

Motor Carrier Permit & Tax Update



In This Issue

Think URS doesn't affect you? Think again.	1
Employee or an independent contractor classification depends on economic realities	2
UCR filings start October 1	3
Why so many definitions? Aren't CMVs always CMVs?.....	4
ELDs remain on track for September	6
HOS exemption for certain security- sensitive hazmat	6
State Highlights	
Nevada	7
New York	7
Oklahoma	7
Provincial Highlights	
British Columbia	8
Manitoba	8
Ontario	8
State Fuel Tax Rates	9
Provincial Fuel Tax Rates	12



Federal Highlights

Think URS doesn't affect you? Think again.

Remember about two years ago when the Federal Motor Carrier Safety Administration (FMCSA) adopted the Unified Carrier Registration System (URS) final rule? You may recall that much of the hoopla surrounding the URS final rule was on the biennial update requirement. In the URS final rule, the FMCSA finally put "teeth" into the rule and required all carriers to update their USDOT number at least every two years or face civil penalties and deactivation of the USDOT number. This part of URS was effective November 1, 2013. If you're an interstate carrier with a USDOT number, you've already been affected by the URS by complying with the biennial update.



The biennial update wasn't the only change, though. There were two other compliance dates as part of the URS — October 23, 2015, and April 26, 2016. The changes happening in October will also affect all carriers with a USDOT number. In October, the MCS-150 will be replaced by the new form MCSA-1, which will be an electronic-only form. The new MCSA-1 form combines the MCS-150 form and all of the authority forms, into one form. Even if you're a private carrier and do not require operating authority, you will be using the MCSA-1 to complete your biennial update. If you've recently completed your biennial update, it may be several weeks or months before you'll use the new MCSA-1; however, know that the *next* time you go to update, you'll see a new form. Also starting in October, all entities will be required to update their information with the FMCSA within 30 days of a change to the legal name, form of business, or address.

Another change happening in October is that for-hire exempt carriers and private hazardous materials carriers must file proof of insurance with the FMCSA. If you're in this category, URS affects you.

See URS, page 2

URS, from page 1

Finally, in April 2016, all existing private carriers and all for-hire exempt carriers (existing as of October 22, 2013) will need to make a process agent filing with the FMCSA. If you're in this category, URS affects you.

Remember, URS affects all motor carriers that hold a USDOT number. To what *degree* URS affects you will

depend on the type of carrier you are. If you fall into the category of private, for-hire exempt, or private hazmat carrier, be sure to take note of the upcoming compliance dates.

More details on URS can be found in the *Motor Carrier Permit and Tax Update*, June 2015 issue.

Employee or an independent contractor classification depends on economic realities

Misclassification of employees as independent contractors is occurring in an increasing number of workplaces throughout the United States, according to the U.S. Department of Labor's Wage and Hour Division (WHD). On July 15, 2015, the WHD issued a memo to increase enforcement of labor laws with the purpose of curbing these misclassification processes.

The Fair Labor Standards Act (FLSA) recommends that the courts use the multi-factorial "economic realities" test in place of the "common law control test" used by other government agencies, including the Internal Revenue Service (IRS), in determining the correct classification of a worker. The common law control test was once regarded as the definitive standard in classifying workers. The economic realities test focuses on whether the worker is financially dependent on an employer or in business for him or herself. A worker who is economically dependent on an employer, by FLSA definition, is "suffered or permitted to work" by the employer.

The economic realities factors

To aid in determining how the economic realities factors should be used, the WHD stated, "the following analysis and examples are to be considered and weighted against one another in each situation as there is no mechanical formula for using them as the correct result. These factors are simply a tool to assist in understanding individual cases, with the ultimate goal of deciding whether it is economically realistic to view a relationship as one of employment or not."

These factors are:

1. Integral to the employer's business?

If the work is integral to the employer's business, the worker is probably economically dependent on the

employer and therefore, an employee. For example, a construction company may hire carpenters, but they are employees because carpentry is an integral part of the business. The construction company may also contract with a software company developer to create software for tracking projects, which is not integral to the construction business and therefore suggesting a contractor relationship.

2. Profit or loss?

A contractor could make a profit or experience a loss. This factor goes beyond the mere opportunity for profit or loss; it requires examining whether the worker makes decisions that affect that opportunity. For example, the decision to hire others, purchase materials and equipment, advertise, rent space, and schedule work would affect the opportunity for profit or loss beyond a single project or job.

3. Investment

According to the WHD, comparing the worker's investment to the employer's investment is also important. A true contractor's investment should not be minor compared to the employer's investment. For example, a worker may provide cleaning services, but use the employer's vehicle, equipment, and supplies. This indicates an employment relationship. In contrast, if the worker invests in vehicles and equipment needed to perform work for clients, this suggests a contractor relationship.

4. Skill and Initiative

A worker's business skills and initiative, not his or her technical skills, determine whether the worker is economically independent. For example, a carpenter might provide services to a construction company, but if the carpenter does not determine the sequence of



work, order materials, or think about bidding the next job, then the carpenter is simply providing skilled labor and would be an employee.

In contrast, a carpenter who provides a specialized service (such as custom, handcrafted cabinets that are made-to-order) may be demonstrating skill and initiative by marketing those services, purchasing materials, and deciding which orders to fill.

5. Duration of relationship

A contractor typically works on a specified project, while an employee has an indefinite relationship with the employer. However, employers cannot assume that a short relationship, such as a few days, creates a presumption of a contractor relationship. If the duration is based on the nature of the business,

such as seasonal work, this does not preclude an employment relationship. The lack of a permanent or indefinite relationship may indicate an independent contractor status only if the worker's own independent business initiative affects the duration.

6. Degree of control

The degree of control retained by the employer is important, but is only one of the factors to consider. An employer need not actually exercise control over an employee, as long as the employer retains the right to do so. To be a contractor, the worker must retain control and actually exercise control over conditions that affect his or her own business.

If the nature of the work requires the employer to retrain some control, this indicates an employment relationship. The WHD noted that the reason for retaining control is not relevant; only the employer's ability to control workers is relevant.

The labels "Trucking Company," "Owner-Operator," and "Company Driver" could have been substituted for the job titles used in the examples above. Even though these economic reality factors are simply guidelines promoted by the WHD and are not law, the motor carrier industry must regard this as strong reason to review their policies and operational methods when dealing with owner-operators under a lease agreement.

UCR filings start October 1

The Unified Carrier Registration (UCR) filings for the upcoming 2016 registration year will start October 1, 2015. The 2016 fees will be the same as the 2010-2015 fees.

When you visit the national UCR filing site at www.ucr.in.gov to file and pay your UCR fees, don't be alarmed if you don't recognize it at first. The UCR Board has been working to update the page so that it will have a more modern, streamlined look. According to the UCR Board —

The Unified Carrier Registration (UCR) System homepage is being updated. The new site will feature a new, more professional look including a new color for the map of the United States and an upgrade to Internet Explorer 10.

The state of Indiana hosts the site and the site will remain as the national official UCR filing site. All carriers, including those from Canada and Mexico, can use the site for filing their UCR fees.

2016 filing starts
Oct. 1, 2015

Based on # of
vehicles
reported on
MCS-150/MCSA-1

File at
www.ucr.in.gov

Why so many definitions? Aren't CMVs always CMVs?

The Federal Motor Carrier Safety Regulations (FMCSRs) define commercial motor vehicle (CMV) in no fewer than three places. Deciding which definition is applicable to any given rule set can be a challenge — especially considering that two state-run programs, the International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP), and the Internal Revenue Service (IRS) add additional CMV definitions.

It is no wonder that carriers get confused. We can start the simplification process by pulling some loose strings out of this cluster ball in an attempt to make the subject a little clearer to see and understand. The first clarity exercise is to define, using plain English, the weight terms that are in the definitions:

Actual weight (weight determined by a scale)

- Gross Vehicle Weight (GVW): The GVW is the weight of any single vehicle, which could be a truck-tractor, straight truck, trailer, or semitrailer.
- Gross Combination Weight (GCW): The GCW is the sum total of GVW for each and all of the components working in combination; i.e., the GVW of the truck plus the GVW of the trailer.

Rated weight (highest manufacturer's working weight capacity recommendation)

- Gross Vehicle Weight Rating (GVWR): The manufacturer's rating on any single vehicle, which can be a truck-tractor, straight truck, trailer, or semitrailer.
- Gross Combination Weight Rating (GCWR): The greater of:
 - The manufacturer's combination rating as found on the Federal Motor Vehicle Safety Standard (FMVSS) certification label. This label is placed on the driver's side door, frame, or post. The Power Unit's GCWR will not be used unless there is actually a trailer attached; or
 - The highest sum total of:
 - The GVWR; i.e., the GVWR of the truck plus the GVWR of the trailer; or
 - The GVW of each component; or
 - Any combination of GVW and GVWR.

Declared weight (registered weight)

- The registered weight should not exceed the weight ratings of the vehicle or combination of vehicles and cannot be less than the GVW or the GCW unless operating under a weight permit.

Two additional terms need to be understood, in plain text, regarding CMV definitions:

- Interstate commerce is any trade, traffic, or transportation between:
 - A place in a state, and a place outside of the state;
 - Between two places in the same state, but through another state or country; or
 - Between two places in a state that either originated or will terminate outside of the state.
- Highway includes any road, street, or way, on public or private property, that is open to public travel by a standard passenger car without restrictive gates, prohibitive signs, or regulation.



The general commercial motor vehicle (CMV) definition

When using plain text, all of the CMV definitions become clearer, including the broadest definition in 49 CFR §390.5:

- A vehicle used on highways, in interstate commerce, that meets one of the following criteria:
 - Is a single vehicle or a vehicle combination that has an actual or rated gross vehicle weight of 10,001 pounds or more;
 - Is designed to transport more than eight people, including the driver, for compensation;
 - Is designed to transport more than 15 people, including the driver, not for compensation; or
 - Is transporting hazardous materials in quantities that require the vehicle to be placarded.

This definition is used to determine if the vehicle, carrier, or driver is subject to the majority of the FMCSRs. For interstate commerce carriers, most of the time when the regulations use the term

“commercial motor vehicle” in Parts 350-399, it is referencing the definition in 49 CFR §390.5. Based on this, the driver and vehicle are subject to driver qualifications, vehicle inspection and maintenance, equipment, USDOT numbers/markings, insurance, hours of service, and the like.

A narrower definition

You may have noticed that the previous paragraph used the qualifiers of “majority of the FMCSRs” and “most of the time.” When, then, would an alternate definition be used? The very beginning of Section 390.5 points out that “unless specifically defined elsewhere...” the definitions provided in 49 CFR §390.5 apply. The regulations for Controlled Substances and Alcohol use and Testing in Part 382 and Commercial Driver’s License (CDL) Standards; Requirements and Penalties in Part 383 are two examples of a different definition. Thankfully, they both use an identical definition (49 CFR §§382.107 and 383.5):

A vehicle used in commerce, whether interstate or intrastate that meets one of the following criteria:

- Has an actual or rated combination weight of 26,001 pounds or more, including a towed unit(s) with a weight of more than 10,000 pounds (actual or rated);
- Is a single vehicle with an actual or rated weight of 26,001 pounds or more;
- Is designed to transport more than 15 people, including the driver; or
- Is of any size and is used in to transport a placarded amount of hazardous materials.

Because Part 380 deals strictly with vehicles that require a CDL to operate longer combination vehicles (LCV) and entry-level driver training, the CDL definition of CMVs applies by proxy.

IFTA and IRP CMV definitions

IFTA and IRP, in addition to sharing prorated fuel tax and registration fees, share a common CMV definition. The vehicle’s manufactured ratings do

not enter the definition at all, but other criteria like registered weight and axle counts come into play.

For IFTA and IRP purposes, a CMV is generally a vehicle carrying persons or property that:

- Has three or more axles regardless of weight;
- Has two axles and has a GVW or registered weight over 26,000 pounds; or
- Is used in combination when the GCW is over 26,000 pounds.



IRS and the Heavy Vehicle Use Tax (HVUT) definition

The HVUT isn’t a complex tax to understand, but as with any tax or regulatory requirement, there are often questions surrounding what vehicles need to comply with the tax.

For HVUT, there is a single definition of a CMV: a vehicle with a taxable gross weight of 55,000 pounds or more. The taxable gross weight is the empty gross weight of the vehicle, plus the empty weights of any attached trailers, plus the heaviest weight of the loads the vehicle and/or trailers will carry. Any vehicle as described above needs to be registered for at least this declared weight.

Plain English vs. regulations

Plain English definitions and regulatory “easy explanations” can be extremely helpful in understanding the rules and staying compliant. However, plain text cannot and does not replace the rules. If ever in doubt, it is best to consult the regulations, the regulatory agency, or a trusted regulatory professional. It is the regulatory language’s precision and structure that often causes the confusion.

One more thing...

The definitions of a CMV that determine what and which vehicles are “in scope” of a rule do not stop with the federal government. The FMCSA gives states some leeway in determining which vehicles are subject to the broadest and general safety regulations. States are afforded little leeway, though, regarding the definitions for CDL-required vehicles. Be aware that some states are more restrictive regarding regulated commercial and/or large vehicle driver licensing. It pays to know for sure.

ELDs remain on track for September

A long-awaited rule governing electronic logging devices (ELDs) for commercial drivers remains on track for publication in late September, according to the latest projection from the Federal Motor Carrier Safety Administration (FMCSA).

The rule has been undergoing review by the White House since July 28, 2015, and is expected to be published by September 30, 2015, the FMCSA says. Approval from the Obama administration is the last step before the final ELD rule can be put into effect.

The ELD rule will require most interstate commercial truck and bus drivers to begin using electronic recorders to track their hours of work, affecting more than 3 million drivers. Most drivers who currently complete paper logs will need to switch to ELDs within two years after the rule's effective date, although exceptions will likely be granted for certain short-haul and intermittent drivers.

Drivers who currently use a compliant electronic logging system are expected to have four years to make sure their devices comply with the new ELD standards. Other significant rules now undergoing White House review include:



- A rule that would require the installation of speed limiting devices on heavy trucks; and
- A rule that would prohibit motor carriers, shippers, receivers, and others from forcing drivers to violate the Federal Motor Carrier Safety Regulations or Hazardous Materials Regulations, with publication slated for September 25, 2015.

HOS exemption for certain security-sensitive hazmat

Drivers transporting security-sensitive hazardous materials (HM) requiring a security plan can now remain “on duty” for their mandatory 30-minute rest breaks, thanks to a new exemption from the Federal Motor Carrier Safety Administration (FMCSA).

The agency granted the exemption to all motor carriers that transport certain HM shipments requiring security plans under regulations of the Pipeline and Hazardous Materials Safety Administration (PHMSA). These plans normally require drivers to attend to the sensitive cargo while the vehicle is stopped, which is an on-duty activity under the FMCSA's hours-of-service rules.

These drivers may now count their on-duty attendance of HM cargo toward the required 30-minute rest break requirement, as long as they perform no other on-duty activities during the break. This exemption parallels 49 CFR §395.1(q), which allows drivers who are attending loads of certain explosives to count on-duty attendance time toward their rest break so long as they engage in no other on-duty activity.



The exemption took effect on August 21, 2015, and is set to expire on August 21, 2017.

Under 49 CFR §395.3, commercial truck drivers are required to get at least 30 minutes “off duty” if they want to continue to drive after eight hours into the day.

Terms

The exemption is limited to drivers transporting HM loads requiring placarding under 49 CFR Part 172, Subpart F, or select agents and toxins identified in 49 CFR §172.800(b)(13) that do not require placarding, and who have filed security plans requiring constant attendance of HM in accordance with 49 CFR §172.800-804. The exemption is further limited to motor carriers that have a “satisfactory” safety rating or are “unrated.”

Drivers using the exemption must carry a copy of the exemption document in their possession while operating under the terms of the exemption and must present it to law enforcement officials upon request.

Finally, motor carriers have to notify the FMCSA by email within five business days if a driver has a recordable accident while using the exemption.



State Highlights

NEVADA

IRP fees updated

Nevada's International Registration Plan (IRP) fees will be updated effective January 1, 2016. The newly updated fees can be found on IRP, Inc.'s website at www.irponline.org.

NEW YORK

Heads up on the HUT: Renew by November 1

Heads up! The New York State Department of Taxation and Finance has recently sent out a memo indicating that carriers subject to the New York Highway Use Tax (HUT) must submit renewal applications for their HUT certificates of registration by November 30, 2015. The 21st series of registrations and decals will be expiring on December 31, 2015. Renewing prior to the end of the year will help ensure that the necessary vehicle decals are issued in time to be displayed on vehicles before January 1, 2016.

As of January 1, 2016, the new decals must be displayed on trucks subject to the HUT.

The Department of Taxation and Finance memo also reminded carriers that the certificate of registration and decals cannot be renewed if:

- The carrier owes back taxes (including HUT, International Fuel Tax Agreement (IFTA) fuel taxes, sales tax, etc.);
- The carrier has any missing HUT returns; or
- Incorrect vehicle information is provided; be sure that vehicle registration information that is on file with the Department of Taxation and Finance is accurate.

Renewals can be completed online using New York's One Stop Credentialing and Registration (OSCAR) website. Those that are unable to renew electronically may file a paper application using Form TMT-1.2, *Renewal Application for Highway Use Tax (HUT) and Automotive Fuel Carrier (AFC) Certificates of Registration (C of R) and Decals - 22nd Series*. Forms



and access to OSCAR can be found by visiting www.oscar.ny.gov/OSCR/OSCRCarrierHome.

As a reminder, carriers that operate motor vehicles on the public highways of New York State must obtain a certificate of registration and decal for each motor vehicle subject to the highway use tax. There are two types of registrations:

- A HUT certificate of registration is required for any truck, tractor, or other self-propelled vehicle with a gross weight over 18,000 pounds. (if you elect to use the unloaded weight method to file your returns, a certificate is required for any truck with an unloaded weight over 8,000 pounds and any tractor with an unloaded weight over 4,000 pounds).
- An automotive fuel carrier (AFC) certificate of registration is required for any truck, trailer, or semitrailer, or other attached device transporting automotive fuel (the same gross weight and unloaded weight rules apply).

For more details, visit the OSCAR website or call the NY Business Tax Information Center at (518) 457-5342.

Reminder to renew IFTA credentials

The New York Department of Taxation and Finance is reminding carriers to renew their 2016 International Fuel Tax Agreement (IFTA) licenses and decals starting November 1, 2015.

The IFTA credentials can be renewed using OSCAR at www.oscar.ny.gov/OSCR/OSCRCarrierHome.

OKLAHOMA

Motor carrier rules amended

Oklahoma Corporation Commission has adopted amendments to several regulations affecting motor carriers in the state. The first amendment regarding intrastate authority removes the allowance for multi-year motor carrier licenses/certificates. According to the Commission's rulemaking, multi-year renewals (up to three years) cause confusion among carriers and lead to them failing to comply with the annual identification device renewal. Going forward, the licenses/certificates will only be renewed annually.

Another amendment updates references to the permit requirements for truck yard wash pits, as the permit provisions have been transferred from the Commission's Transportation Division to the Commission's Oil and Gas Division.

The rulemaking also added a new section regarding overweight variance permits. The overweight variance permits are annual permits for transporting certain commodities, including but not limited to, timber, pulpwood, and chips in their natural state, rock, sand,

gravel, coal, flour, grain, fertilizer, cottonseed, cotton, livestock, etc.

Finally, the Commission made changes to the International Registration Plan (IRP) regulations to incorporate necessary revisions due to IRP's adoption of the Full Reciprocity Plan effective in 2015.

For more information on the amendments, contact the Oklahoma Corporation Commission at (405) 522-1638, or by visiting www.occeweb.com.



Provincial Highlights

BRITISH COLUMBIA

Trip inspection clarification

British Columbia's Commercial Vehicle Safety Enforcement (CVSE) office issued a memo recently that clarified the post-trip inspection requirement in the province.

According to the memo, while the Motor Carrier Act Regulations state that the driver must complete a post-trip inspection and record any defects, if found, this does not necessarily mean the driver must create a written report each time he/she performs a post-trip inspection.

The memo states that motor carriers *may* require drivers to create a written post-trip inspection report indicating defects or no defects, if desired, but it is not required by regulation. If a driver does find a defect during the post-trip inspection, he/she would then update the pre-trip inspection report with the defect details.

For more information, contact Commercial Vehicle Safety Enforcement, National Safety Code Office, at (250) 952-0576.

MANITOBA

Vehicle weights and dimensions regulatory amendments

Manitoba has adopted regulatory amendments Manitoba Regulation 575/88, *Vehicle Weights and Dimensions on Class of Highways Regulation*, effective August 13, 2015.

The amendments:

- Clarify the definition of "wide-base" and "wide-base single tire;"
- Increase the maximum length of aerodynamic devices to match the Federal/Provincial/Territorial Memorandum of Understanding (MOU) on Vehicle Weights and Dimensions (VWD);
- Increase the B-train combination overall length limit from 25 meters to 27.5 meters;
- Clarify axle weights for vehicles with wide-base single tires; and
- Update listings for RTAC routes and provincial highways and weights in Schedule H (maximum gross axle and gross vehicle weights for RTAC vehicles).

For more information, contact Manitoba Infrastructure and Transportation at (204) 945-3961 or toll free at (877) 812-0009.

ONTARIO

MTO proposes changes to SPIF

The Ministry of Transportation-Ontario (MTO) is proposing updates to Ontario Regulation 413/05, *Vehicle Weights and Dimensions - For Safe, Productive, Infrastructure-Friendly (SPIF) Vehicles*. The proposal would update the rules based on recent changes to the Federal/Provincial/Territorial Memorandum of Understanding (MOU) on Vehicle Weights and Dimensions (VWD), extend the allowance for a longer hitch offset to SPIF trucks only when hauling

pre-SPIF trailers built before July 1, 2011, and make minor typographical corrections.

The proposed changes would:

- Increase the B-train combinations overall length limit from 25 to 27.5 meters and increase the tractor wheelbase limit from 6.2 to 6.8 meters; and
- Increase the maximum length of aerodynamic devices, also referred to as “boat tails,” extending from the rear of a semitrailer, from 0.61 to 1.52 meters.

The MTO had been allowing 1.52-meter aerodynamic devices for the past year under an enforcement deferral directive. Adopting the proposed change would allow 1.52-meter aerodynamic devices in the province by regulation, rather than under an enforcement deferral directive.

Contact the MTO at (416) 246-7166 for more details regarding the proposal.

Driver licensing requirements waived for military personnel

Effective July 1, 2015, Ontario adopted regulations exempting military personnel from certain driver licensing requirements. The changes streamline the

process for military personnel holding Department of National Defense (DND) driver license permits to obtain Ontario Class A, C, D, or F licenses.

Military personnel holding “DND 404” permits will not be subject to testing requirements including a road test and written knowledge test, but would still be subject to medical and vision tests, fees, and identification requirements.

The licensing change in Ontario follows Quebec and Manitoba, the other two provinces currently recognizing DND 404 military permit equivalency.

For more information, contact the Ministry of Transportation Ontario at (416) 326-1234 or (800) 267-8097.

Bus registration fees updated

Ontario has updated its bus registration fees effective November 1, 2015. The fees for commercial vehicles other than buses have not changed.

The new bus registration fees are available on IRP’s website at www.irponline.org.



3rd quarter 2015—U.S.

Tax rates shown do not include the federal tax rates on gasoline (18.4¢/gallon); diesel fuel (24.4¢/gallon); and LPG (18.3¢/gallon).

The following tax rates are not final until September 2, 2015.

The following is for reference only; refer to www.iftach.org for the most current fuel tax rates.

STATE	GASO-LINE	SPECIAL DIESEL	GASO-HOL	PRO-PANE	BIO-DIESEL	COMMENTS
ALABAMA	0.1600	0.1900	0.1600	0.1900	0.1900	
ARIZONA	0.1800	0.2600	0.1800	—	0.2600	Vehicles less than 3 axles and with declared GVW under 26,001 lbs are taxed at 18¢/gal
ARKANSAS	0.2150	0.2250	0.2150	0.1650	0.2250	
CALIFORNIA	—	0.4470	—	0.0600	0.4470	
COLORADO	0.2200	0.2050	0.2200	0.0500	0.2050	
CONNECTICUT	0.2500	0.5030	0.2500	0.2600	0.5030	Refer to www.ct.gov/drs/cwp/view.asp?A=1511&Q=267172 for information on computing tax on vehicle fuels in gaseous form.
DELAWARE	0.2300	0.2200	0.2300	0.2200	0.2200	

STATE	GASO-LINE	SPECIAL DIESEL	GASO-HOL	PRO-PANE	BIO-DIESEL	COMMENTS
FLORIDA	0.3159	0.3367	0.2987	—	0.3367	Includes 4¢ excise tax.
GEORGIA	0.2600	0.2900	0.2600	0.2600	0.2900	
IDAHO	—	0.3200	—	0.3200	0.3200	As of 11/1/07, diesel purchased from retail outlets on the Shoshone-Bannock Indian Reservation is Idaho tax-paid diesel for IFTA reporting and Idaho fuels tax refunds. Diesel purchased from tribal-owned retail outlets on the Coeur d'Alene and Nez Perce Indian Reservations is not Idaho tax-paid diesel for IFTA reporting and refunds. Also, as of 3/1/05 all gasoline purchased from tribal-owned retail outlets on all Idaho Indian reservations is not Idaho tax paid gasoline and is not eligible for fuels tax refunds. Call (800) 972-7660, ext. 7601 or 7702.
ILLINOIS	0.3830	0.4270	0.3830	0.2840	0.4270	
INDIANA	0.1800	0.1600	0.1800	0.1600	0.1600	Plus 11¢/gal. surcharge due on tax return.
IOWA	0.3080	0.3250	0.2930	0.3000	0.2950	
KANSAS	0.2400	0.2600	0.2400	0.2300	0.2600	Tax rates are based on average retail price.
KENTUCKY	0.2960	0.2160	0.2460	0.2460	0.2160	Plus 4.4¢/gal. (gasoline, gasohol, and propane), or 10.2¢/gal. (diesel) surcharge due on tax report. Vehicles over 59,999 lb GVW also pay an additional 2.85¢/mile weight distance tax..
LOUISIANA	0.2000	0.2000	0.2000	0.1600	0.2000	
MAINE	—	0.3120	—	0.2190	0.3120	
MARYLAND	0.3210	0.3285	0.3210	0.3210	0.3285	Rate based on 10% of average wholesale value per gallon, but not less than 13.5¢/gallon.
MASSACHUSETTS	0.2400	0.2400	0.2400	0.2400	0.2400	Tax rate computed quarterly at 10% of retail selling price, minimum of 24¢.
MICHIGAN	—	0.2960	—	—	0.2960	Diesel fuel that is at least 5% biodiesel qualifies for the biodiesel rate. The biodiesel rate is effective 9/1/2006.
MINNESOTA	0.2850	0.2850	0.2850	0.2135	0.2850	
MISSISSIPPI	0.1800	0.1800	0.1800	0.1700	0.1800	
MISSOURI	0.1700	0.1700	0.1700	0.1700	—	Reporting is not required for propane and/or natural gas in the event that proper fuel decals have been obtained. If fuel decals have not been obtained, a fuel tax return must be completed using the 17¢ fuel tax rate.
MONTANA	—	0.2775	—	0.0518	—	Gasoline and Gasohol no longer reported under IFTA.
NEBRASKA	0.2610	0.2610	0.2610	0.2610	0.2610	Tax rate computed on the average cost of fuel statewide + 2¢/gal.

STATE	GASO-LINE	SPECIAL DIESEL	GASO-HOL	PRO-PANE	BIO-DIESEL	COMMENTS
NEVADA	0.2300	0.2700	0.2300	0.2200	0.2700	
NEW HAMPSHIRE	—	0.2220	—	0.2220	0.2220	
NEW JERSEY	0.1450	0.1750	0.1450	0.0925	—	
NEW MEXICO	—	0.2100	—	—	—	New Mexico also has a weight distance tax based on mills/tonmile.
NEW YORK	0.4050	0.4005	0.4050	0.2270	—	New York also has a Highway Use Tax. If the total gallons of B20 fuel purchased in New York exceed the taxable gallons of diesel used in New York, an adjustment is required on the IFTA return. Go to http://www.tax.ny.gov/ for more information.
NORTH CAROLINA	0.3600	0.3600	0.3600	0.3600	0.3600	
NORTH DAKOTA	0.2300	0.2300	0.2300	0.2300	0.2300	
OHIO	0.2800	0.2800	0.2800	0.2800	0.2800	Ohio has cancelled the 2¢/gal. surcharge charged on the tax report.
OKLAHOMA	0.1600	0.1300	0.1600	0.1600	0.1300	
OREGON	—	—	—	—	—	Oregon does not tax fuel under IFTA.
PENNSYLVANIA	0.5050	0.6420	0.5050	0.3720	0.6420	
RHODE ISLAND	0.3300	0.3300	0.3300	0.3300	0.3300	Tax rate computed on 11% of wholesale selling price, 18¢/gal. minimum + 3¢ excise tax.
SOUTH CAROLINA	0.1600	0.1600	0.1600	0.1600	—	
SOUTH DAKOTA	—	0.2800	—	—	0.2200	
TENNESSEE	0.2000	0.1700	0.2000	0.1400	0.1700	
TEXAS	0.2000	0.2000	0.2000	—	0.2000	Biodiesel (B100) and biodiesel blends (such as B20) purchased in Texas must be reported under the fuel type "DIESEL". Call (800) 252-1383 for info.
UTAH	0.2450	0.2450	0.2450	—	0.2450	
VERMONT	—	0.3100	—	—	—	
VIRGINIA	0.1620	0.2020	0.1620	0.1620	0.2020	Plus 3.5¢/gal. surcharge on diesel; 7.5¢/gal. surcharge on gasoline, gasohol, propane biodiesel.
WASHINGTON	0.3750	0.3750	0.3750	—	0.3750	Effective 10/1/09, a 100% fuel tax credit may be taken for taxed fuel purchased from all tribal and non-tribal fueling stations in Washington.
WASHINGTON (8/1/15)	0.4450	0.4450	0.4450	—	0.4450	Split tax rate.
WEST VIRGINIA	0.3460	0.3460	0.3460	0.2110	0.3460	
WISCONSIN	0.3290	0.3290	0.3290	0.2260	0.3290	Rate based on annual highway maintenance costs and amount of fuel sold in state.
WYOMING	0.2400	0.2400	0.2400	0.2400	0.2400	

3rd Quarter 2015—Canadian provinces
Tax rates shown do not include Canadian federal sales and excise tax amounts.
The following tax rates are not final until September 2, 2015 —
Exchange Rate 1.2321 — 0.8116
The following is for reference only;
refer to www.iftach.org for the most current fuel tax rates.

PROVINCE		GASO-LINE	SPECIAL DIESEL	GASO-HOL	PRO-PANE	BIO-DIESEL	COMMENTS
ALBERTA	U.S.	0.3994	0.3994	0.3994	0.2888	0.3994	Effective 4/1/07, gasohol is changed to \$0.09/litre as a result of the discontinuance of the ethanol tax exemption program.
	Can.	0.1300	0.1300	0.1300	0.0940	0.1300	
BRITISH COLUMBIA	U.S.	0.6504	0.6965	—	0.2249	—	Biodiesel and biodiesel blends must be reported as diesel.
	Can.	0.2117	0.2267	—	0.0732	—	
MANITOBA	U.S.	0.4301	0.4301	0.4301	0.0922	0.4301	Pure biodiesel and biodiesel blends are reported as diesel.
	Can.	0.1400	0.1400	0.1400	0.0300	0.1400	
NEW BRUNSWICK	U.S.	0.4762	0.6605	0.4762	0.2058	0.6605	
	Can.	0.1550	0.2150	0.1550	0.0670	0.2150	
NEWFOUNDLAND	U.S.	0.5069	0.5069	—	0.2151	—	
	Can.	0.1650	0.1650	—	0.0700	—	
NOVA SCOTIA	U.S.	0.4762	0.4731	—	0.2151	—	
	Can.	0.1550	0.1540	—	0.0700	—	
ONTARIO	U.S.	0.4516	0.4393	0.4516	0.1321	0.4393	Effective 4/1/14, biodiesel is a taxable product and taxed as diesel.
	Can.	0.1470	0.1430	0.1470	0.0430	0.1430	
PRINCE EDWARD ISLAND	U.S.	0.4024	0.6206	—	—	—	
	Can.	0.1310	0.2020	—	—	—	
QUEBEC	U.S.	0.5898	0.6206	0.5898	—	0.6206	
	Can.	0.1920	0.2020	0.1920	—	0.2020	
SASKATCHEWAN	U.S.	0.4608	0.4608	0.4608	0.2765	0.4608	
	Can.	0.1500	0.1500	0.1500	0.0900	0.1500	

Copyright 2015 J. J. Keller & Associates, Inc.

Neither the *Motor Carrier Permit & Tax Update* nor any part thereof may be reproduced without the written permission of J. J. Keller. Government regulations change constantly, therefore, J. J. Keller cannot assume responsibility or be held liable for any losses associated with omissions, errors, or misprintings in this publication. This publication is designed to provide reasonably accurate information and is sold with the understanding that J. J. Keller is not engaged in rendering legal, accounting, or other professional services. If legal or other expert advice is required, the services of a competent professional should be sought.

DIRECTOR OF EDITORIAL RESOURCES: Paul V. Arnold

EDITOR: Heather L. Ness

CONTRIBUTING EDITORS: Thomas E. Bray, Kathy L. Close, Daren B. Hansen, Richard J. Malchow, Robert J. Rose, Jill M. Schultz, Randall J. Skoog, Betty Bartel Weiland, Thomas J. Ziebell

ISSN 1573-8349

GST R123-317687

(43041)

 **J. J. Keller**
 & Associates, Inc.[®]
 Since 1953



Printed on
 Recycled Paper
 (30% Post Consumer)

