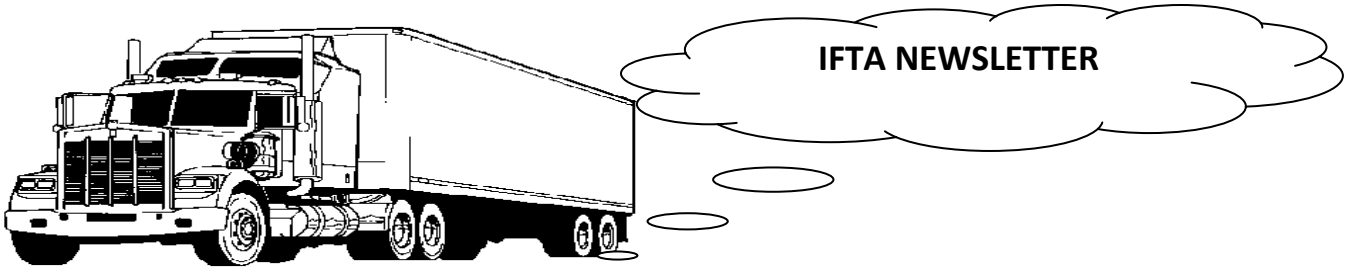
North Carolina Department of Revenue
September 2010



A Quarterly Publication of the North Carolina Department of Revenue
Motor Fuels Tax Division
1429 Rock Quarry Road, Suite 105, Raleigh, NC 27610
Telephone Number: 919-733-3409 Toll Free: 877-308-9092 Fax: 919-733-8654 www.dornc.com

New Tax Rate

In accordance with North Carolina General Statute 105-449.80, the Secretary of Revenue has determined that the motor fuels and alternative fuels tax rate for the period July 1, 2010 through December 31, 2010 will increase from **30.3** cents to **31.9** cents per gallon.

Renewal will not be available online for 2011 decals

The North Carolina Department of Revenue is implementing a new computer system for processing all applications and tax returns, including Motor Carrier Returns and Renewal Applications. The Department is currently reviewing all registration information to ensure that the data is up-to-date and accurate prior to the January 2011 implementation date of the new system. To ensure that accurate information is captured during the renewal process, the Motor Fuels Tax Division will require the submission of a new application to order 2011 license and decals. For this reason, the electronic system for ordering decals online has been turned off for the 2011 decals renewal year only. Renewals may be mailed, faxed, or personally delivered to the Raleigh, Greensboro, or Charlotte Motor Fuels offices. The online renewal process will once again be available for the 2012 renewal year in the fall of 2011. Please contact the Division at the number listed above with any questions concerning the 2011 renewal process.

IFTA E-File Mandate

The 2009 General Assembly enacted legislation authorizing the Secretary of Revenue to mandate electronic filing of International Fuel Tax Agreement (IFTA) returns. The mandate will be based on the number of decals issued during the previous registration year and will be implemented in a three-step process.

> *Businesses that were issued **10 or more decals** during the previous registration period will be required to file electronically beginning with the third quarter 2010 IFTA return.*

To file the IFTA return electronically, access the online system at www.dornc.com/electronic/ifta.html. An access code is required to initially set up your online account. Please contact the Division if you no longer have the access code letter previously sent to you or if you need assistance setting up your online account. There are provisions in place to consider requests to waive this requirement when a filer is unable to comply with the electronic filing mandate. All waivers must have approval from the Division and must be approved annually. Please submit a letter detailing the reason for your waiver request to NC Dept of Revenue, Motor Fuels Tax Division, PO Box 25000, Raleigh, NC 27610, Attention: Carren Bowling.

Global Positioning Satellite (GPS) Mileage System

Does your GPS mileage system need to be approved by the NC Motor Fuels Tax Division? Each individual trucking company determines whether or not GPS meets their needs. Many companies use GPS and mileage programs to record and report mileage traveled on their quarterly IFTA returns. GPS has shown to be very efficient.

The following are two reasons why you should have your GPS system reviewed and approved by the NC Motor Fuels Tax Division:

- You would like to request a waiver of the requirement to maintain Individual Vehicle Mileage Records (IVMR), or
- You would like the Division to review the system to determine if it meets the State's requirements prior to system's purchase.

Any trucking company that currently uses GPS to capture and report mileage data must continue to manually complete IVMRs (i.e. trip sheets) until their GPS system has been approved by the Motor Fuels Tax Division. Should you have questions concerning GPS or other mileage systems, please contact any of our office locations.

The Secretary of Revenue may require a bond

Effective August 1, 2009, N.C. G.S. 105-449.40 gives the Secretary of Revenue the authority to require a motor carrier to furnish a bond when any of the following occurs:

- The motor carrier fails to file a report within the time required.
- The motor carrier fails to pay a tax when due.
- After auditing the motor carrier's records, the Secretary determines that a bond is needed to protect the State from loss in collecting the tax due

A bond required of a motor carrier under N.C. G. S. 105-449.40 may not be more than the larger of the following amounts:

- Five hundred dollars ($500.00), or
- Four times the motor carrier's average tax liability or refund for a reporting period.

A bond must be in the form required by the Secretary.

State observed Holidays

Our offices will be closed on the following dates:

Veteran's Day
Thursday
November 11th, 2010

Thanksgiving
Thursday & Friday
November 25th & 26th, 2010

Christmas
Friday & Monday
December 24th & 27th, 2010

IFTA Reporting

A quarterly tax return must be filed, even if the licensee did not have activity.

IFTA licenses may be suspended and/or revoked for any of the following reasons:

- Failure to file an IFTA quarterly tax return
- Failure to remit all taxes due all member jurisdictions
- Failure to pay and/or protest an audit assessment within the established time period
- Failure to properly register with NCDMV, IRP Section

The Division will notify the North Carolina State Highway Patrol Motor Carrier Enforcement Administration and all member jurisdictions when a suspension or revocation has occurred or has been released.

Do not operate vehicles when a license has been revoked or suspended.

It is the licensee's responsibility to maintain records of all operations for qualified motor vehicles.

The following mileage and fuel data is needed for each individual vehicle for each trip:

Mileage Records

- Date of trip (starting and ending)
- Trip origin and destination (city & state)
- Route of travel
- Beginning and ending odometer or hubometer readings
- Total trip miles
- Mileage by jurisdiction
- Vehicle unit number
- Vehicle fleet number
- Licensee's name

Fuel Receipts

- Date of purchase
- Name and address of seller
- Number of gallons purchased
- Type of fuel purchased
- Price per gallon
- Unit number of vehicle or VIN
- Purchaser's name

What are my yearly renewal compliance requirements?

The Division is required to verify that each taxpayer is in compliance with the Department of Revenue. If our records show any outstanding tax liabilities or delinquent returns, your 2011 decals will not be released.

In addition, you must have a current registration with the Department of Motor Vehicles and all corporations must be active with the Secretary of State to avoid denial of 2011 decals. On your 2011 Renewal Application, please include the tag number of one of your qualified motor vehicles to assist us with locating your vehicle registration.

DECAL DISPLAY

You may display your 2011 North Carolina decals (IFTA and Intrastate) on your vehicles beginning December 1, 2010. A copy of the 2011 original license (cab card) must be kept in the cab of the vehicle.

North Carolina IFTA carriers must carry a copy of the 2010 North Carolina IFTA license (cab card) in the vehicle in addition to the 2011 license until January 1, 2011.

Decal Placement:

- Each qualified motor vehicle will be issued two (2) decals.
- One decal must be placed on the exterior portion of each side of the vehicle's power unit.

Failure to display decals in the required location may subject the vehicle operator to the purchase of a trip permit and a citation.

NC Department of Revenue Motor Fuels Tax Division and Field Offices

ALBEMARLE
Telephone: 704-982-8911
Fax: 704-982-8912

ASHEVILLE
2800 Heart Drive
Telephone: 828-667-0597
Fax: 828-667-0354

BATTLEBORO
110 Fountain Park Dr., Ste F-1
Telephone: 252-467-9222
Fax: 252-467-0190

***CHARLOTTE
6016 Brookshire Blvd
Telephone: 704-393-0606
Fax: 704-393-8720

ELIZABETH CITY
401 Griffin Street, Ste C
Telephone: 252-337-6756
Fax: 252-331-4808

FAYETTEVILLE
225 Green Street, Systel Bldg - Ste 800
Telephone: 910-486-1212
Fax: 910-485-4936

FLETCHER
Telephone: 828-687-9499
Fax: 828-654-9907

***GREENSBORO
(Please call office prior to your visit.)
5 Centerview Drive, Ste 110
Telephone: 336-834-4320
Fax: 336-834-4327

GREENVILLE
2995 Radio Station Rd
Telephone: 252-830-2999
Fax: 252-830-1411

HICKORY
112 2nd St. Place SE
Telephone: 828-327-2007
Fax: 828-327-7730

MORGANTON
Telephone: 828-391-6982
Fax: 828-391-6983

***RALEIGH
Motor Fuels Tax Division
1429 Rock Quarry Road – Ste 105
Telephone: 919-733-3409
Fax: 919-733-8654
Toll Free: 877-308-9092

RED SPRINGS
Telephone: 910-843-7080
Fax: 910-843-7085

ROCKWELL
Telephone: 704-279-1473
Fax: 704-279-1475

VANCEBORO
Telephone: 252-244-9912
Fax: 252-244-1664

WILMINGTON
3340 Jaeckle Dr., Ste 202
Telephone: 910-254-5066
Fax: 910-251-5823

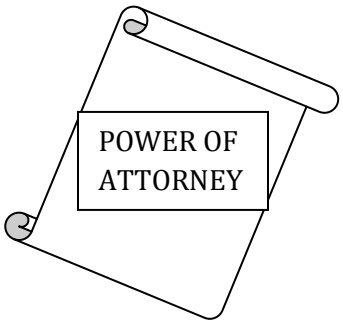
WINSTON-SALEM
8025 North Point Blvd., Ste 250
Telephone: 336-896-7026
Fax: 336-896-7030

*** License & Decal Issuance Location

Power of Attorney (POA)

A POA is required of all persons conducting business on behalf of a Motor Fuels taxpayer.

Download a (POA) form (Gen. 58) at www.dornc.com (Select Tax Forms, More, and General Forms.)



IFTA Tax Rates, Forms, Instructions, and 2011 Renewal Applications can be found at:
http://www.dornc.com/downloads/ifta.html

Questions

Contact the Motor Fuels Tax Division at:

Telephone Number	9 19-733-3409
Toll Free Number	877-308-9092
Fax Number	919-733-8654