

## ISSUE 1 - APRIL 2005

## Road User Safety Division, Ministry of Transportation *Leaders in road safety and customer service*

The Ontario IRP Program is proud to announce the launch of its newsletter, *IRP News*. Here you will find all the information and links you need to conduct IRP business in Ontario. This newsletter will be published quarterly and can be found at your local IRP Office or at our ministry's website.

### In this issue:

- ◆ What you need to know about IRP Carrier Audits
- ◆ New Established Place of Business Questionnaire
- ◆ New Estimated Distance Declaration
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## What you need to know about IRP Carrier Audits

IRP audits on Ontario carriers will be performed by auditors from the Ministry of Finance in conjunction with International Fuel Tax Agreement (IFTA) audits. The purpose of the audit is to ensure compliance with established rules and regulations governing prorated registration and proper payment of prorated fees and taxes to Ontario and all other IRP member jurisdictions in which the carrier is (or was) registered for multi-jurisdictional travel. These concurrent audits will minimize the inconvenience to audited carriers.

At least 30 days prior to conducting the audit, the audit candidates will be contacted and advised that an audit is to be conducted of records substantiating distance reported on the apportioned registration application(s). At that time, an appointment will be scheduled between the auditor and the carrier.

Did you know that all carrier records must be retained for 5 years plus the current registration year? In conducting the IRP audit, auditors will use the source documents to determine, on a test basis, the accuracy and completeness of the distance and vehicle information recorded on the Individual Vehicle Distance Records (IVDRs), on the monthly, quarterly and yearly summaries, and on the forms used for IRP registration.

### Audit Books and Records Checklist:

- ☑ IRP Return (Prorate Application Forms 1-4);
- ☑ Mileage records (Interstate Commerce Commission driver logs, odometer reading, trip sheets);
- ☑ Record pertaining to laden and un-laden weight of vehicles;
- ☑ Thruway receipts and statements;
- ☑ List of all equipment;
- ☑ Financial statements;
- ☑ Accounting records;
- ☑ Details of automated (distance) mileage software or other reporting procedures;
- ☑ Border Crossing Receipts;
- ☑ Details of qualified vehicle lease contracts/agreements (short and long term);
- ☑ Gross vehicle weights per unit; and
- ☑ Vehicle information (VIN, date of purchase/lease, purchase amount, lease capital cost, factory price, amount of trade in and number of axles).



For more information regarding IRP carrier audits, please refer to the Ontario IRP Carrier Manual or visit the AAMVA website at [www.aamva.org/IRP](http://www.aamva.org/IRP).

### New Established Place of Business Questionnaire

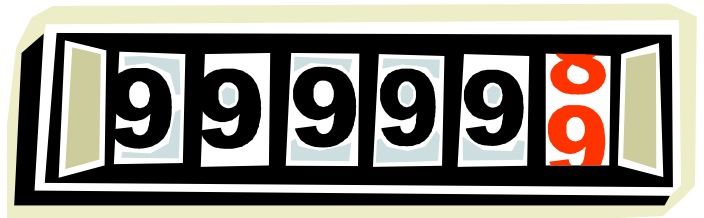


As a requirement of the IRP Plan, carriers must maintain an Established Place of Business in the jurisdiction where they base plate. It is also a requirement of the IRP Plan that Ontario maintains a copy of the “Established Place of Business Questionnaire” in each carrier’s file. You should be receiving a questionnaire with your next IRP renewal. If you don’t already have a copy of the questionnaire, you can pick one up at your local

IRP Office or contact the IRP Program Office at (416) 235-3923 or toll-free at 1-866-587-6770 and one will be faxed or mailed to you. You can also download the questionnaire from the ministry’s website at [www.mto.gov.on.ca/english/trucks/irp](http://www.mto.gov.on.ca/english/trucks/irp) and click on the “Established Place of Business Questionnaire” link at the top of the web page.

### New Estimated Distance Declaration

A requirement of the IRP Plan, all IRP carriers providing estimated distance on an IRP application are required to support these estimates with a sufficient amount of information to justify any estimated mileage submitted.



The *New Estimated Distance Declaration* **must** be completed by the carrier and submitted to their local IRP Office with the application for initial registration and add jurisdiction transactions.

There are two methods to calculate estimated mileage:

**Method 1:**

The first is a detailed list of proposed travel patterns. This would include an explanation of, departure locations, destinations, number of vehicles in the fleet, jurisdictional distances to be travelled, and number of trips per registration year. This information can be used by the IRP Offices to determine whether the carriers estimated distances are reasonable.

**Method 2:**

The second method utilizes an Estimated Distance Chart developed as a guide to determining reasonable estimated distance. The chart reflects the average distance travelled in each jurisdiction by all carriers in Ontario for a specific period. This type of estimated distance chart is used by most IRP jurisdictions to base estimated mileage. The jurisdiction distances are calculated on a per vehicle basis. Therefore, should a carrier wish the use the average distances shown in the chart, the number of vehicles in the fleet must multiply by the distance shown. If this method is used, the carrier must indicate this in the Mandatory Estimated Distance Declaration on Form 2 of the IRP Application.

The Estimated Distance Chart will be updated on an annual basis and will be available at all IRP Offices to all carriers for use in the upcoming registration year. You can also download the Estimated Distance Declaration at our website at [www.mto.gov.on.ca/english/trucks/irp](http://www.mto.gov.on.ca/english/trucks/irp) and click on the “Estimated Distance Declaration” link at the top of the web page.

If you have any questions regarding the new forms or if you require assistance with completing the declaration, please contact the IRP Program Office at (416) 235-3923 or toll-free at 1-866-587-6770.

**Check out our Ministry’s IRP Website**



Looking for information on IRP? Need to download forms? Look no further than the Ministry’s Internet site! The site has recently been updated to ensure that you have the latest IRP information and tools at your fingertips.

In addition to the updated FAQ page, several new sections have been added. This newsletter, *IRP News*, will be published quarterly and will feature stories on the people and activities of IRP.

Check out our website at [www.mto.gov.on.ca/english/trucks/irp](http://www.mto.gov.on.ca/english/trucks/irp) . To download IRP Forms, click on the links at the top of the web page.

*IRP News*, is published quarterly by the e-Business Office, Projects & Change Management Branch, Road User Safety Division, Ministry of Transportation. If you have any comments about *IRP News*, please contact Jackie Zaffino at (416) 235-4357, [jackie.zaffino@mto.gov.on.ca](mailto:jackie.zaffino@mto.gov.on.ca)