



IRP and IFTA accounts can be audited. The purpose of an audit is to verify mileage and fuel data reported on an IRP annual renewal and IFTA quarterly returns. Verification is made by review of mileage and fuel records. Adequate records must be maintained for a period of three years (IRP) and four years (IFTA). Records must contain the following information to be consider adequate.

**MILEAGE RECORDS:**

Mileage can be documented electronically (vehicle tracking system or global positioning system (GPS)) or manually (driver’s logs or trip sheets). These records must contain the following information:

- Date and time of each trip
- Origin and destination of each trip
- Beginning and ending reading from the odometer, hubodometer, ECM or any similar device
- Route of travel
- Total distance of each trip
- Distance traveled in each jurisdiction
- Vehicle identification number or vehicle unit number
- Original GPS or other location data **(electronic records only)**
- Location of each GPS or other system reading **(electronic records only)**
- Calculated distance between each GPS or other systems reading **(electronic records only)**

**FUEL RECEIPT RECORDS:**

To receive credit for tax-paid fuel, proper documentation must be provided. Documentation may include purchases from retail stations (receipts, invoices, or transaction listings) or bulk fuel facilities (delivery receipts, withdrawals, inventory reconciliations and tank capacity). These records must contain the following information:

- date of fuel purchase
- name and address of seller
- quantity and type of fuel purchased
- price of fuel per gallon or per liter, or total price of fuel purchased
- identification of the qualified motor vehicle
- name of the purchaser of the fuel
- location of the bulk storage from which the withdrawal was made **(bulk fuel only)**

**INADEQUATE RECORDS PENALTIES**

The following penalties will be imposed if adequate records are not maintained:

**IRP:** A 20% penalty on apportionable fees paid.

**IFTA:** No credit for tax-paid fuel and/or a reduction to the MPG to 4.00 or by 20%.