Required Mileage Documentation

Audit Readiness · https://atsfleetmanagement.com/docs/required-mileage-documentation/

Description

Mileage documentation is the foundation of every IFTA filing and one of the most heavily scrutinized areas during an IFTA audit. Every mile reported on a quarterly IFTA return must be supported by reliable records that accurately document where vehicles traveled, when they traveled, and how many miles were accumulated in each jurisdiction.

The purpose of mileage documentation is to provide a complete audit trail that supports state mileage allocations and tax calculations. If mileage records cannot be verified, auditors may reconstruct mileage using alternative methods, which often results in additional tax assessments, penalties, and interest charges.

Maintaining complete mileage records is not only an audit requirement—it is one of the most effective ways to protect your company from costly compliance issues.

Why Mileage Documentation Is Important

Mileage records determine:

- Total fleet mileage
- Taxable mileage
- Non-taxable mileage
- State mileage allocations
- IFTA tax calculations
- Audit compliance

Without proper mileage records, auditors cannot verify reported jurisdiction mileage.

What Auditors Expect to See

Auditors expect carriers to maintain sufficient records that clearly document vehicle movement throughout the reporting period.

Mileage records should answer the following questions:

Vehicle Activity

- Which vehicle traveled?
- When did the trip occur?
- Where did the trip begin?
- Where did the trip end?

Jurisdiction Reporting

- Which states were traveled?
- How many miles were accumulated in each state?
- Were all jurisdictions reported?

Trip Verification

- Can the route be verified?
- Does the mileage appear reasonable?
- Does supporting documentation exist?

Required Mileage Records

The following records should be maintained for every vehicle operating under IFTA.

ELD Trip Records

ELD records provide:

✔ Trip start locations

✔ Trip end locations

✔ Vehicle movement history

✔ GPS coordinates

✔ Driver assignments

✔ Route history

ELD records are often the strongest form of mileage documentation available.

GPS Tracking Records

GPS records help validate:

✔ Vehicle movement

✔ State crossings

✔ Route history

✔ Mileage allocations

✔ Trip verification

GPS data provides an independent source for verifying mileage calculations.

Vehicle Mileage Reports

Maintain:

✔ Total mileage reports

✔ Vehicle mileage summaries

✔ Jurisdiction mileage reports

✔ Quarterly mileage reports

These reports should reconcile to quarterly filings.

Driver Logs

Driver logs may be used to verify:

✔ Trip dates

✔ Trip locations

✔ Vehicle assignments

✔ Operational activity

Driver logs often serve as supporting documentation during an audit.

Dispatch Records

Dispatch records help confirm:

✔ Pickup locations

✔ Delivery locations

✔ Route activity

✔ Vehicle utilization

Auditors frequently use dispatch records to validate reported mileage.

Trip Sheets

Trip sheets should contain:

✔ Trip dates

✔ Vehicle information

✔ Driver information

✔ Origin

✔ Destination

✔ Mileage information

Trip sheets provide another layer of mileage verification.

Mileage Record Requirements

Mileage records should include:

Vehicle Identification

Every record should clearly identify:

- Unit Number
- VIN
- Vehicle Description

Trip Information

Every record should include:

- Trip Date
- Start Location
- End Location
- Route Information

Mileage Information

Every record should contain:

- Beginning Odometer
- Ending Odometer
- Total Miles
- State Mileage Allocation

Odometer Documentation

Odometer records help validate reported mileage.

Maintain:

✔ Beginning quarter readings

✔ Ending quarter readings

✔ Maintenance records

✔ Vehicle inspection records

Odometer Review

Verify:

- Odometer increases logically
- Reported mileage is reasonable
- Vehicle activity is supported

Large discrepancies should be investigated immediately.

State Mileage Documentation

One of the most important aspects of IFTA reporting is jurisdiction allocation.

Maintain documentation supporting:

✔ State entry

✔ State exit

✔ State mileage totals

✔ Border crossings

✔ Route calculations

Auditors frequently focus on state mileage allocations because they directly impact tax distributions.

Mileage Calculator Documentation

When using the Advanced IFTA Mileage Calculator, retain:

✔ Route calculations

✔ Origin addresses

✔ Destination addresses

✔ Intermediate stops

✔ Route maps

✔ Mileage summaries

Mileage Calculator records provide valuable support when ELD data is unavailable.

Common Mileage Documentation Problems

The following issues frequently create audit findings:

Missing Mileage

Occurs when vehicle movement cannot be fully documented.

Missing State Allocations

Occurs when mileage cannot be assigned to individual jurisdictions.

Unsupported Routes

Occurs when mileage calculations cannot be verified.

Incomplete Trip Records

Occurs when origin, destination, or mileage information is missing.

Odometer Discrepancies

Occurs when odometer readings do not reconcile with reported mileage.

Mileage Documentation Best Practices

To maintain audit readiness:

Review Mileage Monthly

Verify:

- Vehicle activity
- State allocations
- Mileage totals

Review Exception Reports

Investigate:

- Missing mileage
- State allocation issues
- Route discrepancies

Verify ELD Imports

Confirm:

- Trips imported successfully
- GPS data exists
- Vehicle assignments are accurate

Retain Supporting Records

Store:

- Trip reports

- Route maps
- Dispatch records
- Driver logs

Warning Signs of Mileage Problems

The following issues may indicate mileage documentation deficiencies:

Missing ELD trips

Missing state mileage

Unusually low mileage

Unusually high mileage

Vehicle inactivity inconsistencies

Odometer discrepancies

Unresolved mileage exceptions

Unsupported route calculations

How Advanced IFTA Helps

Advanced IFTA provides tools specifically designed to support mileage compliance.

Mileage Management Features

✔ ELD Mileage Integration

✔ State Mileage Reporting

✔ GPS-Based Data Collection

✔ Mileage Calculator

✔ Adjustment Tracking

✔ Exception Reporting

✔ Historical Mileage Records

✔ Audit Readiness Monitoring

Monthly Mileage Audit Checklist

Before each month closes, verify:

✔ All ELD trips imported

✔ Vehicle mileage reviewed

✔ State mileage reviewed

✔ Missing mileage resolved

✔ Mileage adjustments documented

✔ Route calculations retained

✔ Exception Reports reviewed

Recommended Actions

1. Review mileage reports monthly.
2. Verify state allocations.
3. Retain ELD and GPS records.
4. Maintain trip documentation.
5. Document mileage adjustments.
6. Investigate mileage discrepancies immediately.
7. Retain records for at least four years.

Related Articles

- Understanding IFTA Audits
- What Auditors Look For
- Audit Readiness Checklist
- Required Fuel Documentation
- Missing Mileage and Audit Risk

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