prior to conducting a routine audit, the Division of Road Fund Audits shall contact the licensee in writing advising of the approximate date that the audit is to be conducted and the time the audit will cover.

B. Records Required for Audit

In addition to the records required for fuel and mileage records in Chapter 10, the licensee shall have available the IFTA returns, the Kentucky

income tax returns, the general ledger and the related journals and supporting documentation to support the fuel purchases.

C. Audit Conferences

At the beginning of the audit, the auditor will confer with the licensee to determine background information, reporting methods, and records to be reviewed. As the audit progresses, the auditor and the licensee will discuss the sample periods, sampling techniques, and any problem areas. An exit conference will be held with the licensee to explain audit findings and future reporting recommendations.

D. Audit Results

The licensee and each affected IFTA jurisdiction will receive a written notification of the audit results. These results will contain a schedule of the differences by jurisdiction, a summary of the audit and recommendations, and the procedures for appeal. If the audit is not protested, payment, including interest from the original due date must be made within 60 days from the date of the notice of tax due. If additional tax is due, penalties will be assessed based upon the percentage of underpayment.

*Transportation Cabinet
Office of Audits
Division of Road Fund Audits
200 Mero Street
Frankfort, Kentucky 40622
Phone: (502) 564-6760
Fax: (502) 564-6766*

<http://transportation.ky.gov/Audits/Pages/default.aspx>

Chapter 12 APPEAL PROCEDURES



A. 60 Day Appeal Period

A protest of an IFTA audit assessment must be submitted in writing to the Division of Road Fund Audits within 60 days from the date of notice of assessment.

The licensee should be aware that an affected jurisdiction also has the right to request to re-audit the licensee's operations for the same audit period. This protest must be submitted in writing to the Division of Road Fund Audits within 60 days from the date of notice of assessment.

B. Hearing Procedures

The Division of Road Fund Audits will conduct a review of the audit assessment. If supporting statements and documentation are not sufficient to change the assessment results, an information gathering or protest conference will be scheduled. At the conference, the licensee may appear in person and/or be represented by an attorney or an individual with a properly executed power of attorney.

C. Notification of Protest Results

The Division of Road Fund Audits will issue a Final Ruling of the protest and will notify the licensee of their rights for further appeal. At any time during the protest, the licensee has the right to request a Final Ruling to be issued so that an appeal may be addressed to a Kentucky Board of Tax Appeals.

D. Tax Court Procedures

The Kentucky IFTA Licensee is notified of all right of appeals procedures with the results of the audit. If the licensee does not agree with the Final Ruling, they have the right to file a written appeal with the Kentucky Board of Tax Appeals within 30 days from the date of the ruling.

Kentucky Public Protection Cabinet
Kentucky Board of Tax Appeals
500 Mero Street
Frankfort, Kentucky 40601
Phone: (502) 782-8255
Fax: (502) 4817
<https://kycc.ky.gov/>

B. IFTA Tax Reports & Return Processing



Kentucky has joined with several other states as a member of Motor Carrier Connect to handle IFTA tax reports and return processing.

C. Electronic Tax Filing

Kentucky provides an electronic means to file through our Kentucky IFTA Portal on our web page at: <https://ky.motorcarrierconnect.com/>

Electronic filing can prevent overpayments and costly mistakes. E-filing provides 2 options for payment, credit card and ACH (or e-check). There is a 4% vendor fee for credit card transactions and a flat \$3.00 vendor fee for ACH (or e-check).

Submitting a return electronically does not disqualify you from cancellation or suspension if payment is not provided in full or timely. **Utilization of independent software programs and/or forms generated by a means other than that provided by the Division of Motor Carriers is a violation of 601 KAR 1:200 7 (4) and subjects the returns to rejection.**

Per KRS 138.685, all quarterly tax returns shall be filed and paid using the Kentucky IFTA Portal.

Chapter 13 TAX FILING INFORMATION

A. Kentucky IFTA Taxpayer Assistance Location:

Kentucky Transportation Cabinet
Division of Motor Carriers
PO Box 2007
Frankfort, KY 40602

Applications & Decals:
502-564-1257 or e-mail: qp.dmc@ky.gov

Inquires, Errors, or Correction:
502-564-1257 or e-mail: ifta.dmc@ky.gov

Chapter 14

MEMBER JURISDICTION INFORMATION

IFTA Inc is a corporation that was formed to administer the business affairs of IFTA. While most of their duties surround interaction between jurisdictions, IFTA Inc administers a web site that provides valuable information for you as a motor carrier. These include tax rates, news within IFTA, ballot proposals to change the agreement, phone numbers for contacts within each jurisdiction, up to date versions of the manuals that govern the agreement, and most importantly the exemptions that each jurisdiction have that affect completion of the quarterly tax return.

The following pages have the contacts and exemptions currently in effect, but the IFTA Inc web site should provide the most up to date information in these areas. Please contact the specific jurisdiction if you have any questions pertaining to their exemptions. Please visit IFTA, Inc. at: <http://www.iftach.org>

IMPORTANT NOTICE

To assure compliance, as information may vary from state to state, please contact all jurisdictions in which you will be traveling to obtain the most current information regarding exemptions on vehicles, miles, and fuel.

NOTES:

JURISDICTION	EXEMPT VEHICLES	DISTANCE EXEMPT	EXEMPT FUEL
Alabama Alabama Department of Revenue Motor Veh. Div. IFTA Section PO Box 327620 Montgomery, AL 36132-7620 General Information: (334) 242-9000	Government Vehicles Political Subdivisions School Buses Special Mobile Equipment Recreational Vehicles	None	None
Alberta Alberta Treasury Tax & Revenue Administration 9811-109 Street Sir Frederick W. Haultain Building Edmonton, Alberta CN T5K 2L5 General Information: (780) 427-3770	None	None	Off Road Diesel Indian Reservation Farmers
Arizona Licensing Services Manager Arizona Dept. of Transportation 1801 West Jefferson, M.D. 527M Phoenix, AZ 85007-3204 General Information: (602) 712-6775	Government Vehicles Political Subdivisions School Buses Buses	None	Indian Reservation Farmers
Arkansas Arkansas Motor Fuel Tax PO Box 1752 Little Rock, AR 72203 General Information: (501) 682-4800	None	None	None
British Columbia Consumer Taxation Branch PO Box 9442 STN Prov. Govt Victoria, BC, CN V8W 9V4 General Information: (250) 387-9686	School Buses Farm Plated Recreational Vehicles Non-Highway Vehicles Ambulances, Fire Trucks, Taxi and Police Vehicles	None	Exempt Use Fuel Claim Required M-85
California California State Board of Equalization PO Box 942879 MIC: 65 Sacramento, CA 94279-0065 General Information: (916) 309-0911	None	Off Highway Forest Roads Agriculture Roads Private Roads Federal Property Trip Permit	Off Road Diesel Temporary Permits Exempt Use Fuel Claim Required
Colorado Colorado Dept. of Revenue Motor Carrier Service Division Services Section, Suite 114 Denver, CO 80261-0016 General Information: (303) 205-8205	Government Vehicles Political Subdivisions School Buses	None	None

<p>Connecticut</p> <p>Department of Revenue Services 25 Sigourney Street Hartford, CT 06106 General Information: (860) 541-3222 or (860) 541-3216</p>	<p>Government Vehicles Political Subdivisions School Buses Farm Plated Recreational Vehicles Non-Highway Vehicles</p>	<p>None</p>	<p>Off Road Diesel Exempt Fuel Use Claim Required Farmers</p>
<p>Delaware</p> <p>Motor Fuel Tax Administration Motor Carrier Services Section PO Drawer E Dover, DE 19903-1565 General Information: (302) 744-2702</p>	<p>None</p>	<p>None</p>	<p>None</p>
<p>Florida</p> <p>Dept. of Highway Safety & Motor Vehicles 2900 Apalachee Parkway Room A-110 Tallahassee, FL 32399 General Information: (850) 617-3711</p>	<p>Government Vehicles Farm Plates Temp Permit Vehicles Recreational Vehicles Dealer Plates Non-Highway Vehicles</p>	<p>Forest Roads Trip Permit</p>	<p>Off Road Diesel Temporary Permits Indian Reservation Farmers E-85, M-85, A-55</p>
<p>Georgia</p> <p>Georgia Department of Revenue Motor Fuel Tax Unit 800 Century Center Blvd., NE – Suite 7100 Atlanta, GA 30334 General Information: (877) 423-6711</p>	<p>Buses Farm Plated Temp Permit Vehicles Recreational Vehicles Dealer Plates Non-Highway Vehicles Tow Trucks</p>	<p>None</p>	<p>None</p>
<p>Idaho</p> <p>Idaho Tax Commission 800 Park Blvd., Plaza IV PO Box 36 Boise, ID 83722-0036 General Information: (208) 334-7776</p>	<p>None</p>	<p>Off Highway Forest Roads Private Roads Federal Property Trip Permit</p>	<p>Exempt Fuel Use Claim Required</p>
<p>Illinois</p> <p>Motor Fuel Use Tax Section Illinois Department of Revenue PO Box 19477, 2-265 Springfield, IL 62794-9477 General Information: (217) 785-1397</p>	<p>Government Vehicles School Buses Recreational Vehicles Non-Highway Vehicles</p>	<p>None</p>	<p>None</p>
<p>Indiana</p> <p>Special Tax Division Motor Carriers Services Section PO Box 6081 Indianapolis, IN 46206-6081 General Information: (317) 615-7200</p>	<p>Government Vehicles, Political Subdivisions, School Buses, Buses, Special Mobile Equipment, Farm Plated, Recreational Vehicles, Dealer Plated, Non-Highway Vehicles</p>	<p>None</p>	<p>Temporary Permits Exempt Fuel Use Claim Required Farmers</p>

<p>Iowa</p> <p>Iowa Department of Transportation Office of Motor Carrier Services PO Box 10382 Des Moines, IA 50306-0382 General Information: (515) 237-3268</p>	None	None	None
<p>Kansas</p> <p>Kansas Department of Revenue Customer Relations – Motor Fuel 915 SW Harrison Street Topeka, KS 66625-8100 General Information: (785) 296-4466 or 785-296-2412</p>	<p>Government Vehicles Political Subdivisions School Buses Special Mobile Equipment Farm Plated Recreational Vehicles Non-Highway Vehicles</p>	None	<p>Off Road Diesel Temporary Permits Farmers</p>
<p>Kentucky</p> <p>Kentucky Division of Motor Carriers PO Box 2004 Frankfort, KY 40602 General Information: (502) 564-1257</p>	<p>Government Vehicles School Buses Buses Special Mobile Equipment Farm Plated Temp Permit Vehicles Recreational Vehicles</p>	<p>Off Highway Private Roads Federal Property Trip Permit</p>	None
<p>Louisiana</p> <p>Louisiana Dept. of Revenue & Taxation PO Box 66258 Baton Rouge, LA 70896 General Information: (225) 219-7656</p>	None	None	None
<p>Maine</p> <p>Commercial Vehicle Center Bureau of Motor Vehicles 24 State House Station Augusta, ME 04333-0029 General Information: (207) 624-9000 ext. 52137</p>	<p>Government Vehicles Political Subdivisions Recreational Vehicles Dealer Plated</p>	Trip Permit	<p>Off Road Diesel Exempt Fuel Use Claim Required Gasoline, Gasohol E-85, M-85, A-55</p>
<p>Manitoba</p> <p>Manitoba Finance – Taxation Division 415-401 York Avenue Winnipeg, MB CN R3C OP8 General Information: (204) 945-3194</p>	Farm Plated	None	<p>Indian Reservation Farmers</p>
<p>Maryland</p> <p>Maryland Comptroller of the Treasury Motor Fuel Tax Unit IFTA Program PO Box 1751 Annapolis, MD 21404-1751 General Information: (410) 260-7216</p>	None	None	<p>Off Road Diesel Temporary Permits Off Loading Idle Time Exempt Fuel Use Claim Required Farmers</p>

<p>Massachusetts</p> <p>Department of Revenue PO Box 7027 Boston, MA 02204 General Information: (617) 887-5080</p>	<p>Government Vehicles Recreational Vehicles</p>	<p>Turn-pike Miles Trip Permit</p>	<p>None</p>
<p>Michigan</p> <p>Motor Fuel, Tobacco & Special Taxes Division Treasury Building, 430 W Allegan Lansing, MI 48922 General Information: (517) 636-4104</p>	<p>Government Vehicles Political Subdivisions School Buses Buses Farm Plated Recreational Vehicles Non-Highway Vehicles</p>	<p>None</p>	<p>Off Road Diesel Indian Reservation Exempt Fuel Use Claim Required</p>
<p>Minnesota</p> <p>Minnesota Department of Public Safety Driver & Vehicle Services Prorate and IFTA 445 Minnesota Street St. Paul, MN 55120 General Information: (651) 205-4141</p>	<p>Government Vehicles Political Subdivisions Special Mobile Equipment Recreational Vehicles Non-Highway Vehicles</p>	<p>Trip Permit</p>	<p>None</p>
<p>Mississippi</p> <p>Mississippi State Tax Commission PO Box 22828 Jackson, MS 39215 General Information: (601) 923-7151</p>	<p>Government Vehicles</p>	<p>None</p>	<p>None</p>
<p>Missouri</p> <p>Missouri Highway Reciprocity Commission PO Box 893 Jefferson City, MO 65105-0893 General Information: (573) 522-5236</p>	<p>None</p>	<p>None</p>	<p>Temporary Permits</p>
<p>Montana</p> <p>Department of Transportation PO Box 201001 Helena, MT 59604-4639 General Information: (406) 444-7248</p>	<p>None</p>	<p>Private Roads Trip Permit</p>	<p>None</p>
<p>Nebraska</p> <p>Nebraska Department of Motor Vehicles Motor Carrier Services Division PO Box 94729 Lincoln, NE 68509-4729 General Information: (888) 622-1222 or (402) 471-4435</p>	<p>Recreational Vehicles Non-Highway Vehicles</p>	<p>None</p>	<p>None</p>

<p>Nevada</p> <p>DMV & PS</p> <p>Motor Carrier Bureau 555 Wright Way Carson City, NV 89711-0625 General Information: (785) 684-4711</p>	<p>Government Vehicles</p> <p>Political Subdivisions School Buses Temp Permit</p>	<p>Trip Permit</p>	<p>Off Road Diesel Temporary Permits Indian Reservation Exempt Fuel Use Claim Required</p>
<p>New Brunswick</p> <p>Department of Finance Revenue Division Accounting & Central Services Branch 670 King Street, PO Box 3000 Fredericton, NB CN E3B 5G5 General Information: (506) 453-3029 or (506) 444-4619</p>	<p>Government Vehicles School Buses Recreational Vehicles</p>	<p>None</p>	<p>Off Road Diesel Indian Reservation Exempt Fuel Use Claim Required Farmers</p>
<p>New Hampshire</p> <p>Road Toll Bureau Department of Safety 10 Hazen Drive Concord, NH 03305 General Information: (603) 223-8076</p>	<p>Government Vehicles Political Subdivisions</p>	<p>None</p>	<p>None</p>
<p>New Jersey</p> <p>Division of Motor Vehicles 225 E. State Street, PO 133 Trenton, NJ 08666 General Information: (609) 633-9407</p>	<p>School Buses Buses Farm Plated</p>	<p>Contact jurisdiction for additional information</p>	<p>None</p>
<p>New Mexico</p> <p>New Mexico Taxation & Revenue Dept. 1100 South St. Francis Drive PO Box 1028 Santa Fe, NM 07504-1028 General Information: (505) 476-1511</p>	<p>None</p>	<p>None</p>	<p>None</p>
<p>New York</p> <p>New York State Tax Department Registration Section/Hwy Use Tax Unit WA Harriman Campus Albany, NY 12227 General Information: (518) 457-5735</p>	<p>Government Vehicles, Political Subdivisions, School Buses, Buses Special Mobile Equipment, Farm Plated, Temp Permit Vehicles, Recreational Vehicles, Dealer Plated, Non-Highway Vehicles</p>	<p>Off Highway Forest Roads Agriculture Roads Private Roads Trip Permit</p>	<p>Off Road Diesel Temporary Permits Exempt Fuel Use Claim Required Farmers Biodiesel</p>
<p>Newfoundland</p> <p>Tax Administration Department of Finance Confederation Building Prince Philip Parkway PO Box 8720 St. John's, NF, CN A1B 4K1 General Information: (709) 729-2935</p>	<p>None</p>	<p>None</p>	<p>None</p>

<p>North Carolina</p> <p>North Carolina Dept. of Revenue Motor Fuel Tax Division PO Box 25000 Raleigh, NC 27640 General Information: (919) 733-3409</p>	<p>Government Vehicles Political Subdivisions School Buses Temp Permits Recreational Vehicles Non-Highway Vehicles</p>	<p>Trip Permit</p>	<p>Off Road Diesel Temporary Permits</p>
<p>North Dakota</p> <p>Motor Carrier Services DOT Motor Vehicle Division 608 East Boulevard Avenue Bismarck, ND 58505-0780 General Information: (701) 328-2928</p>	<p>None</p>	<p>None</p>	<p>None</p>
<p>Nova Scotia</p> <p>Dept. of Business & Consumer Svcs. Revenue, Compliance & Registry Svcs. PO Box 755 Halifax, NS CN B3J 2V4 General Information: (902) 424-2850</p>	<p>Government Vehicles Political Subdivisions Farm Plated Temp Permits</p>	<p>Turn-pike Miles Trip Permit</p>	<p>Temporary Permits Indian Reservation Farmers</p>
<p>Ohio</p> <p>Ohio Department of Taxation Excise and Motor Fuel Tax Division PO Box 530 Columbus, OH 43266-0030 General Information: (614) 644-5847</p>	<p>Government Vehicles Political Subdivisions Recreational Vehicles</p>	<p>Off Highway Private Roads Trip Permit</p>	<p>Off Road Diesel Exempt Fuel Use Claim Required</p>
<p>Oklahoma</p> <p>Oklahoma Tax Commission Motor Vehicles Division/IFTA 2501 N Lincoln Boulevard Oklahoma City, OK 73194-0013 General Information: (405) 522-4527</p>	<p>Government Vehicles Political Subdivisions School Buses Farm Plated Temp Permits Recreational Vehicles</p>	<p>Trip Permit</p>	<p>Temporary Permits Exempt Fuel Use Claim Required Farmers Biodiesel</p>
<p>Ontario</p> <p>Motor Fuels & Tobacco Tax Branch Ministry of Finance 33 King Street West 3rd Floor Oshawa, Ontario CN L1H 8H9 General Information: (905) 440-4186</p>	<p>Non-Highway Vehicles</p>	<p>None</p>	<p>Off Road Diesel Indian Reservation Exempt Fuel Use Claim Required Farmers</p>
<p>Oregon</p> <p>ODOT Motor Carrier Transportation Div. 550 Capitol Street, NE Salem, OR 97310-1380 General Information: (503) 373-1987</p>	<p>None</p>	<p>None</p>	<p>None</p>

<p>Pennsylvania</p> <p>Pennsylvania Dept. of Revenue Bureau of Motor Fuel Taxes Department 280646 Harrisburg, PA 17128-0646 General Information: (717) 787-3644</p>	<p>Government Vehicles Political Subdivisions School Buses Temp Permit Vehicles Recreational Vehicles</p>	<p>Trip Permit</p>	<p>Temporary Permits</p>
<p>Prince Edward Island</p> <p>Department of the Provincial Treasury Taxation and Property Records Div. PO Box 1330 Charlottetown, Prince Ed Island CN C1A 7N1 General Information: (902) 368-6577</p>	<p>None</p>	<p>Trip Permit</p>	<p>None</p>
<p>Quebec</p> <p>Service Cotisation – B (DGM) 3800, rue De Marly, Secteur 3-2-1 Sainte-Foy, Quebec CN G1X 4A5 General Information: (418) 577-5299 or 1-866-686-7820</p>	<p>None</p>	<p>None</p>	<p>Contact jurisdiction for additional information</p>
<p>Rhode Island</p> <p>Department of Administration Division of Taxation – Excise Tax Section One Capitol Hill Providence, RI 02908 General Information: (401) 574-8878</p>	<p>None</p>	<p>Contact jurisdiction for additional information</p>	<p>None</p>
<p>Saskatchewan</p> <p>Saskatchewan Finance Revenue Division 2350 Albert Street Regina, SK CN S4P 4A6 General Information: (306) 787-6632</p>	<p>Government Vehicles Political Subdivisions Farm Plated Temp Permits</p>	<p>Trip Permit</p>	<p>Temporary Permits Indian Reservation Farmers</p>
<p>South Carolina</p> <p>South Carolina Dept. of Public Safety Motor Carrier Services Section/IFTA PO Box 1498 Columbia, SC 29216-0027 General Information: (803) 896-2694</p>	<p>Government Vehicles School Buses</p>	<p>None</p>	<p>None</p>
<p>South Dakota</p> <p>South Dakota Dept. of Revenue Division of Motor Vehicles 445 E. Capital Avenue Pierre, SD 57501-3185 General Information: (605) 773-5408</p>	<p>None</p>	<p>None</p>	<p>None</p>

<p>Tennessee</p> <p>Tennessee Dept. of Safety Commercial Vehicle Division 1150 Menzler Road Nashville, TN 37210 General Information: (615) 399-4259</p>	<p>Government Vehicles, Political Subdivisions, School Buses, Special Mobile Equipment, Temp Permit, Recreational Vehicles, Dealer Plated, Non-Highway Vehicles</p>	<p>None</p>	<p>None</p>
<p>Texas</p> <p>Comptroller of Public Accounts LBJ State Office Building 111 East 17th Street Account Maintenance Austin, TX 78711 General Information: (512) 463-6056</p>	<p>None</p>	<p>Trip Permit</p>	<p>Biodiesel</p>
<p>Utah</p> <p>Utah State Tax Commission 210 N 1950 W Salt Lake City, UT 84134 General Information: (801) 297-6887</p>	<p>Government Vehicles Political Subdivisions School Buses Special Mobile Equipment Recreational Vehicles Dealer Plated Non-Highway Vehicles</p>	<p>Off Highway Forest Roads Agriculture Roads Private Roads Federal Property Trip Permit</p>	<p>Off Road Diesel Indian Reservation Exempt Fuel Use Claim Required Farmers</p>
<p>Vermont</p> <p>Department of Taxes Pavilion Office Building 109 State Street Montpelier, VT 05603 General Information: (802) 828-2070</p>	<p>Government Vehicles Political Subdivisions Farm Plated Temp Permit Vehicles Non-Highway Vehicles Non-Highway Vehicles</p>	<p>Off Highway Trip Permit</p>	<p>Off Road Diesel Temporary Permits Off Loading Idle Time Exempt Fuel Use Claim Required Farmers</p>
<p>Virginia</p> <p>Department of Motor Vehicles Motor Carrier Services PO Box 27412 Richmond, VA 23269 General Information: (804) 249-5130</p>	<p>Government Vehicles Political Subdivisions School Buses Farm Plated Temporary Permits Recreational vehicles Dealer Plated</p>	<p>None</p>	<p>None</p>
<p>Washington</p> <p>IFTA Unit Fuel Tax Services PO Box 9228 2424 Bristol Court, SW Olympia, WA 98507-9228 General Information: (360) 664-1868</p>	<p>Government Vehicles Political Subdivisions Special Mobile Equipment</p>	<p>Off Highway Forest Roads Trip Permit</p>	<p>Off Road Diesel Exempt Fuel Use Claim Required</p>
<p>West Virginia</p> <p>West Virginia Dept. of Motor Vehicles Commercial Vehicle Sec.-Fuel Tax Unit 1606 Washington Street, E Charleston, WV 25311 General Information: (304) 558-0700 or (304) 926-0797</p>	<p>None</p>	<p>None</p>	<p>None</p>

Wisconsin

Wisconsin Dept. of Transportation
4802 Sheboygan Avenue, Room 151
PO Box 7979
Madison, WI 53707-7979
General Information: (608) 267-4382

Government Vehicles
School Buses
Farm Plated
Recreational Vehicles
Non-Highway Vehicles

Private Roads
Trip Permit

Off Road Diesel
Temporary Permits

Wyoming

Motor Vehicle Services
Fuel Tax Section
PO Box 1708
Cheyenne, WY 82003
General Information: (307) 777-4827

None

Off Highway
Private Roads

Off Road Diesel



KENTUCKY
INTERNATIONAL FUEL TAX AGREEMENT
Kentucky Transportation Cabinet Division of Motor
Tax and Finance Branch
P.O. BOX 2004
Frankfort, KY 40602-2004
2023 IFTA LICENSE
NOT TRANSFERABLE

Effective Date 00/00/0000
Expiration Date 12/31/XXXX

IFTA License Number
KYXXXXXXXXXXXX

Legal Name
OBA
Address
City, ST ZIP

Motor Carrier Account: XXXXXX
Control Number: XXXXXXXX
USDOT Number: ~~XXXXXXXX~~
Additional Identifier
KYTCXXXXXXXXXX

THIS LICENSE IS ISSUED UNDER THE TERMS OF THE INTERNATIONAL FUEL TAX AGREEMENT AND IS VALID FOR VEHICLES OPERATED BY THE LICENSEE IN ALL IFTA JURISDICTIONS
A COPY OF THIS LICENSE MUST APPEAR IN EACH MOTOR VEHICLE

Cut here

Cut here

Need Help?

Mail To:

Kentucky Transportation Cabinet
Division of Motor Carriers
P.O. Box 2004
Frankfort, KY 40602 - 2004

Call or Email:

Kentucky Transportation Cabinet
Division of Motor Carriers
(502) 564-1257
ifta.dmc@ky.gov

Include your Account Number on all correspondence.