



Illinois Department of Revenue

IFTA Recordkeeping Requirements

The following information on distance, fuel, and decal records are excerpts from the Illinois Motor Fuel Use Tax Carrier Compliance Manual (MFUT-53), which can be found in its entirety at <https://tax.illinois.gov/content/dam/soi/en/web/tax/research/publications/documents/motorfuel/mfut-53.pdf>.

Distance records

You must maintain records of all fleet operations to support the information you enter on your Form MFUT-12, Application for IFTA License and Decals, as well as the information you enter on Form MFUT-15, IFTA Quarterly Return.

Form MFUT-76, Illinois Motor Fuel Use Tax Individual Trip Summary Report, available on our website at <https://tax.illinois.gov/content/dam/soi/en/web/tax/forms/excise/documents/mft/mfut-76.pdf>, allows you to record your trip mileage.

You may use an individual vehicle mileage record (IVMR), as required by the International Registration Plan, for recording vehicle distance information if you also include the beginning and ending odometer readings.

You may also use a trip report that includes the following on an individual vehicle basis:

- both taxable and nontaxable usage of fuel,
- distance traveled for taxable and nontaxable use,
- trip date (starting and ending),
- trip origin, destination, and any stops in between including city and state (multiple trips made to the same destination should be identified and enumerated),
- routes of travel,
- beginning and ending odometer readings,
- total trip miles,
- distance by jurisdiction,
- vehicle unit number,
- IFTA decal serial number,
- vehicle fleet number, and
- licensee's name.

You must maintain monthly, quarterly, and annual summaries of your individual vehicle mileage records for each vehicle.

IMPORTANT: Please note the primary function of an electronic logging device (ELD) required by the Federal Motor Carrier Safety Administration (FMCSA) is for logging a driver's record of duty status, not for keeping records required by IFTA. Not all ELDs track or maintain mileage or distance records, but some do. Do not assume your ELD is capable of reproducing the required records necessary to complete your quarterly tax filings. As an IFTA licensee, you are responsible for the recordkeeping requirements to support your tax return filings and to make all records available during an audit. You must be able to reproduce any electronic data by unit, by trip for a period of not less than FOUR YEARS, which you will be required to provide during an audit.

Fuel Records

You must maintain complete records of all fuel you purchased, received, and used in the operation of vehicles for which motor fuel use tax reporting is required. You must separately account for bulk storage fuel purchases, bulk storage fuel withdrawals, and over-the-road (OTR) purchases. You must maintain individual totals for each fuel type.

Fuel Receipts – Tax-Paid Retail Purchases

To obtain credit for tax-paid retail purchases, you must keep the following receipt or invoice:

- credit card receipt;
- automated vendor generated invoice or transaction listing; or
- microfilm/microfiche of the receipt or invoice

Receipts that have been altered, indicate erasures, or are hand-written are not acceptable for tax-paid credits. The number of gallons and price per gallon on receipts also should not be hand-written. The retail receipts must identify the following:

- vehicle unit number;
- vehicle plate number; or
- other licensee identifier.

For a retail receipt to be valid, the invoice must include, but is not limited to, the following:

- purchase date;
- name and address of the seller;
- number of gallons or liters purchased;
- fuel type;

- price per gallon or liter and total amount of sale;
- unit number, plate number, or other licensee identifier; and
- name of purchaser (lessee or lessor in the case of owner-operators).

Fuel Receipts – Tax-Paid Bulk Fuel Storage and Withdrawals

If you have bulk fuel storage, you must maintain the following records for each

- tax-free and tax-paid bulk fuel storage facility;
- date of withdrawal;
- number of gallons withdrawn;
- fuel type withdrawn;
- unit number of the vehicle into which the fuel was placed; and
- fuel purchase records indicating beginning inventory, additional gallons purchased, total gallons available, and ending inventory. Beginning and ending inventory records may be kept either by month or quarter.

Alternative Recording Devices

To use onboard recording devices, satellite tracking systems, or other electronic data-recording systems in place of, or in addition to, handwritten trip reports for recordkeeping purposes, you must be certain they can generate and print detailed mileage allocation reports that are unit and date specific. You are required to generate and print reports that provide the same necessary information as reported on paper records, including odometer readings, the city and state of the load origin, and the destination point. All electronic GPS data must be maintained for FOUR YEARS from the due date of Form MFUT-15 or the date that you file Form MFUT-15, whichever is later.

Drive-Away Operations

The best practice when computing accurate miles per gallon for reporting drive-away operations is to fill the unit with fuel immediately upon pick up. Once you reach your final destination, refill your fuel tank so you can determine the exact number of gallons of fuel you consumed. This method also provides you with fuel invoices and ignores any fuel that may be in the tank that was purchased by another carrier. Simply divide the number of miles for the trip by the number of gallons of fuel consumed for the trip to arrive at an accurate MPG for this trip, and all subsequent trips during the quarter.

Record Retention Period

Accurate recordkeeping is important when you request a tax refund or credit for tax-paid fuels, and accurate recordkeeping is required to ensure compliance with reporting and payment of all tax liabilities. You must maintain records for a period of FOUR YEARS from the due date of Form MFUT-15 or the date that you file Form MFUT-15, whichever is later. If you do not comply with the recordkeeping requirement, we may revoke your license. As an IFTA program licensee, records must be made available to any IFTA-member jurisdiction. If you do not provide records upon demand for the purpose of audit, the statute of limitations is extended until the records are provided.

Decal Records

IFTA provides that jurisdictions must issue one set of decals for each qualified vehicle in the licensee's fleet. Although IFTA decals are not vehicle specific, they are account specific. This makes them subject to regulation to ensure legal use. Licensees are responsible for maintaining operating records and filing taxes for all the vehicles to which they will affix the decals. To help you maintain a record of the decals issued to you, please refer to Form MFUT-77, Illinois IFTA Decal Assignment and Tracking Sheet. This form is available on our website at <https://tax.illinois.gov/content/dam/soi/en/web/tax/forms/excise/documents/mft/mfut-77.pdf>.

As a general rule, the number of decal sets you may order is based on the number of registered vehicles currently in your International Registration Plan (IRP) account and/or the current number of other IFTA qualified motor vehicles for which you are responsible for reporting motor fuel use taxes.

Additional Information

Visit our website at tax.illinois.gov.

File and pay using MyTax Illinois at mytax.illinois.gov.

IFTA, Incorporated's website is www.iftach.org.

For technical assistance with setting up a MyTax Illinois logon, call **217 785-3707**.

For IFTA-specific questions, call **217 785-1397**, weekdays, between the hours of 8:00 a.m. and 4:00 p.m.

Form MFUT-15, IFTA Quarterly Return, and any payment owed, is due by the last day of the month immediately following the close of the quarter for which it is filed:

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