
CHAPTER 1

INTRODUCTION

The International Fuel Tax Agreement (IFTA) is an agreement among states and Canadian provinces to simplify the reporting of fuel used by interstate/inter-jurisdictional motor carriers. Properly displayed, valid credentials issued by any jurisdiction will allow an IFTA licensee to travel in all IFTA jurisdictions.

IFTA member jurisdictions include all contiguous states (except Alaska and the District of Columbia) and Canadian provinces (except Northwest Territories, Nunavut, and the Yukon Territory). Maryland based carriers with valid IFTA credentials who travel in non-IFTA jurisdictions must continue to follow the procedures and file the reports required by the statutes and regulations of the individual non-IFTA jurisdiction.

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

- have one (1) or more qualified motor vehicles based in Maryland and tagged with the Maryland Motor Vehicle Administration;
- have an established place of business in Maryland from which motor carrier operations are actually conducted;
- maintain operational control and operational records for qualified motor vehicles in Maryland or can make records available in Maryland;
- have one (1) or more qualified motor vehicles which actually travel on Maryland highways; *and*
- operate in at least one other jurisdiction.

Any applicant who does not meet these requirements and still desires an IFTA license and credential from Maryland may complete an application and submit it to the Revenue Administration Division (RAD) in Annapolis for consideration.

RULES FOR D.C. MOTOR CARRIERS

Carriers based in the District of Columbia may apply to any IFTA jurisdiction for a license and decals. Approval is at the option of the jurisdiction to which they apply.

Carriers based in the District of Columbia who wish to obtain a Maryland IFTA license and credentials may submit their application to the RAD in Annapolis for consideration, and they may be required to post a surety bond as collateral for payment of taxes and filing of reports. D.C. carriers who have been granted Maryland IFTA licensing and credentials will be required to post a minimum \$1,000 surety bond if any of the following occur: one or more delinquent reports, penalty assessments, dishonored checks, audit assessments, or revocation of any account in Maryland for any tax type. D.C. carriers with a Maryland IFTA license are required to file quarterly reports, pay taxes, and comply with all laws and regulations governing Maryland IFTA licensees.

Until such time as the District of Columbia is accepted as a member of IFTA, Maryland based IFTA licensee requesting a refund for fuel used in a non-IFTA jurisdiction, will not automatically be issued the refund. These licensees may be required to submit copies of all mileage and fueling records to support the claim prior to payment.