North Carolina Department of Revenue

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www.dornc.com

MOTOR FUELS TAX DIVISION

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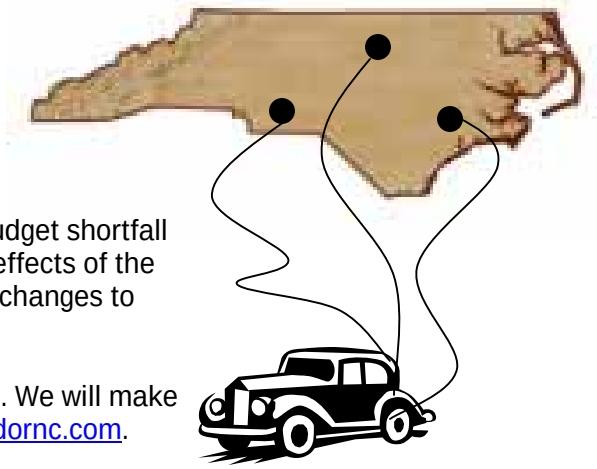


Message from The Director…

2009 Motor Carrier Seminars – Cancelled

Our 2009 Motor Carrier seminars have been cancelled due to the budget shortfall for the State of North Carolina. Businesses across our state are facing the effects of the national economic crisis. In an effort to lower our budget, we have made changes to various projects.

We strive to continue to educate each taxpayer to ensure compliance. We will make our presentations available August 1, 2009 on the DOR website at www.dornc.com.

We look forward to holding the seminars again in the future.

Julian W. Fitzgerald, Sr.

Motor Fuels…goes Green

Q: When will the 2009 Motor Carrier Seminar presentations be available online?
A: You will be able to access the presentations at www.dornc.com/downloads/ifta.html on August 1, 2009.

Q: Will I receive a 2010 Compliance Manual?
A: The Motor Fuels Tax Division will no longer mail a Compliance Manual to current IFTA carriers during renewal season. The manual will be available online for the 2010 decal year at www.dornc.com/publications/ifta.html.

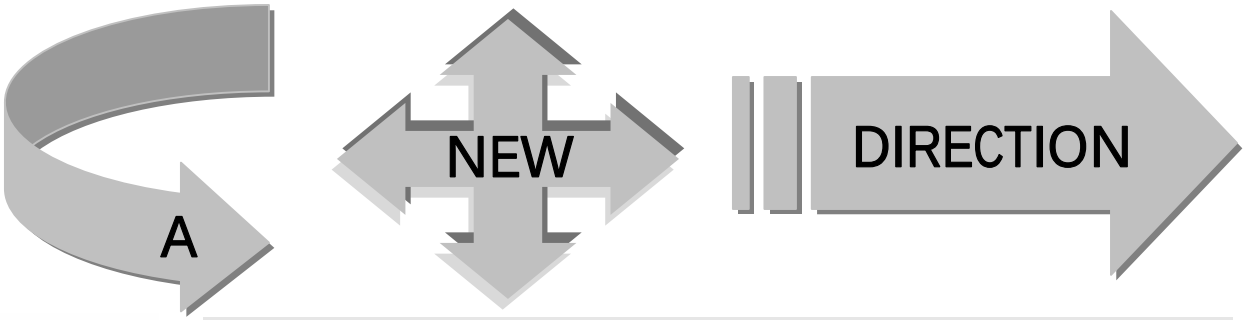
Q: I file my IFTA returns online. Each quarter I have received the tax rate and newsletter in the mail. Will I continue to receive these documents quarterly?
A: The Motor Fuels Tax Division will discontinue mailing quarterly tax rate sheets and newsletters to electronic filers. These documents will not be sent to taxpayers who file four consecutive quarterly returns online. These forms are now available online at www.dornc.com/downloads/ifta.html.

N E W S F L A S H

IFTA Web Site
For additional information regarding IFTA and footnotes associated with various jurisdictions' tax rates, visit the IFTA, Inc. web site at: **www.iftach.org**

Georgia has a split tax rate for 2nd quarter, for more information: **www.iftach.org**

We are GOING in



Important Taxpayer Information

A T T E N T I O N

For your protection, the North Carolina Department of Revenue, Motor Fuels Tax Division, in compliance with The Identity Theft Protection Act has assigned State Numbers to all International Fuel Tax Agreement (IFTA) and Intrastate (IN/NCHFUT) accounts. To protect your privacy please refrain from using your FEIN or SSN on written correspondence.

Our system has assigned you a State Number. The State Number is 9 digits in length, with the first 2 digits beginning with 89. Example: 8900000XX.
Your state number should be included on any documents you send to Motor Fuels. This includes payment by check and quarterly IFTA returns. This number is used to identify your account without us having to use your FEIN or SSN.

To identify your account, the state number is **required**. If you do not know your state number, feel free to contact our office at 1-877-308-9092.

The Future of

IFTA/INTRASTATE ELECTRONIC FILING

Why you should file online

The Department of Revenue's E-File system offers the convenience of completing transactions 24 hours a day, 7 days a week.

- All registered IFTA/Intrastate carriers can:
  - **File quarterly IFTA returns**
    - Saves the environment with less paper to print and process.
    - Filing online is easier than filing the paper return.
    - **Calculations are done for you!** Based on the tax return information provided, the system automatically calculates the tax and any penalty or interest due, which means fewer calculation errors.
    - No postage to pay – Postmark date (received date) is the submission date of the return filed online.
  - **Pay amounts due**
    - Payments can be made online by bank draft or MasterCard or Visa credit/debit card.
    - Payments made by check or money order may continue to be mailed to the Department of Revenue along with the voucher. Please be certain that your check is postmarked on or before the due date. Payments postmarked after the due date will be subject to assessment of penalties and interest.
  - **Order credentials (license and decals)**
    - Current year decals are available to order online throughout the year.
    - Renewal of license and decals for the upcoming decal season is available online beginning October 1st of each year.
  - **Close accounts and review returns and/or credentials**
    - Review returns previously filed via the Internet using our web site.
    - Easier to track returns and have future access to transactions

Please note that applications for motor carriers registering with North Carolina for the first time may not be completed online. You may contact the Motor Fuels Tax Division for an application to open a Motor Fuels account, or you may download the application (Form Gas-1274) from our web site. Once the account has been established, you will be eligible to file via the Internet.

IFTA & Intrastate
Internet Filing
TIPS

Our life is frittered away by detail.
Simplify, Simplify!
HENRY DAVID THOREAU

Tip #1:

Get started early. Keep your miles traveled and your fuel purchased logs current. Make sure your online filing password is active by accessing your account at least quarterly.

Tip #2:

Please answer carefully when responding to the question "Did you have operations in one or more jurisdictions (including North Carolina) during this reporting period?"

When answering **"no"** to this question, you have filed your quarterly IFTA tax return indicating that you did not operate during the reporting period. If you accidentally select this option and submit your return, you will need to file a paper return marked "amended" to correct the return for that period. Amended returns cannot be filed online.

When filing returns, whether on the Internet or by paper document, please pay careful attention to any questions asked to ensure that your response is accurate for your business operations.

Tip #3:

When filing your IFTA return on the Internet, please be certain that you complete the process for submitting your return and payment, if applicable.

It is important to remember that your return is not filed until you receive the "Tax Return Confirmation" screen.

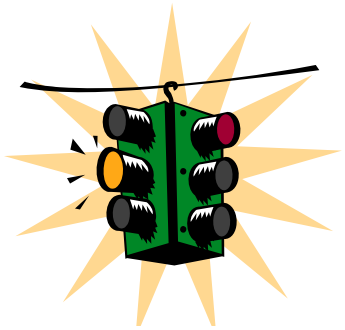
There have been occurrences when taxpayers filing via the Internet have exited the application prior to completing this process. This results in a non-filed return.

In this case, you may receive notification from our office that the return has not been received. In order to complete the transaction and submit the return, you will need to sign back onto the Internet and complete the processing of the return.

Tip #4:

On the jurisdiction screen, you may enter one jurisdiction at a time by clicking on the map, or you may enter multiple jurisdictions at once … just follow the steps below.

- In the column listing the jurisdictions, use the scroll bar to locate the first jurisdiction you wish to select and click on the jurisdiction name using your mouse.
- Scroll to the next jurisdiction you wish to select, hold down the control key (Ctrl) on your keyboard while clicking your mouse on the jurisdiction selected, and repeat for each jurisdiction you wish to select.
- After selecting all of the jurisdictions in which you traveled, click on the double arrows located between the two columns. All jurisdictions that you have selected in the left column will be moved to the right column and will appear highlighted on the map. (If you select a jurisdiction in error, highlight the jurisdiction in the right column and click on the double arrow to remove the jurisdiction.)



Tip #5:

If your business identification number has changed, you must complete an application for license and decals under the new number, and you must also register the new account for IFTA/Intrastate Internet access. Reports submitted under the old account number will not automatically transfer to the new account number.

NEW MOTOR CARRIER BONDING

Effective August 1, 2009 as authorized by N.C. G.S. 105-449.40, the Secretary of Revenue will require a motor carrier to post a bond when any of the following occurs:

1. A taxpayer who has failed to file the required tax return for two quarters will receive a proposed bond-warning letter. The letter will advise the taxpayer to file and pay any delinquent return within 30 days. Failure to do so will result in the Division sending a second letter, along with copies of "Best Information Available" assessments for the delinquent periods, requiring the taxpayer to obtain a bond equivalent to the larger of $500.00 or four times the taxpayer's average tax liability or refund for a reporting period.

2. Taxpayers whose accounts reflect a final billed liability dated six months or older who are neither in a payment plan nor bankruptcy will receive a proposed bond-warning letter. The letter will inform them that they must respond within 30 days by paying the outstanding liabilities due. Failure to pay the outstanding liability will result in the Division sending a second letter requiring the taxpayer to obtain a bond equivalent to the larger of $500.00 or four times the taxpayer's average tax liability or refund for a reporting period.

3. Based on an audit, a taxpayer may be identified as a candidate requiring a bond due to the following circumstances:
   i. Taxpayer fails to maintain the necessary records to keep its account in compliance
   ii. Taxpayer fails to file tax returns properly (estimating miles, fuel or MPG; filing No-ops or All-ops when business practices indicate differently),
   iii. Taxpayer is not compliant per IFTA, Inc. requirements, or
   iv. A Best Information Available audit is conducted.

   Once a taxpayer has been identified as requiring a bond based on an audit, the Motor Fuels Tax Division will send a letter imposing the requirement for the taxpayer to obtain a bond. The bond should equal the equivalent of the larger of $500.00 or four times the taxpayer's average tax liability or refund for a reporting period.

   Barring any further incidences of non-compliance, all bonds imposed will remain in effect for three years or until an audit is conducted to verify compliance.

HOLIDAYS

Independence Day
Friday, July 3, 2009

Labor Day
Monday, September 7,

DEADLINE

1st Quarter

January
February
March

due April 30

2nd Quarter

April
May
June

due July 31

3rd Quarter

July
August
September

due November 2

4th Quarter

October
November
December

due February 1