



"Why do I owe money when I file my Fuel Taxes?"

Many people wonder: "When I submit my quarterly Fuel Tax filings, why do I often have to pay them more money?" When you break it down, the answer can be fairly simple...

The main point of the fuel tax system is to make sure that each state gets their share of tax revenue based on where the fuel is used. In other words, if someone drives most of their mileage in one state, but buys most of their fuel in another state, the state that gets the mileage on its roads naturally wants those tax dollars. That's why the IFTA-100 and IFTA-101 forms that you file every quarter require you to fill in your fuel purchases and your miles travelled in each state.

A simplified example should clarify: Let's say that in one quarter, XYZ Trucking Company travels 95,000 miles in Connecticut, and 5,000 miles in Massachusetts, and buys all their fuel (18,000 gallons) in Massachusetts. So here is how much fuel they used in each state:

MA: $5,000 \text{ (miles in MA)} / 100,000 \text{ (total miles)} \times 18,000$
(total gallons) = 900 gallons used
CT: $95,000 \text{ (miles in CT)} / 100,000 \text{ (total miles)} \times 18,000$
(total gallons) = 17,100 gallons used

The tax rate in Massachusetts, where XYZ Trucking Company bought all their fuel, is \$0.210/gallon, and in Connecticut, where they travelled the most, is \$0.434/gallon. So at the pumps, in Massachusetts, they paid:

$18,000 \text{ (gallons purchased)} \times \$0.210 = \$3,780$

Based on their miles travelled in each state, IFTA says they should pay the following Fuel Taxes in each state:

MA: $900 \text{ (gallons used)} \times \$0.210 = \$189$
CT: $17,100 \text{ (gallons used)} \times \$0.434 = \$7,421.40$

They already paid Massachusetts \$3,780 (at the pump), so they get a credit from Massachusetts of \$3,780 - \$189 = \$3,591. But they still owe Connecticut \$7,421.40. The IFTA system takes that credit from Massachusetts, and sends it to Connecticut, but XYZ Trucking Company still has to kick in the rest of the money due to Connecticut:

$\$7,421.40 \text{ (total due to CT)} - \$3,780 \text{ (credit from MA)} = \$3,641.40$

So, when they submit their IFTA-100 and IFTA-101 forms for the quarter, they need to send a check for \$3641.40.


So, what's the point of all this? If you buy your fuel in states, on average, with a lower tax rate than where you drive, on average, you will owe more money when you file your quarterlies. (And if you buy it in high tax rate states, you'll get a credit back.) So if you think you're saving money by buying your fuel where the tax rates are lower, IFTA will catch up with you, and the states will still get their due. But don't worry... It won't cost you any more in the long run either way. IFTA makes sure that it all balances out.


Dan Wolpert

DOT post-accident process - Do circumstances warrant DOT post accident tests?


This basic flowchart is intended to simplify an often confusing process of determining whether or not a post-accident test is warranted. It may not answer all questions that may arise in post-accident scenarios. Should you have specific questions, please contact Fleet Safety Services at (800) 215-2490


1. Did the accident occur in a vehicle that requires a CDL?

If yes:  Go to the next question.


If no:  You cannot test the driver, regardless of the license that he/she holds, if they are not operating a CMV at the time of the accident.


2. Was there a fatality (within 8 hours) as a result of the accident?

If yes:  Send the driver for both a drug and alcohol test.

If no:  Go to the next question.


3. Was there a fatality beyond the 8 hours following the accident, but within 32 hours?

If yes:  Send the driver for drug testing only and document that alcohol testing could not be performed because it was past the allowable time frame for testing.


If no:  Go to the next question. (You cannot test if the fatality occurs more than 32 hours later.)


4. Was there an injury that required immediate medical treatment away from the scene?

If yes:  Go to question 6.


If no:  Go to the next question.


5. Was there disabling damage to one of the vehicles that required towing from the scene?

If yes:  Go to the next question


If no:  No damage, injury, or fatality = no testing necessary.


6. Was the driver cited related to the accident, and does one of the situations listed in questions 4 and/or 5 exist?

If yes:  Go to the next question


If no:  The incident does not qualify for DOT testing.


7. Was the citation in question 6 issued at the scene or within 8 hours?

If yes:  Send the driver for both a drug and alcohol test.

If no:  Go to the next question

8. Was the citation issued more than 8 hours after the accident, but within 32 hours?

If yes:  Send the driver for drug testing only and document that alcohol testing could not be performed because it was past the allowable time frame for testing.

If no:  You cannot test. Document that the citation was issued beyond the allowable time frame for testing.

You cannot test "just-in-case" unless you conduct testing in "all post-accident circumstances" as a matter of company policy.

However, if you do perform post-accident testing in "all circumstances":

1. It must be done using a non-DOT form
2. The collector must be made aware that is not a regulated test.
3. The drug test results must be linked to a separate non-DOT lab account for reporting purposes.
4. The results of these non-DOT tests hold no DOT consequences.
5. If a DOT post-accident test ultimately is required, the non-DOT tests cannot be substituted to satisfy the DOT requirements. The driver must be sent again for another round of tests.

Of course, in issues as sensitive as post-accident testing, questions will often still arise. Please feel free to call us for assistance in determining the correct course of action.

Sincerely,
Fleet Safety