Mileage Based User Fees

Considerations
Several tiers of taxation currently in place - Federal

- Federal Excise Tax
  - 12% tax on the sales price of a commercial vehicle >33k GVW
  - Definition of taxable base can be complicated to administer

- Heavy Vehicle Use Tax
  - Annual tax on commercial motor vehicles over 54,999 GVW
  - $550 on an 80k GVW
  - Required to present the watermarked paper to the DMV to renew your vehicle

- PPSA
  - Required to secure asset in addition to title
  - When vehicle is sold, lien must be released

- Green House Gas Tax – Fuel Charge
  - Federal level charge on carbon fuels
  - Canadian Business Number required
  - Register as a carrier in order to file
  - Separate quarterly filing similar to IFTA

- Excise tax – GST/HST
  - Vehicle and fuel are subject to it
  - Recovery of tax is allowed for eligible businesses with separate filings required
Several tiers of taxation currently in place - States

- Sales Tax
  - Tax on purchase of vehicle in most states
  - Definition of taxable base can be complicated to administer

- Property Tax
  - Annual tax on assets in 13 states
  - Cumbersome filing process
  - Filing and payment may be tied to registration renewal

- Registration
  - Title and Registration to operate
  - IRP required for Interstate travel
    - Records required to be kept 7 yrs
    - Annual filing requirement

- Fuel taxes
  - Collected at pump for Fed and State
  - IFTA requires record retention of fuel and distance records up to 4 ½ years
    - Quarterly filing

- Weight Distance Taxes
  - NY, NM, KY – assessed in addition
  - OR in lieu of fuel tax
  - Portland, OR WDT
  - All require monthly or quarterly filing
Several tiers of taxation currently in place - Global

Tolling

- Toll roads present in over 25 states/provinces in US and Canada
- No national interoperability in US despite Map 21 requirement
  - Forces interstate carriers to register with multiple entities
    - Inconsistencies in processing
What if MBUF happens?

– Fuel taxes retired in lieu of distance based tax

– Filing centralized – no administration of account per state

– Ability to use existing data collected for IRP/IFTA

– Utilization of existing infrastructure in IRP/IFTA to remit and distribute the tax

– Ability to have a central filer for a lessor of equipment
Any Questions?

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