

KANSAS DEPARTMENT OF REVENUE
**AGREEMENT TO MAINTAIN RECORDS IN ACCORDANCE WITH THE
INTERNATIONAL FUEL TAX AGREEMENT (IFTA)**

Each licensee shall maintain records to substantiate information reported on the quarterly IFTA tax report. Licensee must use and maintain required source documents to support the actual miles traveled and fuel purchased. These documents must be used to prepare your IFTA Quarterly Tax Return and be produced for audit purposes. Routes of travel and miles generated from **mileage software programs are not a substitute** for original source documents. Continued failure to maintain and use the required source documents to prepare your tax return may result in the revocation of your IFTA License. The licensee shall preserve all required records for a minimum of **four years** from the due date of the return. Multi-unit fleets must have **monthly summaries** by unit, by state, for mileage and fuel.

A. Each licensee shall maintain complete records for **qualified** vehicles identified as part of the licensee's operations (bearing a Kansas IFTA decal), supported by **fuel receipts** of all fuel purchased, received, and used in the conduct of its business. Retail purchases must be supported by a receipt or invoice, credit card receipt, or transaction listing from the seller. The previously mentioned documents must include, but shall not be limited to the following:

1. The **date** of purchase
2. The **seller's name and address**
3. The **number of gallons** or liters purchased
4. The type of fuel
5. The price per gallon or liter or total amount of the sale
6. The **unit number** and/or plate number
7. The purchaser's name (In the case of a lessee/lessor agreement, receipts will be accepted in either name, provided a legal connection can be made.)

They must be legible. A cancelled check or prepaid receipt is not adequate, they do not include each item listed above.

B. **All** bulk fuel delivery tickets and/or receipts (with date, gallons, etc.) with monthly **bulk fuel inventory reconciliations** must be maintained. For withdrawals from bulk storage, **records must be maintained to distinguish fuel placed in qualified vehicles from other uses.** This includes portable or stationary, **farm tanks, harvester tanks and construction tanks.** To obtain credit for withdrawals from licensee owned tax paid bulk storage, the following records must be maintained (minimum of **4** years): (Poor fuel records could also invoke an inadequate records rating)

1. The **date** of withdrawal
2. The number of **gallons** or liters dispensed
3. The fuel **type**
4. The **unit** number and/or plate number
5. Purchase and **inventory** records to substantiate that the State tax was paid on all bulk fuel.

C. An acceptable mileage accounting system is necessary to substantiate the information reported on the quarterly IFTA tax return. Mileage records **required by IFTA** must be used to prepare your IFTA Quarterly Tax Returns. If you use **DOT logs** as mileage documentation, they **must be kept 4.5 years (When also an IRP registrant).** Individual vehicle mileage records must include: (See additional GPS requirements on Records Notice page)

1. The date of the trip (starting and ending)
2. The trip origin and destination
3. The **highway route** of travel
4. The **beginning and ending odometer or hub odometer reading** of the trip
5. The total trip miles or kilometers
6. The miles or kilometers **by jurisdiction per trip**
7. The **unit number** or vehicle identification number
8. The registrant's name.

If these records are not available, **record keeping may be considered inadequate** and be subject to additional tax, see paragraph below. The Kansas Department of Revenue requires that records be made available to the Department for audit upon request. If you have any questions contact a vehicle auditor at 785-296-7719.

Under penalty of perjury, I agree to be bound by all of the provisions of the IFTA Agreement. I have read the above IFTA Record Keeping requirements, and understand that if I fail to maintain proper mileage and fuel records for inspection by the Department, the Department may use a standard **M.P.G. of four (4) miles per gallon or a 20% MPG reduction** for any period for which there are inadequate records. I further agree that the Kansas Department of Revenue may withhold any refunds due if I am delinquent on payment of fuel taxes due any member jurisdiction. I understand that failure to comply with these provisions shall be grounds for revocation of my license in all member jurisdictions.

Name of Carrier: _____

Address of Carrier: _____

KS ID#: _____

Signature: _____

Over for more information
Signature of Owner, Partner, Corporate Officer, or Person Authorized by Attached Power of Attorney on Application

Kansas Department of Revenue, Motor Fuel Tax, PO Box 750680, Topeka, KS 66625-0680.

If you have questions regarding this form, you can call

785-368-8222

Agreement to Maintain Records Notice Please Read

Please note the bolded words or phrases on the Agreement to Maintain Records form are added for special emphasis to highlight records that are often missing when audits are performed.

Often times records are lacking because the requirements have been misunderstood by licensees, this is especially true of those businesses that are not traditional trucking companies but still need an IFTA license, (**farmers, harvesters and construction** companies).

The rules apply to everyone, regardless of your business type.

Take special note if you have a bulk fuel tank(s) that is used for your IFTA units.

Record keeping tips: if you keep your records on a computer, keep a backup copy of all applicable files, also keep a hard copy of schedules used for your IFTA return. If adding machine tapes are used for totaling, keep the tapes. If a scratch pad was used for notes, adding numbers, etc. keep the applicable pages.

There are requirements for GPS systems in addition to those listed under section **C of the Agreement**.

GPS information must be available for 4 ½ years and must include: the original GPS or other location data for the vehicle to which the records pertain, the date and time of each GPS or other system reading, be sure that intervals are sufficient to validate the total distance traveled in each jurisdiction, location of each GPS or other system reading, and calculated distance between each GPS or other system reading.

Please note that an ELD, does not automatically mean you will be in compliance with your distance record keeping requirements. Your system must have the same documentation as described on the reverse side of this notice. If the ELD system cannot produce the required documentation then you will need to keep additional records to be in compliance.

We would like everyone to understand and be in compliance with the requirements listed on the agreement.

When audited, because you are aware of your responsibilities, there will be no surprises, and the audit will run smoothly for you, the licensee.

After reading the record keeping agreement, an owner of the company should sign the agreement. A signed agreement is required to receive your license. If you have any questions, please contact our department.

Thank you