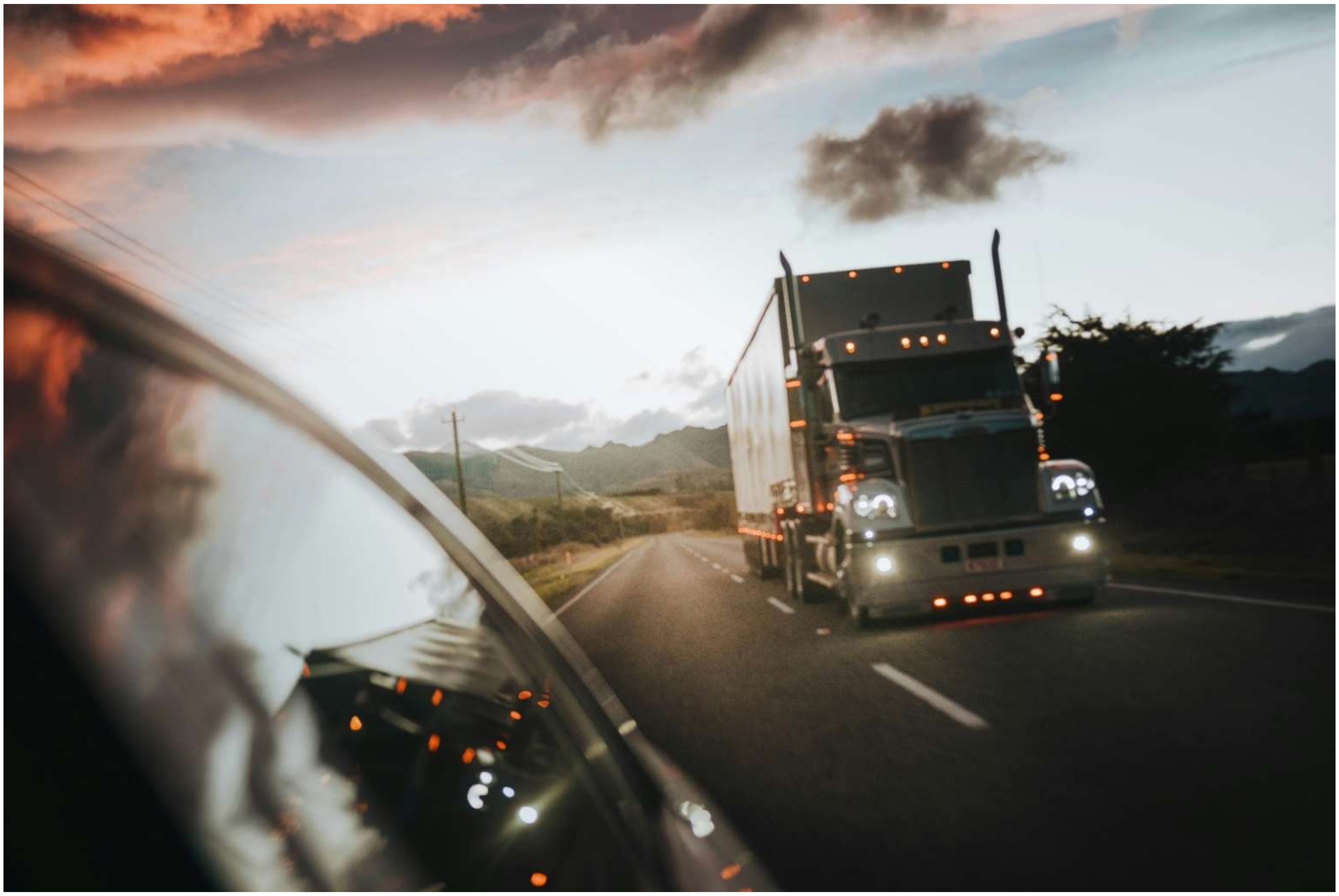


Idaho State Tax Commission

IFTA Handbook

Great people. Helping you. Serving Idaho.

Revised September 2026

Contents

Statement of Purpose

The world of taxes can be very complicated. Thankfully, U.S. and Canadian jurisdictions made efforts to simplify one of the most important taxes in your trucking industry – fuel taxes.

Fuel tax reporting used to be cumbersome and involved reporting all your travel directly to each state or Canadian province you traveled in. This could mean filing up to 58 individual fuel tax returns every quarter!

In 1983, three states – Arizona, Iowa, and Washington – took the first steps to simplify fuel tax reporting by starting the International Fuel Tax Agreement (IFTA). 55 other U.S. and Canadian jurisdictions joined the Agreement in subsequent years, and the rest is history.

We're excited to help guide you through your IFTA journey – from licensing to reporting to audit information, and everything in between!

What is IFTA?

Interstate motor carriers buy tax-paid fuel in various jurisdictions as they conduct their business. This tax pays for the carriers' use of the highways in all jurisdictions in which they travel.

The International Fuel Tax Agreement (IFTA) is an agreement among 58 jurisdictions – 48 U.S. states and 10 Canadian provinces. The agreement reduces paperwork and standardizes fuel use-tax reporting.

For example:

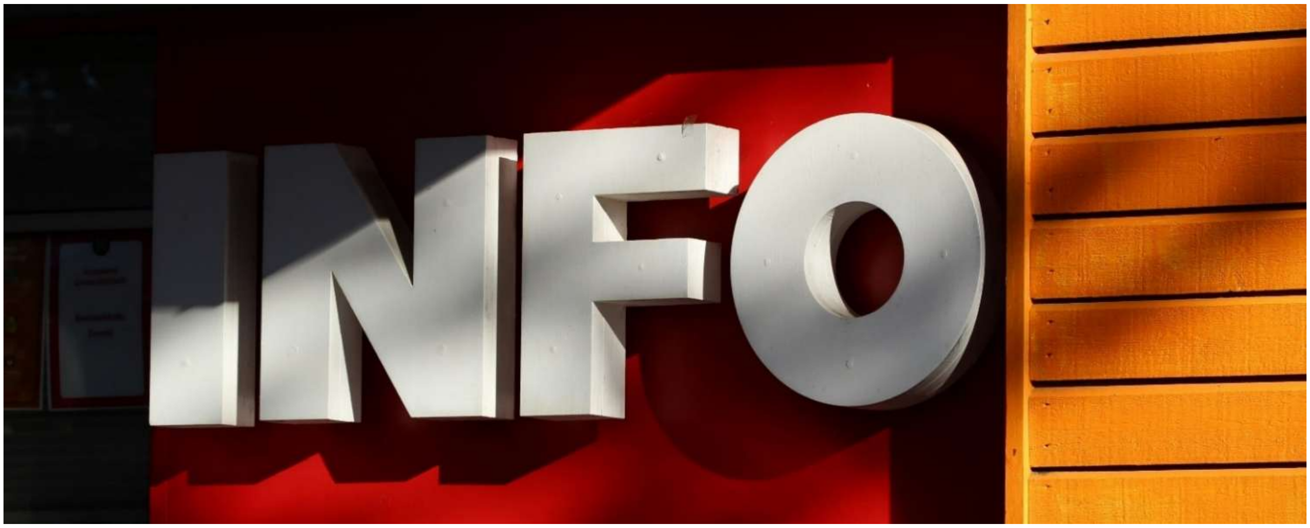
- All jurisdictions use the same definition for qualifying motor vehicles (R130.100.015).
- A carrier selects one base jurisdiction to report all travel instead of filing a separate return for each jurisdiction the carrier travels in (R130.100.005).
- A single fuel use tax license allows a carrier's vehicles to travel in all IFTA jurisdictions (R150).
- Only the base jurisdiction audits the carrier (R1310).

Throughout these pages, notes such as P1300 refer to portions of the IFTA Procedures Manual, and notes such as R1310 refer to the IFTA Articles of Agreement. You can find both on the IFTA website.

Most U.S. states and Canadian provinces are members of IFTA. However:

- In the U.S.: Alaska, Hawaii, and the District of Columbia **aren't** members.
- In Canada: the Northwest, Yukon, and Nunavut territories **aren't** members.

IFTA Requirements



IFTA vehicles

An IFTA-qualified vehicle is defined as a motor vehicle used, designed, or maintained for transportation of persons or property and **one** of the following:

- Having two axles and a gross vehicle weight or registered gross vehicle weight over 26,000 lbs.
- Having three or more axles regardless of weight
- Is used in combination, when the weight of such combination exceeds 26,000 lbs.

Note: Recreational vehicles aren't qualified motor vehicles.

Registration requirements

What you need to do depends on your situation.

If you've registered your IFTA-qualified motor vehicles under the International Registration Plan (IRP) in Idaho**:** You must do **one** of these:

- Get an Idaho IFTA license.
- Buy a temporary fuels tax permit when traveling in any IFTA jurisdiction, including Idaho.

If you're an Idaho carrier with IFTA-qualified motor vehicles but never leave Idaho or rarely travel outside Idaho: You can register under Idaho's Full Fee Registration program.

If you're under Idaho's Full Fee program and travel in another IFTA jurisdiction: You can choose not to convert your vehicle's registration to an IRP registration. Instead, you would obtain an Idaho IFTA license **and** do **one** of these:

- Register Full Fee in the other IFTA jurisdictions (unless operating under a registration reciprocity agreement)
- Buy temporary registration permits in the other IFTA jurisdictions.

IFTA Licensing

The IFTA license authorizes the operator of a qualified motor vehicle to travel in more than one jurisdiction. If you don't already have a license and decals, you must apply for them or operate your IFTA-qualified motor vehicles under a temporary fuels tax trip permit.

Your IFTA license and decals are valid from January through December of each year.

Qualifying for an Idaho IFTA license

An Idaho-based interstate motor carrier qualifies for an Idaho IFTA license if it travels in Idaho and at least one other IFTA jurisdiction and operates IFTA-qualified motor vehicles.

Only qualified vehicles can be part of an IFTA fleet, carry an IFTA license (cab card), and display IFTA decals. Recreational vehicles, motor homes, pickup trucks with attached campers, and buses used exclusively for personal pleasure don't qualify.

All IFTA fleet vehicles must have a photocopy or accessible electronic copy of the current IFTA license (cab card) in the vehicle and current IFTA decals on the lower rear sides of the vehicle's cab. IFTA licensees will receive a cab card and decals when they first apply with their base jurisdiction and then annually when they renew their license.

You can only report the distance and gallons of qualified vehicles on an IFTA fuels tax return.

Applying for the IFTA license

Apply for your Idaho IFTA license in **one** of these ways:

- Complete the application and pay online through Taxpayer Access Point (TAP). Beginning November 1, 2026, TAP can be accessed at tap.tax.idaho.gov.
  - The current URL for TAP is https://idahotap.gentax.com/TAP/_/
- Mail Form IMC-2, *Idaho Motor Carrier Application – IFTA only*, with your payment.

The cost for obtaining an IFTA license is $3.00 per decal set ordered.

After you apply

After we process your application, we'll mail your IFTA license and decals to you.

- You must maintain an electronic copy of the license that you can readily access, or make a photocopy of the IFTA license and keep a copy in the cab of each vehicle. Keep the original in a safe place.
- Place decals on each side of the lower rear exterior of each vehicle's cab.

Renewing your license and decals

IFTA licenses expire on December 31. You must renew your IFTA license and buy new decals annually. Current license holders can submit their renewal online through TAP. You won't be able to renew if you haven't filed all your IFTA returns or paid all your tax due (including any penalty or interest).

You can order more decals at any time during the year. The fee for renewing or ordering additional decals is $3.00 per decal set.

IFTA grace period

After you've renewed your IFTA license, you have two months to distribute copies of your IFTA licenses and decals to your IFTA fleet vehicles. You must display your old decals and licenses during this grace period if you haven't received your new decals.

Displaying IFTA decals early

You don't have to wait until after December 31 to put your renewal decals on your IFTA fleet vehicles. If you renew your IFTA license and receive your license and decal sets for the next year, you can put them on your IFTA fleet vehicles as early as November.

Requesting more decals

You can order more decals if an existing one is destroyed or you add a vehicle to your IFTA fleet.

To get more decals through your TAP account

You can easily order more decals and pay through your TAP account if you have one. Visit tap.tax.idaho.gov.

Temporary decals

A 30-day IFTA temporary decal is available if you have a current Idaho IFTA license but don't have enough decals to place a vehicle in service immediately. The temporary decal is valid for 30 days and is vehicle specific. The total cost for a temporary decal is $10 per unit. Temporary decals are available at the Tax Commission offices in Boise, Monday – Friday, from 8 a.m. to 4 p.m.

Bond

You don't normally need to post a bond if you're a new IFTA licensee. However, we might require a bond if you don't file your returns on time, don't pay the fuel taxes on time, or the results of an audit show you didn't follow other IFTA requirements.

Account identification

If your company is a corporation, S corporation, LLC, or partnership, its IFTA license number is the federal Employer Identification Number (EIN) issued by the IRS.

If you're a sole proprietor, your IFTA number will be your EIN (if you're required to have one), or your Social Security number. All Idaho IFTA license numbers begin with "ID" (Example: ID 987654321).

Canceling a license

You can cancel your IFTA license if you no longer operate qualified motor vehicles in two or more IFTA jurisdictions, including Idaho.

It's a violation to display an IFTA cab card or decal when you no longer hold an IFTA license (Idaho Code, section 63-2455).

To cancel your license

You can cancel your license through your TAP account. Visit tap.tax.idaho.gov to log in.

Reapplying after canceling

You can reapply for a new IFTA license at any time. Contact us for more information.

If you reapply for an IFTA license less than a year from the cancelation or expiration of your previous license: Before being reinstated, you must file all previous returns that would have been required under the previous license. A $50 penalty applies to each of those periods.

Revoked IFTA licenses

We can revoke your IFTA license for **any** of the following reasons:

- Haven't engaged in business as an Idaho IFTA carrier in the last 12 months
- Don't pay fuel taxes on time
- Don't pay in full
- Don't file an IFTA tax return
- Don't follow the IFTA rules and recordkeeping requirements

The Tax Commission will notify you by mail of our intent to revoke your license. You'll have 30 days from the date of the letter to appeal.

If your Idaho IFTA license is revoked, the Idaho Transportation Department can require you to buy temporary fuels tax permits to travel in Idaho. Other jurisdictions might require you to get a temporary fuels tax trip permit for fuels taxes. Some jurisdictions might impose even stricter sanctions.

Operating after an IFTA license revocation

If your IFTA license is revoked and you want to operate your IFTA fleet in any jurisdiction without buying fuels tax trip permits, you must do **both** of these:

- Correct the problems that caused the revocation.
- Reapply for a new Idaho IFTA license to obtain valid credentials and decals.

Reapplying after an IFTA license revocation

You might have to get an IFTA license bond when you reinstate a revoked IFTA license or request a new IFTA license after having yours revoked. For more information, contact the Tax Commission's IFTA Compliance Unit.

IFTA Reporting

Form 3150 (Idaho's IFTA report)

General information

File using your TAP account each quarter. The 3150 report is due by the end of the month following the close of each calendar quarter.

Summarize your miles and gallons for the quarter by jurisdiction. You must file your Form 3150 even if you don't have miles or gallons to report. File using your TAP account found here:

- **Electronic filing**. File securely using Taxpayer Access Point (TAP).
  - Improve reporting accuracy because TAP calculates totals and enters the correct tax rate.
  - Avoid penalty and interest by filing your report early and scheduling the payment for the due date.
  - Make changes to your account or cancel your license. Print copies and save reports.

See Completing Your IFTA Return below for more about filing.

Due dates

Make sure to file your report and pay on time to avoid penalty and interest.

- Submit the report by 11:59 p.m. (MT) on the due date. You can submit your report early and schedule the payment for the due date.

Most IFTA license holders must file a fuels tax report every calendar quarter. The reporting periods are:

Quarter	Due date	Form sent
January – March (1st Quarter)	April 30	March 31
April – June (2nd Quarter)	July 31	June 30
July – September (3rd Quarter)	October 31	September 30
October – December (4th Quarter)	January 31	December 31

Completing your IFTA return

You can complete your return electronically on TAP. The Tax Commission **does not mail paper forms.**

Reporting on TAP

The TAP program allows for easy, accurate filing of your IFTA returns.

After you log in to your TAP account, you simply select the period you'd like to file, and the system guides you through a virtual copy of the Form 3150.

- When prompted for fuel types, enter your fleet miles and gallons to determine your fleet miles per gallon (MPG). Include **all** miles traveled and **all** gallons purchased.
- On the screen for jurisdictions, make sure to fill out all fields correctly. You'll enter all jurisdictions where you traveled, the total and taxable miles for each, and the tax-paid volume purchased.
- TAP shows an alert if fleet fuel doesn't equal the total tax-paid volume reported. This does not necessarily mean you made a mistake – it is simply a double-check. There are situations where your fleet fuel will exceed your tax-paid volume total (i.e. fuel purchased tax-free from a Native American Tribal outlet). Ensure you entered your information correctly before continuing.

After entering all jurisdiction miles and tax-paid fuel volume, TAP calculates your total balance or credit. You can pay any balances within your TAP account or through another means.

Claiming nontaxable miles

- Idaho **doesn't allow** nontaxable miles on the Idaho line of the IFTA return. See Fuels Tax Refunds for IFTA Licensees for information about claiming Idaho nontaxable miles.
- Each jurisdiction defines nontaxable miles differently and determines if you can claim a refund of the fuels tax and how.
- See exemption information for each jurisdiction at www.iftach.org.
- Contact each jurisdiction in which you have nontaxable miles to find out what that jurisdiction's rules are regarding reporting nontaxable miles.

Special Reporting Scenarios

As an IFTA licensee, you might have special scenarios that affect how you file your report. See below for how to handle some of these situations.

Highway use fee

If you travel in a jurisdiction with a highway use fee, you must file that jurisdiction's highway use fee report in addition to your Idaho IFTA return. You'll have to report the distance your vehicles traveled in these jurisdictions on both the IFTA return and the jurisdiction's highway use fee report. The fee might be in addition to the IFTA fuel tax.

Surcharge

Some jurisdictions have a surcharge in addition to fuels tax. When you travel in those states, you'll pay an additional tax when you complete your IFTA return. You'll report any distance for these states twice and compute the additional fuel use tax. There's no credit for tax-paid fuel purchases when computing the surcharge tax. Reference the relevant Fuel Tax Matrix for information on which jurisdictions have a surcharge. **Enter a second line for that jurisdiction's surcharge** directly below the line where you reported its fuels use tax.

- Enter the surcharge rate in the Tax Rate column.
- Enter the same Total Miles, Total Taxable Miles, and Taxable Volume you entered on the previous line.
- Enter "0" in the column for Tax-Paid Volume. (You can't claim any "surcharge" tax-paid volume because the surcharge isn't included in the amount you paid for the fuel.)
- Enter the same number for the Net Taxable Volume that you entered for the Taxable Volume.

- Multiply the Net Taxable Volume by the surcharge rate (Tax Rate column). Enter this amount in the Tax Due/Refund column.

Reporting for Electric Vehicles (EVs)

The world of transportation is changing rapidly. If you operate any EV commercial vehicles, be sure to follow the appropriate reporting standards.

Filing an amended IFTA return

You can file an **amended** IFTA return to correct mistakes . You can amend any previous return within **three years** of filing it.

To amend your return

1. Download a copy of the original 3150 return in your TAP account.
2. Check the **Amended Return** box.
3. Enter the correct figures you should have entered on the original report. *Don't* just enter the difference between the incorrect figures you first reported and the correct figures.
4. On Line 17, enter the amount you paid with your original report as a credit (in brackets) and any refund you received as a positive amount (no brackets).

Leased IFTA-qualified vehicles and reporting

Is the lessor or lessee responsible for reporting the tax?

- For a short-term lease (29 days or fewer), lessors report the vehicle's distance and fuel consumption on their IFTA report.
- For a long-term lease (30 days or more), the lease agreement must state who's responsible for reporting. If no one is designated in the lease, the lessee is responsible for IFTA reporting. You must keep a copy of the lease agreement in the leased vehicle.

Reporting zero activity

You must file your report even if you didn't travel in Idaho or in any other IFTA jurisdiction, or if you didn't have taxable fuel during that reporting period. Simply submit your return in TAP with no numbers.

Split rates

Note the rate chart for any rate changes involving split rates.

Split rates happen when a jurisdiction changes its fuels tax rate during a calendar quarter. (This shouldn't be confused with a surcharge.) **Use two rows on that quarter's report** to account for the split tax rate.

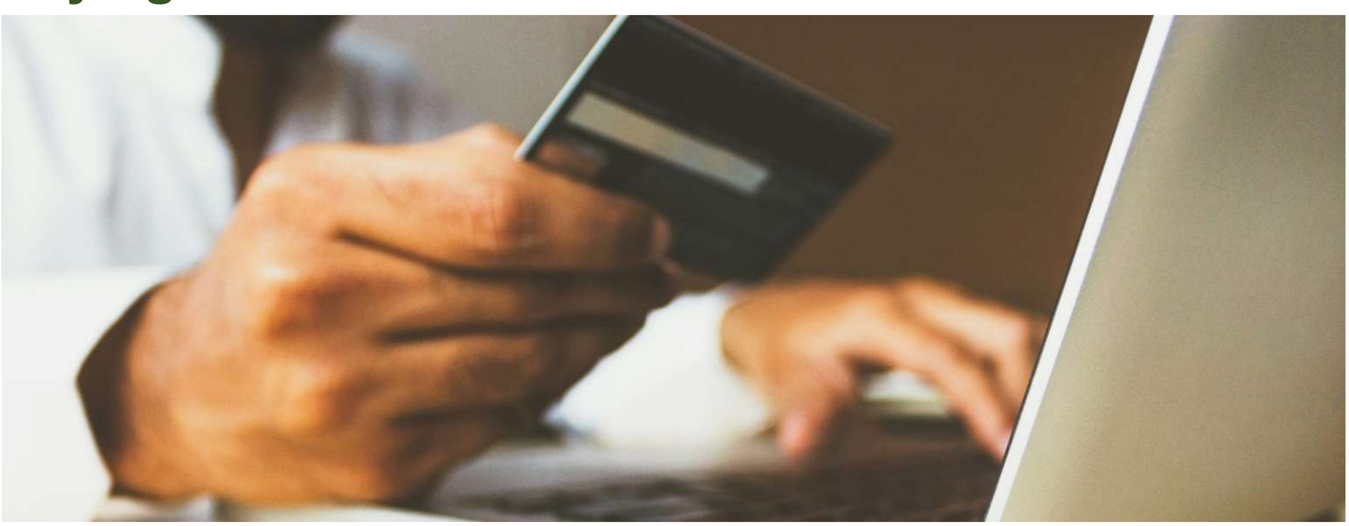
- On the first row, enter the miles you traveled in that jurisdiction when the old rate was effective, even if it was "0" miles. This fuel earns credit at the old rate.
- On the second row, report the miles you traveled when the new rate was effective, even if it was "0" miles. This fuel earns credit at the new rate.

If you didn't travel in the jurisdiction for the time one of the rates was in effect, enter zero miles and gallons. You must still complete the split rate rows.

Fuels tax holidays

In the wake of the COVID-19 pandemic, many jurisdictions implemented Fuel Tax Holidays to ease the tax burden on their constituents. This means gallons of fuel purchased in these jurisdictions may include reduced fuel tax or zero fuel tax. If you traveled in any of the tax holiday jurisdictions during the indicated periods, you must report this activity appropriately. Please see the IFTA Fuel Tax Holiday guide for further information.

Paying



You can pay your Idaho IFTA fuels tax in one of these ways:

- Pay securely online with an electronic payment:

   a. You can use your Taxpayer Access Point (TAP) account. Visit TAP availability for the dates you can pay your Idaho IFTA fuels tax.
   b. You can use any of the options on our E-Pay.
- Pay in person at any of our offices. Visit our Office Hours and Locations page.

  We recommend you don't leave cash in a drop box.

For payments of $100,000 or more, you must use ACH debit or ACH credit.

Changing your mailing address

You can change your mailing address within your IFTA account in TAP.

Keeping records

You must keep accurate fuel and mileage records to avoid owing more tax. You should have original documents supporting the mileage traveled in each jurisdiction, as well as original fuel receipts. You must keep these records for at least four years.

Insufficient, Inadequate records (P570) and Audit Adjustments (A350 and A360):

If you don't provide adequate fuel and mileage records to the auditor, the Tax Commission may adjust the amount of your tax due or refund. Not providing any records may result in an inadequate records assessment. An inadequate records assessment could mean that your IFTA fleet MPG is reduced by as much as 20 percent, or to 4.00. Poor records for an individual vehicle may result in an audit adjustment for that vehicle. The adjustment can be based on filing history, records from third parties, or industry averages. The specific vehicle may also have its MPG reduced by 20 percent or to 4.00 MPG. The adjustment may be the final determination unless you can provide more information to show that it's incorrect.

Distance records

Individual Vehicle Distance Record (IVDR) and summaries

IFTA requires you to:

- Keep distance and fuel records for every vehicle and all miles,
- Keep monthly distance and fuel summaries separately for each vehicle and separate each vehicle's distance and fuel by jurisdiction, and
- Separate each jurisdiction's distance into taxable and nontaxable distance.

- (Note: Each jurisdiction defines taxable and nontaxable distance differently. Idaho nontaxable miles cannot be claimed on the IFTA return and must be claimed on the *Form 75*)

IVDRs must include the following distance information:

- Beginning and ending dates of the trip,
- Origin and destination of the trip,
- Route(s) of travel,
- Beginning and ending odometer or hubometer readings for each trip,
- Total trip distance,
- Trip distance by jurisdiction, and
- Vehicle unit or identification number.

DISTANCE RECORDS PRODUCED BY A VEHICLE TRACKING SYSTEM (vts) MUST include THE FOLLOWING DISTANCE INFORMATION:

- A location record must be created and maintained at a minimum every 10 minutes when the vehicle's engine is on,
- Date and time of each system reading,
- The latitude and longitude including a minimum of 4 decimal places (0.0001) for each system reading,
- The odometer reading from the engine control module (ECM) for each system reading (If no ECM odometer is available, a beginning and ending dashboard odometer for the trip is acceptable), and
- Vehicle unit or identification number.
- (Note: GPS or other system readings reports must be accessible in a spreadsheet format such as XLS, XLSX, CSV, or delimited text file.)
- See IFTA Procedures Manual, P540, Distance Records, for more information.

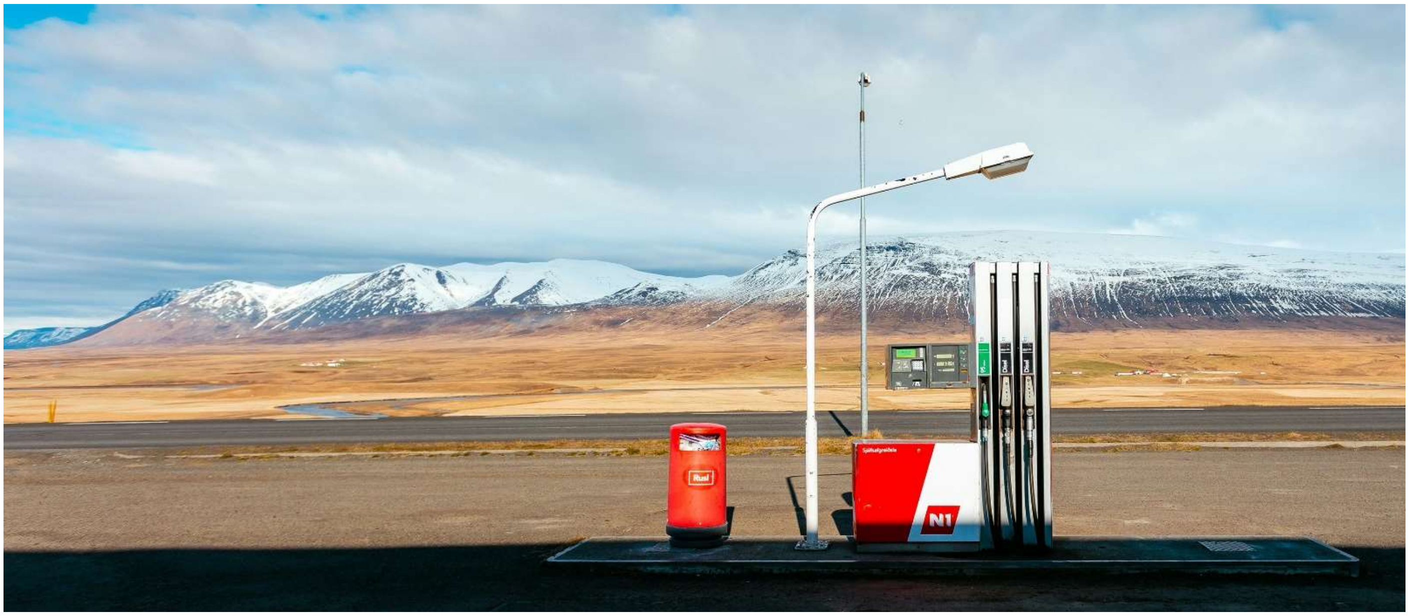
Distance record-keeping tips

When listing delivery locations outside of the city, use the name of the nearest city. Indicate road distance and direction from the city. For example, instead of "Joe's Warehouse, 10 road miles west of Boise ID," list "Boise ID plus 10 west."

Use actual distance traveled, not just the distance between cities. If a trip starts from a business on the west side of Boise and you travel into the middle of the city to pick up freight, include this distance. You must document all distance, including nonrevenue (deadhead, bobtail, etc.) distance.

Don't rely only on map or computer program distances because they are often the shortest and most direct routes between locations and may not reflect the actual distance driven. This can make your miles per gallon (MPG) calculations inaccurate, and an accurate IFTA return depends on an accurate MPG.

Fuel records



You must keep complete records of all fuel you buy, receive, and use in your IFTA qualified vehicles whether tax is paid on the fuel or not.

Tax-paid fuel purchases

To obtain credit for tax-paid purchases, the licensee must retain a receipt, invoice, or automated vendor generated invoice or transaction listing, showing evidence of such purchases and taxes paid. A licensee may claim tax-paid credit on the IFTA tax return for fuel purchased at retail only when the fuel is placed into the fuel storage unit of a qualified motor vehicle and the purchase price includes fuel tax paid to a member jurisdiction. A licensee may claim tax-paid credit on the IFTA tax return for fuel withdrawn from bulk storage only when the fuel is placed in the fuel storage unit of a qualified motor vehicle.

Tax-free fuel purchases

When you buy motor fuel from an Idaho Native American Tribe or Member outlet, the purchase price might not include the Idaho motor fuels tax, and it wouldn't qualify as an Idaho tax-paid purchase, unless authorized in an agreement between the state and a specific tribe. See Idaho Code section 63-2444 or Idaho Code section 67-4002.

Over-the-road (OTR) purchases

- You must support OTR purchases with a receipt or invoice, a credit card receipt, or an automated vendor-generated invoice or transaction listing. All records used for fuel tax credit must include the following information:
- Date of the fuel purchase,
- Name and address of the person who sold or gave you the fuel,
- Number of gallons received,
- Type of fuel,
- Price per gallon or the total price of the fuel
- Vehicle unit or identification number in which the fuel was placed, and
- Name of the purchaser of the fuel.

Keep these receipts to document tax-paid volume.

- A valid fuel receipt must show evidence that tax is paid directly to the applicable jurisdiction (R1000) to receive tax-paid credit.
- You must compile separate totals for each fuel type and keep separate records for retail fuel purchases and bulk fuel purchases. Also, your company name must appear on all receipts or invoices for tax-paid fuel purchases that you report on your return.
- Vendors in all IFTA jurisdictions are required to issue a correct receipt or invoice and show that the jurisdiction's fuels tax was paid to support the credit taken for tax-paid volume on the IFTA return.

Bulk fuel

Bulk fuel is kept in a storage unit from which fuel is distributed to vehicles and equipment. It can also be distributed from mobile storage units. Bulk fuel users must have a method for measuring the number of gallons dispensed and a method for identifying the vehicles or equipment into which the fuel is dispensed. For more information, see FT-2 Retail or Bulk Sales of Gasoline & Diesel Fuel.

Bulk fuel records

IFTA licensees must keep detailed records of tax-paid fuel withdrawn from your bulk storage tanks. To get tax-paid credit on your IFTA return, the records must include:

- Receipts for all deliveries. These must show the purchase price includes the fuel tax or show the licensee has paid the tax.
- Quarterly inventory reconciliations for each tank
- The capacity of each tank
- Bulk withdrawal records from every bulk tank at each location, including:
  1. The date of the withdrawal,
  2. The quantity of the fuel withdrawn,
  3. The type of fuel withdrawn, and
  4. Vehicle unit or identification number into which the fuel was placed.
- Records must distinguish fuel placed into IFTA-qualified vehicles from other uses.

IFTA Audits

IFTA Licenses Audits

IFTA rules require Idaho to audit a certain percentage of its accounts each year. This means your chances of being audited are good.

The Tax Commission randomly selects IFTA licensees for audit based on IFTA Agreement requirements. If you're selected, an auditor will contact you at least 30 days before the audit. IFTA audits are usually conducted along with IRP (International Registration Plan) audits, when applicable.

If you have general questions about IFTA or IRP audits, please contact the Fuels Tax and Registration Fee (FTRF) Audit Unit.

The statute of limitations for Idaho licensees is three years but can be extended by mutual consent. This means that your audit should normally cover a period of three years or less. After the audit, we'll send you a report by mail. We'll also send a summary of the audit findings to any member jurisdiction affected by the audit. Idaho will collect any fuel taxes, penalty, and interest you owe and transmit the funds to the appropriate jurisdictions or refund any overpayment you're due from Idaho and other member jurisdictions.

Request for a redetermination and appeal

You can request a redetermination of the IFTA audit results. You must file your request for redetermination in writing within 30 days after the audit report date. If you don't make a request within 30 days, the audit result is final, and no change can be made to the audit findings.

Once you've filed your timely redetermination request, we'll give you a reasonable amount of time to submit more information to support your request. Your request may be forwarded to our Appeals unit for a decision. You can request an informal hearing and appear in person or be represented. You can produce witnesses, documents, or other information to support your appeal. The Tax Commission will issue a decision on your redetermination request.

You can appeal the Tax Commission's decision to the Idaho Board of Tax Appeals or an Idaho district court. If you still disagree with the decision, you can request any or all member jurisdictions to audit your records.

Each jurisdiction can accept or deny the request. Each jurisdiction that accepts will audit distance traveled and fuel purchases in its jurisdiction that you reported to Idaho during the audit periods. You must make your records available at a place chosen by those member jurisdictions.

These audit requests for redetermination will proceed under the fuels tax laws of that jurisdiction. See IFTA Articles of Agreement R1400 for more information.

ELECTRONIC LOGGING DEVICES (ELDS)

ELDs

The Electronic Logging Device Rule applies to most motor carriers and drivers who are required to keep records of duty status (RODS). As part of the MAP-21 Act, Congress required adoption of the ELD rule.

ELD’s are NOT a substitute for the recordkeeping requirements for IFTA or IRP. ELDs are required to record hours of service, not miles and fuel. The data provided by most ELDs does not meet the requirements for IFTA or IRP. In addition, most ELD providers do not retain your records for longer than one year; IFTA requires records to be retained for 4 years or longer if you are notified your records are being audited.

Questions on ELDs can be answered by FMCSA at (701) 250-4346.

SUMMARIES

Monthly summary records must include the following information:

- Distance summaries for each vehicle showing the number of miles in each jurisdiction.
- Fuel summaries for each vehicle showing the amount of fuel purchased in each jurisdiction.

Keep any records supporting the information you report on your tax returns **for four years from the due date of the return or the actual date the return is filed**, whichever is later.

FUELS TAX REFUNDS FOR IFTA LICENSEES

Filing for a refund

IFTA licensees can claim a fuels tax refund for tax-paid Idaho fuel consumed in a nontaxable manner. To claim a fuels tax refund in Idaho:

1. Check your receipts to confirm you paid fuels tax. You must keep complete records to support your refund requests.
2. Check that you used the fuel in a nontaxable way. See (Nontaxable Uses of Special Fuels).
3. File the Form 75 that applies:
   - Form 75 to claim **refunds of fuel tax** in Idaho.
   - Form 75-IC to compute **power take-off** (PTO) and **auxiliary engine** fuel tax refunds.
   - Form 75-NM to compute refunds for fuel used on **nontaxable Idaho roads.**
4. Check to see if you should pay use tax. (See *You might owe use tax*).

File your refund claim **for the same period as your IFTA return** (for the quarter or year, depending on whether you file your IFTA returns quarterly or annually).

You can find forms and instructions at: Fuels Tax Forms

Visit IFTA's website for information on exemptions in other jurisdictions.

YOU MIGHT OWE USE TAX

When fuel isn't subject to motor fuels tax, it's subject to sales/use tax – unless a sales tax exemption applies. Use tax is a tax on the use or storage of goods in Idaho, including fuels. The use tax rate is the same as the sales tax rate. You can calculate any required use tax on the Form 75 - Fuels Use Report and Instructions. You can also report use tax on your sales/use tax return if you have a sales permit or on your individual income tax return.

You could owe sales tax if no sales tax exemption applies, **and**:

- You buy fuel that's sold without fuels tax **or**
- You buy fuel with fuels tax included and claim a fuels tax refund.

To calculate the use tax due:

- Take the total purchase price for fuel times the use tax rate* (*same as the sales tax rate).
- Subtract the Idaho fuels tax rate.
- Subtract the federal fuels tax rate if you're eligible to receive a refund of the federal fuels tax.

Examples of when you might owe use tax as an IFTA licensee:

- Receiving a refund on fuel used for power take-off equipment or refrigeration units.
- Receiving a refund for diesel used in registered vehicles off-road. Note: fuels tax refunds for off-road miles accrued in the business of logging are exempt from use tax.

RELATED IFTA FORMS AND PUBLICATIONS

IFTA forms and publications are not included in this document. Some documents are personalized and are not available online.

Available IFTA forms, instructions, publications, and samples can be found at: Fuels Tax Forms.

This information is for general guidance only. Tax laws are complex and change regularly. We can't cover every circumstance in our guides. This guidance may not apply to your situation. Please contact us with any questions. We work to provide current and accurate information. But some information could have technical inaccuracies or typographical errors. If there's a conflict between current tax law and this information, current tax law will govern.

IFTA TERMS DEFINED

For more definitions, see the IFTA Articles of Agreement, Article II, Definitions.

Tax-paid fuel

Fuel that has the federal and state tax included in the price when it's bought. Generally, fuel bought at a retail pump has federal or state fuel tax included in the purchase price. Gasoline and undyed diesel are two examples. To qualify for an IFTA tax-paid credit, the retailer's receipt must show that tax was paid.

Exempt fuel

Fuel that's exempt from taxes and doesn't have federal or state tax included in the price. Exempt fuel is marked to identify it as exempt (for example, dyed diesel fuel). Each jurisdiction has its own rules about who can use exempt fuel and where they can use it. If you want to use exempt fuel, check with the appropriate jurisdiction. In Idaho, sales tax is due on exempt fuel unless a sales tax exemption applies.

Untaxed fuel

Fuel that doesn't include federal or state fuel tax in the price. It can include exempt fuel or can be fuel on which tax isn't paid (even though tax should be paid). It's generally illegal to use untaxed fuel in vehicles licensed for use on public ("taxable") roads.

Special rules apply to fuel purchased from a Native American tribe or member. Contact the appropriate jurisdiction where the reservation is located for more information.

Taxable fuel

Fuel is taxable depending on its use. For most taxpayers, it's taxable when it's placed in a motor vehicle. For example, gasoline is taxable when placed in a licensed or required-to-be-licensed motor vehicle. Diesel is taxable when placed in a licensed motor vehicle and driven on public ("taxable") roads.

Surcharge

An added fee or charge that is attached to an existing fuel tax. The surcharge is not paid at the pump, but is instead reported on the IFTA return.

Nontaxable fuel

Fuel is nontaxable when used for an exempt purpose. Contact the appropriate jurisdiction for more information.

Alternative fuels

The Federation of Tax Administrators (FTA) Motor Fuel Section Uniformity Guide defines alternative fuels as any accountable product/motor fuel other than gasoline, gasohol, diesel fuel, dyed diesel fuel, kerosene, or dyed kerosene.

Auxiliary engine

An engine separate from the main engine that propels the vehicle, and which is fueled by the main supply tank of a vehicle. Examples include auxiliary engines used to operate equipment such as refrigeration units and carpet cleaning units.

Base jurisdiction (R212)

The jurisdiction where you register your qualified motor vehicles, maintain the operational control and records of the vehicles, and travel some distance in your IFTA fleet vehicles.

Bulk fuel

Fuel kept in a tank (not the main supply tank of a vehicle) and redistributed to equipment and vehicles. This includes fuel placed in mobile fuel tanks and fuel kept in a small tank in the bed of a pickup truck. Most motor fuel can be stored in a bulk storage tank.

Diesel fuel, dye-added

Diesel fuel with a special red dye added to it at an IRS-recognized terminal or refinery that doesn't include federal or state motor fuel tax in the purchase price. (See 26 USC 4082.) Dyed diesel fuel is for equipment and certain vehicles. In Idaho, dyed diesel fuel is subject to fuel use tax if it's used for a taxable purpose. Dyed diesel may be subject to sales and use tax if not subject to fuel tax.

Federal and state law prohibits the use of dyed diesel fuel in most licensed vehicles and in unlicensed vehicles equipped for highway use. This includes vehicles that never leave private property or that operate entirely on job sites or Forest Service roads. Even occasional use of dyed diesel will contaminate a fuel tank and is against the law.

Diesel fuel, undyed

Undyed diesel can be used for any purpose, including operating or propelling a motor vehicle on public ("taxable") highways. It includes state and federal fuel taxes in the purchase price. Some jurisdictions, like Oregon, charge a weight/distance tax on commercial vehicles instead of a fuel tax on undyed diesel.

Highway (IC §63-2401)

In Idaho, a roadway open for use by the public and maintained by a federal government agency or the state of Idaho or its political subdivisions (e.g., county, city, agency, district). Highways can be made of concrete, asphalt, gravel, composition, dirt, or other materials.

Electronic Logging Device (ELD)

An electronic device designed to comply with FMCSA's criteria to accurately record a driver's driving time for hours of service compliance.

Global Positioning System (GPS)

A US-owned utility that provides users with positioning, navigation, and timing services. These systems can be used by IFTA carriers to track their vehicle distances.

IFTA Fleet Consolidation

You can merge multiple IFTA fleets into one after getting approval from the IFTA commissioners of the affected jurisdictions. After consolidation, you'll need to report to one base jurisdiction.

IFTA-qualified vehicles (R245)

An IFTA-qualified vehicle is designed to transport persons or property and is:

- A power unit with two axles and a gross vehicle weight (or registered gross vehicle weight) of more than 26,000 pounds, or
- A power unit with three or more axles, regardless of weight, or
- A tractor-trailer combination with a combined gross vehicle weight (or registered gross vehicle weight) of more than 26,000 pounds.

If a vehicle doesn't qualify, it can't be included in an IFTA fleet, display an IFTA decal, or have its distance or gallons included on an IFTA fuel tax return.

Vehicles that don't qualify include recreational vehicles (as defined in R248), motor homes, pickup trucks with attached campers, and buses that are used exclusively for personal pleasure.

Individual Vehicle Distance and Fuel Report (IVDR)

A document or form used to capture information on the day-to-day operations of each truck in an IFTA fleet.

International Registration Plan (IRP)

An agreement by the IFTA jurisdictions and the District of Columbia that apportions registration fees based on total distance operated in all jurisdictions.

Jurisdiction (R227)

A state of the United States or province of Canada.

Miles per gallon (MPG)

Total gallons of fuel consumed divided into total miles traveled. For IFTA returns, this includes all fuel used by the IFTA fleet vehicles, regardless of where or how the fuel was acquired. Total miles are miles traveled everywhere, including off-highway miles and miles driven under a temporary permit for fuels tax.

Total distance (IFTA)

All miles or kilometers traveled during the tax reporting period by every qualified vehicle in the licensee’s fleet, regardless of whether the miles or kilometers are considered taxable or nontaxable by the jurisdiction.

Nontaxable distance

In Idaho, nontaxable distance is when a vehicle is either operating under a temporary fuels tax trip permit or driven off-highway and therefore not subject to motor fuel taxes. Each jurisdiction has its own definition of nontaxable distance.

Off-highway miles

Each jurisdiction has its own definition of off-highway miles or may not allow off-highway miles. Example: miles driven on private property.

Over-the-road (OTR) fuel purchases

Fuel placed directly into the main supply tank of a vehicle that includes the jurisdiction's fuel tax.

Penalty and interest

If you don't file, file late, or don't pay your tax by the due date of the return, penalty and interest will be charged. **Penalty** is calculated at 10% of the tax due or $50, whichever is greater. **Interest** is due for each month the return is late according to the postmark. (One day late in a month makes the return late for the entire month).

If no tax is due for a jurisdiction, no interest is due. If you overpay, no interest is added to your refund. The Form 3150 instructions has a chart for the applicable interest rate.

If you make a partial payment, it's credited first to any interest, second to tax, and then to the penalty. For example: You file a return which is due April 30, 2023, with a tax due of $1,000, but you don't file it until June 7, 2023. You'll be charged a penalty of $100 and interest of $20 (one day or more into the month is considered a full month). The total due is $1,120. If the payment is $1,000 it would be applied as follows: Interest: $20 + Tax: $980 + Balance due: $120 ($20 tax plus the $100 penalty). **Interest continues to apply to the unpaid tax balance of $20 until it is paid in full.**

Power take-off (PTO) equipment

Vehicle-mounted equipment that's powered by the main engine that also propels a motor vehicle. Examples include trash compactors, concrete mixers, sewage pumps, conveyors, or loading/offloading devices on vehicles.

Special fuels

In Idaho, special fuels include diesel, biodiesel, biodiesel blends, propane, and natural gas. (IC§63-2401)

Statute of limitations

The time period during which either you or a jurisdiction can change the information reported on an original return and claim additional tax due or a refund. In Idaho, the statute of limitations is three years from the due date of the return, or the date it was filed, whichever is later.

Tax-paid volume

These are gallons of fuel that have a jurisdiction's fuels tax included in the purchase price. It can include fuel bought at retail stations or fuel delivered in bulk.

Motor fuel bought from a Tribal-owned retail outlet in Idaho might not include the Idaho motor fuels tax. If the fuel doesn't include the tax, it doesn't qualify as an Idaho tax-paid purchase unless authorized in an agreement between the state and a specific tribe (Idaho Code sections 63-2444 or 67-4002.) Read about Fuels Tax Exceptions Buying from an Idaho Native American Tribe or Member or contact us.

Temporary decal permits

The base jurisdiction can issue you a 30-day IFTA temporary decal permit valid for all member jurisdictions if you're a licensee in good standing. You can carry this instead of displaying the annual decals. The base jurisdiction can charge you an administrative fee to cover the cost of issuance. Temporary decal permits:

- Must be vehicle specific.
- Must show an expiration date.
- Must be carried in the vehicle (but don't have to be displayed).

Temporary fuels tax trip permit (temporary permit)

A temporary permit allows conditional travel in a jurisdiction. You can buy it at a port of entry or from an authorized permit agent on a trip-by-trip basis.

Other temporary permits include ones for temporary registration fees, overweight permits, and overlength permits. You can buy them in any combination, and they're governed by the laws of the jurisdiction that issues them.

In Idaho, temporary permits expire when the vehicle they are purchased for leaves Idaho or at the end of a specified time period, whichever occurs first.

Reference: Idaho Code Chapter 24: Fuels Tax.

IFTA CONTACT LIST FOR IDAHO

Help with IFTA licenses, decals, returns

Call: (208) 334-7806 Boise — or toll-free: (800) 972-7660, ext. 7806

Form 75 Questions (if filed with an IFTA return)

Call: (208) 334-7806 — or toll-free: (800) 972-7660, ext. 7806

IFTA Compliance Unit

Call: (208) 639-3219 Boise — or toll-free: (800) 972-7660, ext. 3219

Fax: (208) 334-7678

IFTA Audit Unit

Call: (208) 488-2089 Boise

Call: (208) 332-4081 Boise — or toll-free: (800) 972-7660, ext. 4081

Fax: (208) 332-6619

Fuels Tax Policy

taxpolicy@tax.idaho.gov

Call: (208) 334-7855 Boise — or toll-free: (800) 972-7660, ext. 7855

Fuel purchased from an Idaho Native American reservation

Call: (208) 334-7855 Boise — or toll-free: (800) 972-7660, ext. 7855

Call: (208) 332-4081 Boise — or toll-free: (800) 972-7660, ext. 4081

IFTA: Other state agencies

Idaho Transportation Department

Call: (208) 334-8000 Boise

Idaho Trucking

Call: (208) 334-8611 Boise

Fax: (208) 334-2006

Vehicle Titles

Call: (208) 334-8663 Boise

Fax: (208) 334-8658

Idaho Ports of Entry

Call: (208) 334-8688 Boise

Fax: (208) 334-8696

Commercial Vehicle Section, Idaho State Police

Call: (208) 884-7220 Boise

Fax: (208) 884-7192

IFTA: Federal agencies

Federal Highway Administration

Call: (208) 334-1843 Boise

Fax: (208) 334-1691

Federal Motor Carrier Safety Administration

Call: (208) 334-1842 Boise

Fax: (208) 334-1691

Addresses for key IFTA contacts in Idaho

IFTA forms & publications

Idaho State Tax Commission

PO Box 36

Boise ID 83722-0410

Commercial Vehicle Services

Idaho Transportation Department

PO Box 7129

Boise ID 83707-7129