

TO CHANGE IRP ACCOUNT INFORMATION

Changes to IRP account information may include but are not limited to the following:

- Name
- Address changes

SUPPORTING DOCUMENTS

Before any IRP registration can be completed, certain supporting documents must be submitted. Some documents, such as proof of Sales or Use Tax paid and Title or Title Application, have to be submitted only at the time of initial registration unless the ownership of a vehicle has changed. Other documents must be presented each year at renewal time. These include proof of payment or satisfaction of Ad Valorem Tax, Motor Carrier Information Report (MCS-150) and Federal Heavy Vehicle Use Tax.

PROPERTY TAX (Needed Each Year)

Alabama Law specifically provides that Ad Valorem (personal property) Taxes must be paid on Alabama-based vehicles through the IRP registrant's renewal month before IRP license plates may be issued. Proof of payment may be submitted with the IRP registration application, or preferably, submitted with the payment. If no Ad Valorem Tax is due, this fact must be attested to by the appropriate county official. This is usually shown on a motor vehicle tag and tax receipt (MVR 40-12-253B). For more information concerning Ad Valorem Tax, contact your local Alabama license plate issuing official.

SALES, USE OR LEASING / RENTAL TAX (Needed for Initial Registration)

1. Sales Tax – A state casual sales tax of 2% levied on vehicles purchased in Alabama. Proof of payment of the sales tax must be supplied to the license issuing official before a license plate may be issued. Proof of payment can be a motor vehicle tag and tax receipt, or bill of sale showing sales tax paid. Some Alabama counties and cities also levy a local sales tax on vehicles when purchased.
2. Use Tax – A state use tax of 2% is levied on newly purchased vehicles if the vehicles were purchased outside of Alabama and are being registered by the new owners for the first time. If the new owner paid sales tax in another jurisdiction, credit will be allowed against the Alabama use tax due.
3. Leasing or Rental Tax – When the owner of a vehicle leases or rents a vehicle without a driver for use by a person or corporation and receives compensation for that use, the owner becomes a lessor and subject to the gross receipts tax as provided in Title 40, Chapter 12, Sections 220-227, **Code of Alabama 1975**, as amended.

For information concerning sales, use, lease or rental tax, contact one of the Alabama Department of Revenue Taxpayer Service Centers listed on page B-2, or contact the Sales, Use and Business Tax Division at (334) 242-1490.

TITLES (Needed for Initial Registration)

Proof of ownership of a vehicle must be provided in the form of a photocopy of the Alabama Application for Title or the Title issued by Alabama or another jurisdiction. (A 1974 model year or earlier vehicle that is titled in another jurisdiction is not required to be titled in Alabama.) *Note: REASSIGNED TITLES, BILLS OF SALE, OR LEASE PURCHASE AGREEMENTS WILL NOT BE ACCEPTED.*

A paper title may not be required to be provided to the MCS office if the title application was submitted through the Alabama Electronic Title Application System (ETAPS).

The name of the owner on the title and the name of the owner as shown on the IRP registration must agree if they are the same entity. If not, a lease agreement between the vehicle owner and IRP registrant (motor carrier) may be required.

For more information concerning titles or title applications, contact the Alabama Department of Revenue, Motor Vehicle Division's Title Section at titles@revenue.alabama.gov.

MOTOR CARRIER INFORMATION REPORT (MCS-150) (Needed Each Year)

Under PRISM, the US DOT Number and taxpayer identification number (TIN) of the motor carrier responsible for the safety of every vehicle registered must be identified during the registration process as well as the US DOT Number and TIN of the registrant.

Additionally, an updated MCS-150 form for each identified motor carrier responsible for safety on an IRP account is required unless the motor carrier has submitted one within 12 months prior to the first day of the renewal period or has updated the information directly on the FMCSA website at www.safer.fmcsa.dot.gov. **In order to speed up the registration process, it is strongly recommended that MCS-150 information be updated online.**

Rental/leasing companies who register in their own name must provide the US DOT Number and copies of updated MSC-150 form to the registration office for the rental/leasing company and also for all lessees who are responsible for the safety of the vehicles. Owner/operators who register in their own names must obtain a US DOT Number for themselves. This number is for registration purposes only and does not provide the owner/operator with his/her own operating authority. In addition, the owner/operator must provide the US DOT Number for the company to whom he/she is leased. Updated copies of the MCS-150 must be submitted for the owner/operator and all companies responsible for safety (the lessees). The companies must complete the MCS-150 forms themselves. Companies who use all leased vehicles registered in the name of the lessors (rental/leasing or owner/operators) must provide the lessor with an updated copy of the MCS-150. The lessor will submit it to the state registration office in order to have the vehicle's registration renewed.

For more information concerning US DOT Numbers, PRISM, or MCS-150 forms, please contact the FMCSA (see appendix B).

FEDERAL HEAVY VEHICLE USE TAX (Needed Each Year)

Federal law requires proof of payment (or exemption) of the Federal Heavy Vehicle Use Tax (FHVUT) when any power unit is registered that has a gross or combined gross weight of 55,000 pounds or more. Federal Heavy Vehicle Use Tax must be paid directly to the IRS. The processing time for mailing the tax payment to the IRS and for receiving the Schedule 1 form back from the IRS is usually six to eight weeks. Electronic filing is required for each return with 25 or more vehicles. However, all taxpayers are encouraged to file electronically.

Proof of payment must be:

1. A copy of a receipted IRS Form 2290 Schedule 1 that has the vehicles for which the tax was paid listed by vehicle identification number (VIN).

OR

2. A copy of the IRS Form 2290 with the Schedule 1 and proof of payment of the tax.

Proof of payment is not required on vehicles registered within sixty (60) days of the date of purchase.

For more information concerning Federal Heavy Vehicle Use Tax, contact the Internal Revenue Service. (See appendix B.)