



# Special Notice

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## Renew Your IFTA Credential to Avoid Penalty Charges

CALIFORNIA  
STATE BOARD  
OF EQUALIZATION

450 N Street  
Sacramento, CA 95814

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We are writing to remind you to apply for your 2004 IFTA credential. Your current credential will expire December 31, 2003 (unless your credential is revoked, canceled, or suspended before that date).

If you have already applied and paid for a renewal, that's great. If you have not, we recommend that you apply as soon as possible. As explained below, you are subject to a penalty charge if you enter California on or after January 1, 2004 without a proper IFTA credential or California Fuel Trip Permit.

### Grace period for carriers who have applied and paid for their 2004 credential

Carriers in good standing with their base jurisdiction (all returns filed, all amounts due are paid, and a timely renewal is filed and paid) have until February 29, 2004 to display their 2004 decals. Many IFTA jurisdictions, including California, step up enforcement of the IFTA beginning on March 1st of each year. So, don't wait too long to get your 2004 IFTA decals on your vehicles!

### Penalty charge

You will be assessed a penalty if you enter California without a valid IFTA credential or California Fuel Trip Permit. The penalty can be calculated two different ways:

- First, if the Board determines an amount of tax due, the tax plus the greater of 25% of the tax or \$500 will be imposed.
- Second, if the Board does not determine the amount of tax that is due, the penalty is \$100; and thereafter, for second and subsequent violations, \$100 will be added to the amount of the penalty until a maximum penalty of \$500 is reached. For example, the minimum penalty for a second violation is \$200 and the minimum penalty for a third violation is at least \$300. The penalty is imposed in addition to the purchase price of a California Fuel Trip Permit (currently \$30 for a single vehicle for a consecutive four-day period).

Fuel Taxes Division

Motor Carrier Section