How Are IFTA Taxes Calculated?

FAQs · https://atsfleetmanagement.com/docs/how-are-ifta-taxes-calculated/

Overview

IFTA taxes are calculated by comparing fuel consumed in each jurisdiction against fuel taxes already paid at the pump.

Basic Calculation Process

1. Calculate total miles traveled.
2. Calculate total gallons consumed.
3. Determine fleet MPG.
4. Allocate fuel usage by jurisdiction.
5. Compare fuel usage against tax-paid fuel purchases.
6. Calculate tax due or credit.

Result

The carrier may either:

- Owe additional fuel tax
- Receive a fuel tax credit
- Have no balance due