

CHAPTER 18

EXECUTIVE AND ADMINISTRATIVE SERVICE

Authority

N.J.S.A. 17:33B-41, 39:2-3, 39:2-3.3 et seq., 39:2A-36.1, 39:3-4e, 39:3-6.12b, 39:3-20, 39:3-43, 39:3-84, 39:5-30, 39:6-25, 39:6-50, 39:6-86.1, 39:6-86.4, 47:1A-1 et seq., 52:14B-3(1) and 54:39A-24; and Pub. L. 102-240 §4008 and Pub. L. 103-322.

Source and Effective Date

R.2011 d.106, effective March 9, 2011.
See: 42 N.J.R. 2309(a), 43 N.J.R. 882(a).

Chapter Expiration Date

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 18, Executive and Administrative Service, expires on March 9, 2018. See: 43 N.J.R. 1203(a).

Chapter Historical Note

Chapter 18, Executive and Administrative Service, was filed and became effective prior to September 1, 1969.

Chapter 18, Executive and Administrative Service, was repealed and Chapter 18, Executive and Administrative Service, was adopted as new rules by R.1972 d.107, effective July 1, 1972. See: 4 N.J.R. 105(a), 4 N.J.R. 165(c).

Subchapter 6, Insurance, was adopted as R.1973 d.62, effective March 8, 1973. See: 5 N.J.R. 52(c), 5 N.J.R. 120(b).

Subchapter 7, Payment and Collection of Bus Excise Tax, was adopted as R.1973 d.188, effective July 11, 1973. See: 5 N.J.R. 193(a), 5 N.J.R. 290(e).

Subchapter 4, Registrations, Identifying Markers and Reports, was repealed and Subchapter 4, Motor Fuels Use Tax Act, was adopted as new rules by R.1973 d.215, effective August 8, 1973. See: 5 N.J.R. 231(a), 5 N.J.R. 317(b).

Subchapter 2, Unsatisfied Claim and Judgment Fund Board, was adopted as new rules by R.1973 d.278, effective September 25, 1973. See: 5 N.J.R. 289(c), 5 N.J.R. 390(b).

Subchapter 3, Overwidth Vehicles, was adopted as new rules by R.1974 d.30, effective February 7, 1974. See: 6 N.J.R. 20(b), 6 N.J.R. 120(a).

Subchapter 8, Overhangs, was adopted as R.1975 d.285, effective October 1, 1975. See: 7 N.J.R. 340(a), 7 N.J.R. 483(a).

Subchapter 9, Uninsured Motorists, was adopted as R.1976 d.75, effective March 8, 1976. See: 8 N.J.R. 82(b), 8 N.J.R. 204(a).

Subchapter 10, Unsatisfied Claim and Judgment Fund's Reimbursement of Excess Medical Expense Benefits Paid by Insurers, was adopted as R.1978 d.207, effective June 22, 1978. See: 10 N.J.R. 119(c), 10 N.J.R. 350(b).

Subchapter 11, Organization of the Division of Motor Vehicles, was adopted as R.1989 d.365, effective June 14, 1989. See: 21 N.J.R. 2048(a).

Subchapter 2, Unsatisfied Claim and Judgment Fund Board, and Subchapter 10, Unsatisfied Claim and Judgment Fund's Reimbursement of Excess Medical Expense Benefits Paid by Insurers, were repealed by R.1990 d.121, effective February 20, 1990. See: 21 N.J.R. 3432(a), 22 N.J.R. 662(c).

Pursuant to Executive Order No. 66(1978), Chapter 18, Executive and Administrative Service, was readopted as R.1990 d.225, effective March 30, 1990, and Subchapter 3, Overwidth Vehicles, and Subchapter 7, Payment and Collection of Bus Excise Tax, were repealed by R.1990 d.225, effective May 7, 1990. See: 22 N.J.R. 614(a), 22 N.J.R. 1378(b).

Subchapter 6, Insurance, was repealed and Subchapter 6, Insurance Verification, was adopted as new rules by R.1991 d.289, effective June 3, 1991. See: 23 N.J.R. 973(a), 23 N.J.R. 1806(b).

Pursuant to Executive Order No. 66(1978), Chapter 18, Executive and Administrative Service, was readopted as R.1995 d.218, effective March 28, 1995, and Subchapter 5, Connecting Devices and Towing Methods, and Subchapter 8, Overhangs, were repealed by R.1995 d.218, effective May 1, 1995. See: 27 N.J.R. 637(a), 27 N.J.R. 1806(b).

Subchapter 2, International Registration Plan, was adopted as new rules by R.1996 d.186, effective April 1, 1996. See: 28 N.J.R. 791(a), 28 N.J.R. 1867(a).

Subchapter 3, International Fuel Tax Agreement Implementation, was adopted as new rules, and Subchapter 4, Motor Fuels Use Tax Act, was repealed by R.1996 d.311, effective July 1, 1996. See: 28 N.J.R. 2328(a), 28 N.J.R. 3307(a).

Pursuant to Executive Order No. 66(1978), Chapter 18, Executive and Administrative Service, was readopted as R.2000 d.174, effective March 28, 2000. See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

Chapter 18, Executive and Administrative Service, was readopted as R.2005 d.359, effective September 23, 2005. See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Chapter 18, Executive and Administrative Service, was readopted as R.2011 d.106, effective March 9, 2011. See: Source and Effective Date. See, also, section annotations.

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SUBCHAPTER 1. PERMITS FOR OVERDIMENSIONAL OR OVERWEIGHT VEHICLES

13:18-1.1 Scope

(a) This Subchapter 1 replaces the following regulations previously adopted:

1. Subchapter 1 (Special Permits for Overdimensional Vehicles) of this Chapter;
2. Subchapter 2 (Permits in Book Form) of this Chapter;
3. Subchapter 3 (Special Permits for Overweight Vehicles) of this Chapter;
4. Subchapter 13 (Dimensional Restrictions) of Chapter 20 (Enforcement Service).

13:18-1.2 Requirement of permit

(a) Except as provided in (c) below, a single-trip permit is required for each one-way trip of an oversize or overweight vehicle that exceeds the dimension or weight provisions of N.J.S.A. 39:3-84.

(b) In the event the vehicle is both oversize and overweight, a single-trip permit will be issued for each one-way trip.

(c) An annual ocean borne containerized cargo multiple-trip permit may be issued for a tractor semitrailer combination engaged in the transportation of sealed containers of the type commonly used for the conveyance of freight transportation in international ocean going commerce as follows:

1. Sealed containers transported under an annual ocean borne containerized cargo multiple-trip permit shall bear the seal of the United States Custom Service, the seal of another governmental agency or the seal of a shipper;
2. The combined gross vehicle weight of any tractor semitrailer combination, including load or content conveying sealed containers, shall not exceed 90,000 pounds. The tractor semitrailer combination per-axle combined weight shall not exceed 38,000 pounds for any one tandem axle

13:18-2.8 Additional gross vehicle weight

(a) The gross vehicle weight may be increased for registered vehicles, pursuant to the limits authorized under N.J.S.A. 39:3-20, by application on forms prescribed by the Commission.

(b) Re-registration at a higher gross vehicle weight for the balance of the registration year shall include the registration month during which the apportioned vehicle was initially registered at the higher gross vehicle weight.

1. The apportioned fee initially paid to the Commission, reduced for the number of full registration months the registration was in effect, shall be deducted from the total fee to be paid for registering at the higher gross vehicle weight for the balance of the registration year.

2. Gross vehicle weight fee calculations shall be based on current fee schedules provided to New Jersey by other jurisdictions.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a) and (b)1, substituted "Commission" for "Division".

13:18-2.9 Addition of jurisdictions

(a) A registrant of an apportioned vehicle fleet who has filed an original apportioned registration application for a registration year may expand operation into or through a member jurisdiction not previously included in the original filing by making supplemental application.

(b) The application shall include the estimated miles in the new jurisdiction(s) and an indication of an estimated weight in the new jurisdiction(s).

13:18-2.10 Apportioned license plates; registration certificate ("cab card")

(a) Upon receipt of payment for all applicable apportioned and non-apportioned registration fees, the Commission shall issue a certificate of registration ("cab card") and two license plates marked "Apportioned" for each vehicle. Such license plates shall be displayed as required by N.J.S.A. 39:3-33.

(b) Apportioned license plates may be transferred from one vehicle to another in accordance with the provisions of this subchapter.

(c) Distinctive validation stickers, of a design, size and shape prescribed by the Commission, may be issued by the Commission for affixation to the apportioned license plates to indicate the month and year of expiration of the vehicle registration.

(d) The cab card issued for an apportioned vehicle shall contain a list of the member jurisdictions for which the vehicle is apportionally registered and the corresponding weight in pounds (for states) and kilograms (for Canadian provinces), in addition to all other required information.

1. The card shall be free of any errors, erasures, or strikeovers and shall include security features.

2. The original cab card is to be carried in the vehicle.

3. An effective date and expiration date shall be listed on the cab card.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a) and (c), substituted "Commission" for "Division".

Amended by R.2011 d.106, effective April 4, 2011.

See: 42 N.J.R. 2309(a), 43 N.J.R. 882(a).

In (c), substituted "may" for "shall" and "by the Commission for affixation" for "annually and affixed".

13:18-2.11 Administrative transaction/cab card fee

(a) In addition to all registration fees and assessments permitted by law and pursuant to this subchapter, a non-apportioned \$7.00 administrative transaction fee per vehicle shall be assessed by the Commission for the following:

1. Initial application;
2. Renewal application;
3. Supplemental application;
4. Change of weight request during the registration year;
5. Addition of jurisdiction(s) during the registration year;
6. Addition or transfer of an apportioned vehicle to or from an apportioned fleet during the registration year;
7. Cab card replacement;
8. IRP plate(s) replacement;
9. Plate transfer.

(b) No refund or credit shall be permitted for an administrative transaction fee.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (a), substituted a reference to this subchapter for a reference to this section in the introductory paragraph.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In the introductory paragraph of (a), substituted "Commission" for "Division".

13:18-2.12 Temporary registration; New Jersey-based carrier(s)

(a) A temporary registration credential known as a temporary authorization ("TA") shall be issued by the Commission upon receipt of a properly completed application, in order to provide registrants with a temporary registration for the movement of unregistered vehicles, the transfer of an existing apportioned plate or the correction of the information on a previously issued cab card. The application shall contain a full explanation of the need for such TA.

(b) A TA shall be issued only to a New Jersey-based carrier with an established IRP account in good standing.

(c) A TA shall contain all the information required by the Commission, in addition to the issue date and the expiration date. The expiration shall be 72 hours from the issue time for new or additional vehicles added to a fleet.

(d) All vehicles for which TA's have been issued are subject to apportioned and permanent registration as part of the New Jersey fleet of a carrier.

(e) The TA shall be issued only to a specific vehicle as identified by the vehicle description information. The TA must be carried in the applicable vehicle and is not transferable.

(f) No erasures or alterations of any kind, including double character/digit strikes, shall be permitted, and any evidence of tampering shall immediately render the TA null and void.

(g) No refund or credit shall be provided to any registrant for any reason for a TA purchased and not used.

(h) The Commission may refuse to issue a TA authorized by this section to any person or entity that formerly held a license or registration issued by the Commission which was suspended, revoked, denied or cancelled for any reason.

(i) The Commission may revoke any TA issued to any person or entity for any appropriate reason.

(j) The Commission may deny issuing permanent plates and cab cards until evidence of payment due other member jurisdictions has been received.

(k) The fee for issuance of a TA shall be \$25.00.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a), (c), (h), (i) and (j), substituted "Commission" for "Division".

13:18-2.13 Temporary registration; out-of-state carrier(s)

(a) A temporary registration credential known as a trip permit shall be issued, upon application on forms prescribed by the Commission, in lieu of IRP credentials to a vehicle registrant that has been apportionally registered in its base jurisdiction but not in New Jersey.

(b) The trip permit shall allow both intrastate and interstate movement and shall be valid for the 72-hour period beginning at the time of issue.

(c) The trip permit shall contain all the information required by the Commission. The date and time of issue and expiration shall be shown. The trip permit shall be carried in the cab of the vehicle for which such permit is issued and is not transferable.

(d) The Commission may refuse to issue a trip permit to any person or entity that formerly held a license or registration issued by the Commission which was suspended, revoked, denied or cancelled for any reason.

(e) The fee for a Trip Permit shall be \$25.00.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a), (c) and (d), substituted "Commission" for "Division" throughout.

13:18-2.14 Hunter's permit

(a) The Commission shall provide a "hunter's permit" upon application by an owner-operator not operating as a lessor.

(b) The permit shall be valid only if the vehicle or combination of vehicles is unladen.

(c) A "hunter's permit" may be issued to an owner-operator that has terminated a lease and is required to surrender the apportioned license plates and cab card to the carrier pursuant to this subchapter.

(d) The permit shall be issued to a specific vehicle and shall not be transferable.

(e) The permit shall be valid for 10 days.

(f) No refund or credit for a hunter's permit fee shall be provided.

(g) The fee for issuance of a Hunter's Permit shall be \$25.00.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a), substituted "Commission" for "Division".

13:18-2.15 Fleet merger; fleet acquisition

(a) The registrant shall notify the Commission within 30 calendar days of a substantial change in operations of a New Jersey-based fleet because of merger or acquisition.

(b) The registrant shall be required to file an amended application setting forth the changes as a result of the merger or acquisition.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a), substituted "Commission" for "Division".

13:18-2.16 Registration of owner-operated vehicles

(a) The owner-operator of an IRP vehicle, leasing such vehicle to a carrier, may allow the carrier to become the registrant to obtain IRP credentials (registration cab card, license plates, temporary authority and trip permit) provided:

1. The carrier provides the Commission with an affidavit from the owner-operator authorizing the carrier to become the registrant:

2. All credentials issued under this arrangement remain the property of the registrant; and

3. All recordkeeping (N.J.A.C. 13:18-2.21) and audit obligations (N.J.A.C. 13:18-2.22) are assumed by the registrant.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a)1. substituted "Commission" for "Division".

13:18-2.17 Rental fleets

(a) A "rental owner" may apportionally register a rental fleet in the name of the rental owner rather than the name(s) of individual lessee(s), provided:

1. The operational records of the rental fleet are maintained by the rental owner;

2. The rental fleet includes only vehicles for which New Jersey is the base jurisdiction;

3. All vehicles are part of a rental fleet and have been identified as such by the rental owner on the forms and in the manner prescribed by the Commission;

4. The rental owner receives Commission approval to make application to apportion such designated rental vehicle(s), on the forms and in the manner prescribed by the Commission; and

5. The rental owner apportionally registers the rental vehicle(s) pursuant to N.J.A.C. 13:18-2.3.

(b) Rental owner registrants engaged in the business of renting and/or leasing rental vehicles, such as tractors, single trucks and truck tractors (not including any one-way vehicles), with or without drivers, into or through one or more jurisdictions, shall apply for apportioned registration on forms prescribed by the Commission.

(c) Rental owner registrants engaged in the business of renting or leasing passenger cars in more than one jurisdiction shall prepare and maintain monthly and yearly records reflecting gross revenue earned in each jurisdiction, as well as monthly inventories listing all rental passenger cars, their corresponding license plate numbers and dates of purchase, on the forms and in the manner prescribed by the Commission.

1. All monthly revenue earnings reports and summaries shall be submitted on the forms and in the manner prescribed by the Commission, and shall be accompanied by appropriate rental settlement contracts.

2. All yearly earnings reports and summaries shall be accompanied by company financial statements and/or copies of Federal, state and local (if any) income tax returns.

3. Inventories shall be reported and submitted to the Commission on a quarterly basis on forms and in the manner prescribed by the Commission. Attached to the

quarterly reports shall be a listing of all rental passenger cars, their corresponding license plate numbers and dates of purchase.

4. Monthly inventories shall be certified by the rental owner to have been taken on, or as near as possible to, the first day of each month of each year.

5. Each monthly inventory shall be supported by primary source inventory reports.

(d) The determination of the percentage of total rental fleet vehicles that shall be apportionally registered in New Jersey shall be calculated as follows:

1. Divide the gross revenue received from rental(s) in New Jersey during the preceding year by the total gross revenue earned in all jurisdictions in which the vehicle(s) was operated/rented; and

2. Multiply the percentage in (d)1 above by the total number of rental passenger cars in the fleet on the first day of the registration year.

(e) If rental passenger vehicles are added to the rental fleet after the first day of the registration year, the percentage figures used at the beginning of that registration year shall be applied to determine the number of additional rental vehicles subject to registration in New Jersey during any particular quarter of the full registration year.

(f) Rental owner registrants engaged in the business of renting or leasing trailers and/or semitrailers of more than 6,000 pounds gross vehicle weight in pool fleets in more than one jurisdiction shall apportionally register such vehicles in the following manner:

1. Divide the gross revenue earned in the preceding year for use of the rental trailers arising from rental transactions occurring in New Jersey by the total gross revenue earned in the preceding year in all jurisdictions;

2. Multiply the percentage in (f)1 above by the total number of rental trailers or semitrailers owned or operated in such rental fleet on the first day of each registration year, resulting in the number of rental pool fleet trailers/semitrailers to be registered in New Jersey during the renewal period of each registration year.

3. Registrants of trailers/semitrailers rented in pool fleets shall prepare and maintain monthly reports, summaries and inventories, and yearly earnings records.

i. The monthly reports and summaries shall reflect gross revenue earned in each jurisdiction and shall be accompanied by rental settlement contracts.

ii. The monthly inventories shall include all rental trailers/semitrailers owned and operated.

iii. Yearly earnings figures shall be supported by company financial statements and/or copies of Federal, state and local (if any) income tax returns.

4. If rental trailers or semitrailers are added to the rental fleet after the first day of the registration year, the percentage factor used at the beginning of that registration year shall be used to determine the number of additional trailers/semitrailers subject to registration in New Jersey during a particular quarter.

5. The rental owner shall record and maintain a current listing (less than 30 days old) of the license plate numbers and date of purchase and/or renewal in New Jersey for all rental fleet trailers and semitrailers. The listing shall be supported by copies of all registration records (applications as completed by the registrant), corresponding cancelled checks or other remittance items, or credit card statements that represent the proof of payment of trailer and semitrailer registration and/or renewal.

(g) Rental owners engaged in the business of renting or leasing utility trailers equal to or less than 6,000 pounds gross vehicle weight in more than one jurisdiction shall prepare and maintain monthly records including:

1. An inventory of all rental utility trailers equal to or less than 6,000 pounds gross vehicle weight located, but not rented, in New Jersey at the time of inventory;

2. A total inventory of all rental utility trailers located in all jurisdictions but not rented at the time of inventory;

3. An inventory of the entire rental fleet of utility trailers equal to or less than 6,000 pounds gross vehicle weight, owned and/or operated (whether or not rented) at the time of inventory;

4. The rental owner registrant of utility trailers shall allocate and register, initially and during the renewal period of each year, a number of utility trailers equal to no less than the average number of such trailers rented in or through New Jersey during a particular quarter;

5. If additional trailers are added to the fleet after the first day of the registration year, the percentage factor used at the beginning of the registration year shall be used to determine the number of additional trailers that are subject to registration in New Jersey for any particular quarter; and

6. The rental owner registrant of utility trailers shall maintain a current listing (less than 30 days old) of all license plate numbers and dates of initial purchase or renewal for each unit.

(h) Rental owner registrants of vehicles equal to or less than 26,000 pounds gross vehicle weight, separately identified by registration weight classes by the rental owner as a part of a one-way rental fleet (rented in one jurisdiction, driven to another and remaining in the second jurisdiction), shall obtain New Jersey-apportioned registration credentials for such units based on the fleet mileage factor calculation pursuant to N.J.A.C. 13:18-2.4.

1. If an additional one-way vehicle(s) is added to the fleet after the first day of the registration year, the same percentage factor used at the beginning of the registration

year shall be used to determine, by weight class, the number of additional one-way vehicles subject to be registered in New Jersey during any particular quarter.

2. Registrants of rental one-way vehicles equal to or less than 26,000 pounds gross vehicle weight registered in more than one jurisdiction shall prepare and maintain monthly and yearly summaries of individual rental vehicle mileage operated by each vehicle in each registration weight class for New Jersey, each applicable member jurisdiction(s), and a total mileage figure for all jurisdictions.

3. Registrants shall maintain monthly inventories of each vehicle owned and/or operated (rented or not rented) in each vehicle registration weight class in each jurisdiction, including New Jersey. Such inventories shall be supported by the actual inventory reports for each weight class.

4. The rental owner shall maintain a current listing (less than 30 days old) of the license plate numbers and dates of purchase and/or renewal in New Jersey of all rental one-way vehicles by weight class.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (g), substituted references to trailers for references to vehicles in 4 through 6.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a)3 and 4, (b) and (c), substituted "Commission" for "Division" throughout; also in (b), substituted "truck tractors" for "trucktractors"; also in the introductory paragraph of (c), substituted "renting" for "rental".

Amended by R.2011 d.106, effective April 4, 2011.

See: 42 N.J.R. 2309(a), 43 N.J.R. 882(a).

In (b), inserted "in".

13:18-2.18 Household goods carriers

(a) A household goods carrier leasing vehicles and/or equipment from a service representative may elect to base (register) such vehicles and/or equipment in the base jurisdiction of the service representative or in that of the household goods carrier.

1. If the household goods carrier selects the base jurisdiction of the service representative as its base jurisdiction, the apportioned registration shall be in the name of the service representative as the lessor and the household goods carrier as the lessee.

i. Mileage records of both the service representative and the household goods carrier shall be used in calculating the apportionment of fees.

ii. All mileage records shall be maintained or available in the service representative's base jurisdiction.

2. If the household goods carrier selects its jurisdiction to be its base jurisdiction, the vehicles shall be registered by and in the name of the household goods carrier as the registrant and the service representative as the lessor.

i. Mileage records of both the household goods carrier and those of the service representative (which shall include those miles traveled within New Jersey as intrastate miles) shall be used to calculate the apportionment of fees.

ii. All mileage records shall be maintained or available in the base jurisdiction of the household goods carrier.

(b) If an owner-operator other than a service representative uses its vehicle(s) exclusively to transport cargo for a household goods carrier, such vehicle(s) shall be apportionally registered in the jurisdiction of the household goods carrier.

1. The name of the owner-operator as lessor and the household goods carrier as lessee shall appear in the registration record and on the cab card itself.

2. The household goods carrier shall maintain a record of the miles traveled for calculating fees.

13:18-2.19 Buses

(a) The apportionment of bus registration fees shall be based solely on the relationship of base jurisdiction miles versus total miles operated. Apportionment shall be accomplished as provided in this section.

(b) The registrant shall file an application for apportioned registration with the base jurisdiction listing buses assigned in pools.

(c) At the option of the registrant, total miles may be the sum of all actual in-jurisdiction miles or a sum equal to the scheduled route miles per jurisdiction from the farthest point of origination to the farthest point of destination of the scheduled pool.

(d) After determining the total miles as specified in (c) above, in-jurisdiction mileage percentage factors shall be derived by dividing the total miles into the in-jurisdiction miles.

(e) Miles generated outside the designated pool are deemed to be reciprocity miles and the base jurisdiction may add such miles to the base jurisdiction's mileage total.

13:18-2.20 Replacement credentials

(a) The applicant shall certify the reason for replacement of any apportioned credential.

(b) If an apportioned license plate has been reported as stolen, the corresponding apportioned cab card shall be returned to the Commission.

(c) The fee for issuance of a replacement of a lost, stolen, mutilated or illegible apportioned cab card shall be \$7.00.

(d) The fee for issuance of a replacement of a lost, stolen, mutilated or illegible license plate shall be the fee set forth in N.J.A.C. 13:20-34.5.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (d), deleted "set" following "plate".

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (b), substituted "Commission" for "Division".

13:18-2.21 Recording and preservation

(a) Apportioned registrants shall preserve all operational records for three years after the apportioned registration credential expiration date, including, but not limited to, the following:

1. All initial, replacement, renewal, supplemental, or other apportioned applications, hunter's permits, temporary authorizations, and trip permits;

2. All source documents supporting the total mileage and in-jurisdiction mileage figures reported. Source documentation shall contain the minimum following information and shall be completed for each driver of an apportioned vehicle: the date of trip (starting and ending); the trip origin and destination; the route of travel and/or beginning and ending odometer or hubometer reading of the trip; the total trip miles; the mileage by jurisdiction; the unit number, plate number or vehicle identification number; the vehicle fleet number; the registrant's name; the trailer/semitrailer number; and the driver's signature and/or name.

i. Registrants shall recap the source documentation into monthly and yearly summaries broken down by fleet, unit and jurisdiction.

ii. The registrant may use a computer or other electronic form of summarization only if directly supported by IVMR's.

iii. The registrant may use electronic and/or photographic processes to maintain copies of source documentation only if the review of such copies is readily available to the Commission during an audit.

iv. The information recorded on the source documentation shall be accurate and readable. The mileage figures entered on the source documentation shall be obtained from the vehicle odometer or hubometer readings, state maps, standard mileage guides or household goods mileage guides. The method used to report mileage shall be consistent during the annual reporting period.

v. The registrant shall record all movement of an apportioned vehicle (interstate and intrastate) including loaded, empty, deadhead and/or bobtail miles. The registrant shall also record all miles generated while operating under a trip permit.

vi. The registrant shall provide an explanation for any discrepancies regarding mileage or lapses of vehicle movement.

vii. It shall be the responsibility of the lessor in a trip lease situation to report all miles accumulated by the apportioned units.

(b) An acceptable source document is an "Individual Vehicle Mileage Record" (IVMR).

(c) If the registrant fails to maintain required records in the prescribed manner, the Commission shall provide notification that the registrant must provide such records within 30 days. Failure to comply within 30 days may result in the imposition of assessments based upon the available information and documentation.

Amended by R.2000 d.174, effective May 1, 2000.
See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (a)2, inserted a reference to semitrailers in the introductory paragraph.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a)2iii and (c), substituted "Commission" for "Division".

13:18-2.22 Audits

(a) The Commission shall perform audits in accordance with the International Registration Plan Agreement.

(b) The Commission shall initiate and conduct audits as may be reasonably necessary to establish the existence of noncompliance with this subchapter.

(c) For the purpose of audit, investigation, or proceeding, the Commission shall administer oaths, subpoena witnesses, compel attendance, take evidence and require the production of any book, log, paper, correspondence, memorandum, agreement, contract, lease, or any other document, record, or report, deemed to be relevant or material to the inquiry.

(d) If all of the operational records are not located within New Jersey, the Commission shall require the registrant to fully reimburse the Commission for all costs that the Commission incurs in the performance of the audit.

(e) After completion of an audit, the Commission shall notify all member jurisdictions in which the registrant is apportionally registered as to the accuracy of the records maintained or preserved by the registrant.

(f) If a discrepancy is found in the records of a registrant in the performance of an audit, the Commission shall notify the registrant and furnish such information to the affected member jurisdictions.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Substituted "Commission" for "Division" throughout.

13:18-2.23 On-board recording systems

(a) The use of on-board recording systems/devices is permitted under the following conditions:

1. A review of the system is performed by the Commission and written approval is given by the Chief Administrator; and

2. The system meets all current requirements of the IRP.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a)1, substituted "Commission" for "Division" and "Chief Administrator" for "Director".

SUBCHAPTER 3. INTERNATIONAL FUEL TAX AGREEMENT IMPLEMENTATION

13:18-3.1 Definitions

The following words and terms, when used in this subchapter, have the following meanings unless the context clearly indicates otherwise:

"Applicant" means a carrier in whose name the uniform application for licensing is filed with a base jurisdiction for the purpose of motor fuel tax reporting under the provisions of IFTA.

"Audit" means a physical examination of the records and source documents supporting the licensee's motor fuels use tax returns.

"Base jurisdiction" means the member jurisdiction where qualified motor vehicles are based for vehicle registration purposes, where the operational control and operational records of the licensee's qualified motor vehicles are maintained or can be made available, and where some travel is accrued by qualified motor vehicles within the fleet.

"Cancellation" means the annulment of a license and its provisions by either the Chief Administrator or the licensee.

"Carrier" means a motor carrier.

"Chief Administrator" means the Chief Administrator of the New Jersey Motor Vehicle Commission.

"Commuter bus service" means regularly scheduled passenger service provided by qualified motor vehicles within or across the geographical boundaries of New Jersey and utilized by passengers using reduced fare, multiple ride or commutation tickets, not including charter bus operations or special bus operations as defined in N.J.S.A. 48:4-1 or buses operated for the transportation of enrolled children and adults referred to in N.J.S.A. 48:4-1(c).

"Exempt vehicle" means any vehicle owned or operated by an agency of this State or any political subdivision thereof, or

vehicle by the licensee and surrendered to the Chief Administrator within 48 hours of such sale, trade or loss of control. If a licensee discontinues business in this State, the identification card shall also be surrendered. The licensee to whom the identification card and decals were issued shall be liable for taxes applicable to the operations of the vehicles licensed pursuant to IFTA through the date the card and/or decals were surrendered. In the event the vehicle is that of an owner/operator who fails to surrender the decals to the licensee before leaving service, the licensee's liability will terminate upon the date of notification to the Chief Administrator providing the serial number of the decals and the name and address of the person having possession of same. The provisions of this subsection shall not apply if the vehicle has been stolen and a report of such theft has been made to an appropriate law enforcement agency.

Amended by R.2000 d.174, effective May 1, 2000.
See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (f), substituted a reference to account numbers for a reference to codes; in (h), substituted a reference to this subchapter for a reference to this subsection; in (i)3, neutralized a gender reference; and in (n), rewrote the first sentence.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Substituted "Chief Administrator" for "Director" throughout; substituted "Motor Vehicle Commission" for "Division of Motor Vehicles" in (i)3; substituted "when" for "where" in (k).

Amended by R.2011 d.106, effective April 4, 2011.
See: 42 N.J.R. 2309(a), 43 N.J.R. 882(a).

In (f), inserted "the" preceding "licensee's", and deleted a comma following "year to year".

13:18-3.4 Temporary licensing permit

(a) Upon receipt of a properly completed application and payment of a fee of \$10.00 for two decals per vehicle from a New Jersey IFTA licensee with an account in good standing, the Chief Administrator shall issue in person, by mail or through a preapproved third party an IFTA Temporary Permit for a qualified motor vehicle. A temporary permit shall be valid for a period of 30 consecutive days beginning with the date of issue to allow a carrier sufficient time to affix permanent decals and carry the identification card.

(b) Such permit shall be valid in all member jurisdictions, shall be carried in the cab of the vehicle for which the permit is issued, and is not transferrable.

(c) The permit shall include, at a minimum, the following:

1. The vehicle identification number;
2. The issue and expiration date;
3. The licensee name and address;
4. The licensee account number, if not a new account; and
5. The vehicle plate number, make, vehicle type, and fuel type.

(d) The fee of \$5.00 per decal shall be credited against the annual identification marker fees applicable to the same vehicle.

(e) All mileage and fuel purchases must be reported while operating pursuant to a temporary permit.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (a), substituted "licensee" for "license" following "IFTA" in the first sentence.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a), substituted "\$10.00 for two decals per vehicle" for "\$5.00 per decal" and "Chief Administrator" for "Director".

13:18-3.5 Trip permits

(a) A licensing permit credential known as a trip permit shall be issued, upon application on forms prescribed by the Chief Administrator, in lieu of regular IFTA licensing credentials.

(b) The trip permit is a 96-hour IFTA credential issued by the Chief Administrator to an out-of-State carrier for a specific vehicle, in lieu of regular IFTA licensing. A trip permit is issued to a user whose vehicle(s) in the aggregate makes not more than six trips into or through New Jersey in a 12-month period.

(c) The trip permit shall contain the following:

1. The date and time of issue;
2. The name and address of the user; and
3. The vehicle identification number.

(d) The trip permit shall be carried in the cab of the vehicle for which such permit is issued and is not transferrable.

(e) The Commission may refuse to issue a trip permit to a carrier that formerly held an IFTA license issued by the Commission which was suspended, revoked, or canceled for any reason.

(f) The fee for such permit shall be \$25.00, which shall be in lieu of tax reports, fees and taxes which otherwise would be applicable to said trip.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a) and (b), substituted "Chief Administrator" for "Director"; in (e), substituted "Commission" for "Division" throughout.

13:18-3.6 Tax reports; due dates

(a) Each licensee shall, on or before the last day of January, April, July and October of each year, make to the Chief Administrator such aggregate reports of the licensee's entire operations during the quarter ending on the last day of the preceding month as the Chief Administrator may require.

(b) Each licensee shall accompany the quarterly reports with a single remittance, in total amount equal to the net taxes due all member jurisdictions, made payable to the New Jersey Motor Vehicle Commission.

(c) The Chief Administrator may require a licensee to post a bond when timely reports have not been filed, tax due has not been remitted, or when payment has been dishonored.

(d) If the licensee is required to post bond in guarantee of fuel tax payment, the Chief Administrator may require that payment be in the form of certified funds.

(e) Each quarterly tax report shall reflect operations for the previous calendar quarter, and shall be filed even where no operations were conducted during the reporting period.

(f) The tax report filed by the licensee shall be due on the last day of the month immediately following the close of the quarter for which the report is due. Reports postmarked with U.S. or Canadian Postal Service postmark by the due date or otherwise verified as timely delivered shall be considered timely filed.

1. In the event the licensee files the report by personal delivery, the Motor Vehicle Commission date-received stamp shall be conclusive evidence of the filing date.

2. Reports not filed by the due date shall be considered late and any taxes due considered delinquent.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a), (c) and (d), substituted "Chief Administrator" for "Director" throughout; in (b) and (f)1, substituted "Motor Vehicle Commission" for "Division of Motor Vehicle"; also in (c), substituted "when" for "where" throughout.

Amended by R.2011 d.106, effective April 4, 2011.
See: 42 N.J.R. 2309(a), 43 N.J.R. 882(a).

In (b), inserted "the" preceding "New Jersey Motor Vehicle Commission".

13:18-3.7 Tax reports; penalties; interest

(a) The Chief Administrator shall assess a penalty of \$50.00 or 10 percent of the taxes due, whichever is greater, for the failure to file a report, for the filing of a late report or for the underpayment of taxes due.

(b) The Chief Administrator may waive the penalty imposed in (a) above if it is determined there is reasonable cause for the failure to file a report, for the filing of a late report or for the underpayment of taxes due.

(c) For a fleet based in the United States, interest shall accrue at the rate of one percent per month or fraction thereof, calculated from the date the tax was due until the tax is paid. The interest shall be computed on the tax due each member jurisdiction. For a fleet based in a Canadian jurisdiction, interest shall accrue at a rate equal to the Canadian Federal Treasury Bill rate, plus two percent, and adjusted every

calendar year quarter, calculated from the date tax was due until the tax is paid. All interest collected shall be remitted to the appropriate jurisdictions.

(d) The Chief Administrator shall waive interest on unpaid amounts when the licensee reasonably relied on erroneous advice furnished to him or her in writing by an employee of the Commission acting in the employee's official capacity, provided that such interest did not result from failure of the licensee to provide adequate and accurate information.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (d), neutralized a gender reference.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a), (b) and (d), substituted "Chief Administrator" for "Director"; also in (d), substituted "when" for "where" and "Commission" for "Division".

13:18-3.8 Tax reports; annual reporting

The Chief Administrator shall in his or her discretion exempt any licensee who has sufficient liability to warrant quarterly reporting from the quarterly reporting requirements of this subchapter, upon finding that the administration and purpose of this subchapter would not be adversely affected. Such licensee may be permitted to make an annual report of the licensee's entire operations subject to such terms, conditions, or limitations as the Chief Administrator may prescribe, provided no objection is received from other member jurisdictions to which the licensee is reporting.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Substituted "Chief Administrator" for "Director" throughout.

13:18-3.9 Tax reports; content

(a) The tax report shall include the following information:

1. The name, address, account number or license number of the licensee;
2. The type of fuel used and being reported;
3. The total distance traveled during the reporting period by qualified motor vehicles in the licensee's fleet, regardless of whether the miles or kilometers are taxable or non-taxable by a jurisdiction;
4. The total number of gallons or liters of motor fuel used by the licensee in operation of qualified motor vehicles;
5. The in-jurisdiction miles or kilometers traveled by qualified motor vehicles within each member jurisdiction;
6. The average fuel consumption in miles per gallon, carried to two decimal places, for the reporting period;
7. The gallons or liters of all taxable motor fuel consumed within each member jurisdiction;

8. The total number of gallons or liters of tax-paid fuel purchased within each member jurisdiction; and

9. Interest, penalty or credit data.

(b) The tax report shall be certified as true, accurate and complete by date and signature of the owner, partner or corporate officer.

Amended by R.2000 d.174, effective May 1, 2000.
See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

13:18-3.10 Credit; refunds

(a) Every licensee shall receive credit for fuel taxes paid on fuel consumed outside the jurisdiction where the fuel was purchased. Such credit shall be the equivalent to the rate per gallon for tax paid by a licensee in effect for any particular reporting period.

(b) Credit may be used to offset motor fuels use tax liability of the licensee in the current period or until eight calendar quarters have elapsed since the end of the calendar quarter in which the credit was accrued. Credit(s) shall expire after eight quarters unless offset.

(c) A licensee shall receive, on request, a refund for any accumulated credits within the two-year period commencing with the end of the reporting period from which the credit was derived. Refunds shall be withheld from the licensee if such licensee is delinquent on any amounts due to be paid or collected pursuant to IFTA, unless such amount is under appeal.

(d) A refund determined to be properly due shall be paid within 90 calendar days after receipt of request for payment by a licensee. If not paid within 90 calendar days, interest at the rate of one percent per month or fraction thereof shall begin to accrue on the date of the filing by the taxpayer of a claim for refund.

(e) A licensee shall file a request for refund in the manner and on forms prescribed by the Chief Administrator. A refund request shall be rejected if the licensee has not complied with the provisions of this subsection and IFTA.

(f) Refunds of fuel use tax for exempt fuel, such as fuel used in refrigeration units, purchased in New Jersey must be claimed from, and in accordance with the procedures of, the New Jersey Division of Taxation. If such fuel is purchased elsewhere, the licensee must apply directly to applicable member jurisdictions.

(g) All fuel placed into supply tanks of qualified motor vehicles must be reported as taxable on the tax report being filed and must be included in the mile per gallon calculation filed with New Jersey.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (e), substituted "Chief Administrator" for "Director".

13:18-3.11 Receipts for tax-paid purchases

(a) A licensee shall maintain receipt records to substantiate information on quarterly tax reports regarding fuel purchases and tax paid by fuel type.

(b) Source documents required in order for a licensee to obtain credit for tax paid purchases shall be a receipt or invoice, a credit card receipt, or microfilm/microfiche of the receipt or invoice. Such receipt records must be retained by the licensee as evidence of purchases and payment of tax separated and totalled by fuel type.

(c) A fuel purchase receipt or invoice must include at least the following:

1. The month, day and year of purchase;
2. The seller's name and address;
3. The number of gallons or liters purchased;
4. The fuel type;
5. The price per gallon/liter and total amount of sale;
6. The vehicle unit number and license plate number; and
7. The name of the licensee, purchaser or lessee/lessor.

(d) When fuel is supplied from licensee-owned, tax-paid bulk storage facilities or tanks, the following records shall be maintained:

1. The date of fuel pumped;
2. The number of gallons or liters pumped;
3. The fuel type;
4. The vehicle unit number and license plate number of vehicle receiving fuel;
5. Purchase and inventory records to substantiate that tax was paid on such fuel; and
6. Inventory records of fuel pumped from bulk storage into licensee vehicles shall separately identify gallons or liters pumped into qualifying vehicles and non-qualifying vehicles, by unit number and other vehicle identifiers as prescribed by the Chief Administrator.

Case Notes

Credit card style receipts for taxpayer's gasoline and diesel purchases failed to comply with regulatory requirements for claiming a credit against the fuels use tax for fuel used out of state; the receipts lacked the seller's name and address, the license plate number of the vehicle, or the name of the purchaser. Nobel v. Dir., Div. of Motor Vehicles, 19 N.J.Tax 153 (2000).

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In the introductory paragraph of (d), substituted "When" for "Where"; in (d)6, substituted "Chief Administrator" for "Director".

13:18-3.12 Records

(a) Each licensee shall maintain records to substantiate information on tax reports as required by this subchapter.

(b) Records shall be retained for four years (16 quarters) from the due date of the tax return or the date the return was filed, whichever is later, plus any time period added pursuant to waivers or assessments.

(c) Each licensee shall maintain, at a minimum, the following source documents, filed chronologically by month, segregated by quarter, and summarized in monthly summary sheets for each vehicle:

1. The trip record for each trip by each vehicle showing date of the trip; vehicle identification number; vehicle fleet number; beginning and ending readings from mileage recording instrument; total trip miles traveled; trip miles traveled in each jurisdiction; points of origin, destination and turn around for each jurisdiction; points of entry and exit from each jurisdiction; licensee's name and driver's name;

2. Driver's logs required to be kept by all governmental agencies;

3. Copies of mileage and fuel use reports made to any jurisdiction or government agency;

4. Shipping manifests, freight bills, or bills of lading;

5. Payroll records, where driver's wages are affected by miles traveled;

6. Records of payments based on mileage paid to leasing companies;

7. Fuel purchase receipts pursuant to this subchapter; and

8. Bulk fuel storage records for each storage facility within and outside each jurisdiction, showing inventory at beginning of quarter, purchases made during a quarter, withdrawals by individual vehicle, and inventory at the end of the quarter.

(d) Each licensee shall maintain a chronological summary sheet for each tax quarter which shall, at a minimum, include:

1. Each vehicle subject to the agreement identified by its fleet number, serial number and license plate number, vehicle type, and type of fuel used;

2. Readings for each vehicle at beginning and end of quarter taken from mileage record instrument;

3. The total mileage traveled by each vehicle in all jurisdictions;

4. The total mileage traveled by all vehicles in all jurisdictions;

5. The number of gallons or liters of fuel by type of fuel delivered into the service tanks of each vehicle in all jurisdictions from bulk storage or purchased on the road;

6. The total gallons or liters of fuel by fuel type delivered into the service tanks of all vehicles in all jurisdictions; and

7. The total gallons/liters of fuel by fuel type delivered into service tanks of all vehicles in each jurisdiction from bulk storage or purchased on the road.

(e) All fuel records and mileage records shall be separately maintained for each jurisdiction for both taxable and non-taxable purposes.

(f) A licensee using on-board recording devices, satellite tracking systems or other electronic data record systems, alone or in conjunction with each other or in conjunction with manual systems or any combination thereof, shall do so only upon approval by the Chief Administrator.

(g) If the mileage recording instrument of any vehicle must be repaired or replaced, the mileage traveled by the vehicle within and outside New Jersey during the period when the instrument is inoperative shall be deemed to be the average daily mileage traveled by the vehicle during that period or a previous quarter when the instrument last properly operated.

(h) Non-compliance with any recordkeeping requirement shall be cause for suspension or revocation of the license.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (f), substituted "Chief Administrator" for "Director".

13:18-3.13 Audits

(a) A licensee's records may be audited by sampling method or in total, at the discretion of the Chief Administrator, to verify the correctness and completeness of tax reports and refund claims.

1. The Chief Administrator shall send a notice of intention to conduct an audit by ordinary mail to the licensee. No such notice shall be provided if the Chief Administrator has reason to believe the licensee intends to discontinue operations in this State or to do any other act which may hinder the Chief Administrator's efforts to collect monies due.

2. Upon the auditor's appearance at the location where the required records are to be made available, the licensee shall produce such records upon demand. If such records are not produced within one hour, the auditor shall depart. In such a case, the Chief Administrator shall make an assessment in the manner prescribed by this subchapter.

3. Upon completion of the examination, the auditor shall discuss the findings with said licensee and shall offer

the licensee the opportunity to present additional data which may affect the audit findings.

4. The auditor shall submit a report to the Chief Administrator including findings and recommendation(s) as to the disposition of the matter.

5. The Chief Administrator shall review the auditor's report and make such determination as is warranted. Notice of such determination shall be sent to the licensee by ordinary mail.

(b) The Chief Administrator shall notify all member jurisdictions in which operations were conducted, providing documentation obtained in the course of the audit.

(c) In the event that a licensee's records are not located within New Jersey, the licensee shall reimburse the Chief Administrator for all per diem and travel expenses of the auditors in traveling to the location where the licensee's records are kept.

(d) Failure to provide records required for the purpose of audit shall be deemed to toll any applicable record retention requirement until such records are provided to the Chief Administrator by the licensee.

(e) If any licensee fails to make records available upon proper request or if any licensee fails to maintain records from which the licensee's true liability may be determined, the Chief Administrator may, 30 days after requesting in writing that the records be made available or receiving notification of the insufficient records, determine a tax finding for each jurisdiction based upon the Chief Administrator's determination of the tax liability of such licensee. The Chief Administrator may make a determination from information previously furnished by the licensee, if available, and any other pertinent information that may be available.

(f) All audits conducted by the Chief Administrator shall be in compliance with the requirements of IFTA.

(g) A member jurisdiction may re-examine a base jurisdiction's audit findings if the member jurisdiction reviews the audit work papers and, within 45 days of receipt of the audit findings, notifies the base jurisdiction of any errors found during such review and of its intention to conduct the re-examination. Such re-examination by a member jurisdiction must be based exclusively on the audit sample period utilized by the base jurisdiction in conducting its audit.

(h) A member jurisdiction may re-audit a licensee if said member jurisdiction notifies the base jurisdiction and the licensee of reasonable cause for the re-audit.

(i) The re-audit or re-examination by a member jurisdiction must be performed in cooperation with the base jurisdiction. An adjustment to original audit findings as a result of such re-audit or re-examination must be reconciled

with the original audit findings issued by the base jurisdiction. New audit findings shall be issued by the base jurisdiction. A member jurisdiction conducting a re-audit or re-examination shall pay its own expenses.

(j) Upon completion of an audit and the determination by the Chief Administrator that monies are due to any jurisdiction from a licensee, the Chief Administrator shall issue a demand for payment notice to the licensee. The notice shall demand payment within 30 days from the postmark date of the notice. Failure to respond to the demand for payment notice shall be cause for license suspension or revocation.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (a)2, substituted a reference to this subchapter for a reference to this chapter.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Substituted "Chief Administrator" for "Director" throughout.

13:18-3.14 Audit appeals

(a) A licensee may appeal an audit finding issued by the Chief Administrator by making a written request for a Commission hearing within 30 days after the service of notice of the original finding. If the hearing is not requested in writing within 30 days, the original finding or action shall be final.

(b) The hearing shall be held expeditiously but may be continued for good cause by either party. The Chief Administrator shall give at least 20 days written notice of the time and place of the hearing. The hearing shall be conducted by the Manager, Motor Carriers Unit, Motor Vehicle Commission or such individual as he or she may designate.

(c) The Chief Administrator shall notify the licensee of the findings and determination of the appeal. If the licensee remains in disagreement, he or she may request an audit by other member jurisdictions(s). Each jurisdiction to which a request is made may accept or deny the request. Each jurisdiction electing to audit the licensee's records shall audit only its own portion of the licensee's operations. The licensee shall make records available at the office of the jurisdiction or at a place designated by the jurisdiction or pay reasonable per diem and travel expenses associated with conducting an audit at the licensee's place of business.

(d) The licensee may appear in person and/or be represented by counsel at the hearing, and is entitled to produce witnesses, documents, or other pertinent material to substantiate the appeal.

(e) An applicant wishing to appeal from an audit finding issued by the Chief Administrator may, within 90 days of the finding, file a complaint with the New Jersey Tax Court pursuant to New Jersey Court Rules.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (b), substituted a reference to good cause for a reference to reasonable cause, and neutralized a gender reference.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Substituted "Chief Administrator" for "Director" throughout; in (a), substituted "Commission" for "Division"; in (b) substituted "Motor Vehicle Commission" for "Division of Motor Vehicles"; in (c), added "or she" following "he".

13:18-3.15 License cancellation

(a) A licensee may request to cancel IFTA credentials only if all reporting requirements and tax liabilities to all member jurisdictions have been satisfied.

(b) Such cancellation request shall be made in the manner and on the forms prescribed by the Chief Administrator.

(c) The Chief Administrator shall notify the requesting licensee of the acceptance or reason for non-acceptance of the cancellation request by ordinary mail.

(d) An IFTA license may be cancelled only by written notice to the Chief Administrator.

(e) Upon receipt of the acceptance of cancellation notice, the licensee shall return the applicable IFTA license and all unused IFTA decals to the Chief Administrator. The return of credentials shall be made within 45 days of the postmark date of the acceptance of cancellation notice.

(f) Any member jurisdiction may conduct an audit upon receipt of a cancellation notice by a licensee.

(g) Nothing in this section shall relieve a licensee from compliance with the requirements of the record retention schedules of this subchapter.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (b)-(e), substituted "Chief Administrator" for "Director".

13:18-3.16 License suspension or revocation

(a) The Chief Administrator may suspend or revoke an identification card and decals when any licensee has failed to pay any monies or file any report required pursuant to this subchapter or any law or rule administered by the Chief Administrator. The Chief Administrator shall mail written notice stating the reason(s) for suspension or revocation to the licensee's principal place of business by ordinary mail.

1. A licensee who has been proposed for suspension or revocation of a license may appeal by making a written request for a conference regarding the suspension or revocation within 30 calendar days after the notice of the proposed suspension or revocation. If the written request is not received within 30 calendar days, the license shall be suspended or revoked.

2. The sole issue to be resolved at such conference is whether or not the licensee in fact did fail to pay monies

due or to file such report. The licensee shall bear the burden of proof.

3. The conference shall be conducted by the Manager, Motor Carriers Unit, Motor Vehicle Commission, or such individual as he or she may designate. Notice of the determination made at a conference shall be given to the licensee at the close of the conference.

4. A licensee who disagrees with the Chief Administrator's determination to suspend or revoke an identification card or decal may, within 90 days after the date of the written determination, appeal by filing a complaint with the New Jersey Tax Court pursuant to New Jersey Court Rules.

(b) The Chief Administrator shall notify all member jurisdictions and appropriate New Jersey law enforcement agencies when an IFTA license suspension or revocation has occurred.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (a), substituted references to licensees for references to applicants throughout, substituted a reference to this subchapter for a reference to this subsection in the introductory paragraph, and substituted "proposed" for "original" preceding "suspension" in the first sentence and substituted a reference to licenses for a reference to licensees in the last sentence of 1.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Substituted "Chief Administrator" for "Director" throughout; in (a)3, substituted "Motor Vehicle Commission" for "Division of Motor Vehicles"; in (a)4, added "Court" following "pursuant to New Jersey".

13:18-3.17 License reinstatement

The Chief Administrator shall reinstate a revoked IFTA license provided the cause of the revocation has been satisfied.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Substituted "Chief Administrator" for "Director".

13:18-3.18 Overpayment refund

(a) A licensee may file a refund claim for overpayment of tax within four years after payment of tax.

(b) An overpayment refund application shall extend the record retention period until such time as pertinent records are no longer required by the Chief Administrator.

(c) Upon receipt of an overpayment refund claim, the Chief Administrator may examine the records preserved by the licensee pursuant to N.J.A.C. 13:18-3.11 and 12.

(d) Upon determination of the examination findings, the Chief Administrator shall refund the overpayment or notify the licensee otherwise.

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In (d), substituted a reference to licensees for a reference to claimants.

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).
In (b)-(d), substituted "Chief Administrator" for "Director".

13:18-3.19 Replacement identification markers; license

(a) The Chief Administrator shall provide for replacement of any lost, stolen, damaged or mutilated identification marker or license, in the manner and on the forms prescribed.

(b) The Chief Administrator shall charge a \$10.00 fee for replacement of two decals per vehicle. The Chief Administrator may waive the replacement fee for good cause.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

In (a) and (b), substituted "Chief Administrator" for "Director" throughout; also in (b), increased fee from \$5.00 to \$10.00 and substituted "replacement of two decals per vehicle" for "replacement of a decal".

SUBCHAPTERS 4 THROUGH 5. (RESERVED)

SUBCHAPTER 6. INSURANCE VERIFICATION

13:18-6.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise.

"Act" means the Fair Automobile Insurance Reform Act of 1990, P.L. 1990, c.8.

"Cancellation for nonpayment of premium" means the termination of a policy during the policy term due to the failure of the named insured to discharge when due any of his or her obligations in connection with the payment of premiums on a policy, or any installment of such premium, whether the premium is payable directly to the insurer or its agent or indirectly under any premium finance plan or extension of credit.

"Chief Administrator" means the Chief Administrator of the New Jersey Motor Vehicle Commission.

"Commercial lines insurer" means a person authorized to transact the business of private passenger automobile insurance in New Jersey pursuant to a commercial lines rating system filed and approved in accordance with N.J.S.A. 17:29A-1 et seq.

"Effective date of policy cancellation" means the date designated by the insurer's notice of cancellation pursuant to N.J.A.C. 11:3-7.6 or the date cancellation takes effect pursuant to N.J.S.A. 17:16D-13.

"FAIR Act" means the Fair Automobile Insurance Reform Act of 1990, P.L. 1990, c.8.

"Insurer" means an entity authorized or admitted to transact the business of personal private passenger automobile insurance in New Jersey.

"Motor Vehicle Commission" or "Commission" means the New Jersey Motor Vehicle Commission established by section 4 of P.L. 2003, c.13 (N.J.S.A. 39:2A-4).

"Newly issued policy" means any contract or endorsement of personal private passenger automobile insurance that provides liability coverage for an automobile not previously covered by a contract of liability insurance issued by the insurer, or that was previously covered by a policy issued by the insurer which was cancelled for nonpayment of premium.

"Nonfleet" describes an automobile insurance policy issued by a commercial lines insurer that provides coverage to less than five vehicles, or less than such other number of vehicles as is provided by the insurer's filed rating system.

"Person" means any natural person or persons, corporation, association, partnership or company authorized by the laws of this State to transact the business of insurance in this State.

"Personal lines insurer" means a person authorized to transact the business of private passenger automobile insurance in New Jersey pursuant to a personal lines rating system filed and approved in accordance with N.J.S.A. 17:29A-1 et seq.

"Private passenger automobile insurance" means direct insurance on private passenger automobiles as defined in N.J.S.A. 39:6A-2, but excluding excess liability insurance.

Amended by R.1994 d.252, effective May 16, 1994.
See: 25 N.J.R. 3925(b), 26 N.J.R. 2135(a).
Amended by R.2000 d.174, effective May 1, 2000.
See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

In "Commercial lines insurer", inserted "and approved" following "filed"; and in "Director" and "Division", substituted references to the Department of Transportation for references to the Department of Law and Public Safety.

Amended by R.2005 d.359, effective November 7, 2005.
See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Added definitions "Chief Administrator" and "Motor Vehicle Commission"; deleted definitions "Director" and "Division".

13:18-6.2 Reports of personal private passenger automobile insurance policy information to the Chief Administrator of the Motor Vehicle Commission

(a) Personal lines insurers shall provide the Chief Administrator, or his or her designee, information by vehicle identification number (VIN) concerning the cancellation and issuance of personal private passenger automobile insurance policies on and after February 1, 1991. Commercial lines insurers shall provide the Chief Administrator, or his or her designee, information by vehicle identification number (VIN) concerning the cancellation and issuance of nonfleet private passenger automobile insurance policies on and after July 1, 1994. Commercial lines insurers shall only provide information concerning policies covering nonfleet private

passenger automobiles registered to individual owners. This information shall be provided on a monthly basis in the manner and form as set forth in Appendices A and B, which are incorporated herein by reference. This information shall be provided in accordance with a schedule of dates set by the Chief Administrator.

(b) Personal lines insurers shall report by magnetic computer tape or cartridge (or, for insurers that write less than 750 personal private passenger automobile insurance policies per year in the State of New Jersey, by magnetic computer tape or cartridge or personal computer diskette) to the Chief Administrator on a monthly basis beginning September 15, 1991, the following information concerning policies cancelled for nonpayment of premium and newly issued policies. Commercial lines insurers shall report by magnetic computer tape or cartridge to the Chief Administrator on a monthly basis beginning September 7, 1994, the following information concerning nonfleet policies cancelled for nonpayment of premium and newly issued nonfleet policies. These reports shall be provided to the Chief Administrator in such format and at such times as he or she shall prescribe. The format for said reports is set forth in Appendices A and B, which are incorporated herein by reference.

1. Vehicle identification number;
2. Driver license number (of owner, if available; if not available, of the primary driver);
3. Automobile make, year and model;
4. Insurance company code;
5. Address of insured including street, city, state and zip code;
6. Transaction type (either cancellation or new policy);
7. Policy effective date;
8. Effective date of policy cancellation;
9. The date on which the tape or cartridge or personal computer diskette containing the information was prepared; and
10. Policy number.

(c) Insurers shall report the cancellation of private passenger automobile liability coverage for nonpayment of premium after the effective date of the cancellation of a policy.

(d) Insurers shall make reasonable provision to exclude from reports those policies cancelled for nonpayment of premium when the insurer knows that the reason for nonpayment of premium is the death of the insured, the permanent relocation of the insured outside of the State of New Jersey, the total loss of the motor vehicle, the unrecovered theft of the motor vehicle, or the repossession of the motor vehicle by a lienholder.

(e) Insurers shall also report by magnetic computer tape or cartridge (or, for insurers that write less than 750 private passenger automobile insurance policies per year in the State of New Jersey, by magnetic computer tape or cartridge or personal computer diskette) to the Chief Administrator every six months, or at such other interval as may be specified by the Chief Administrator, the following information concerning all of their current personal private passenger automobile insurance policies. These reports shall be provided the Chief Administrator in such format and at such times as he or she shall prescribe. The format for said reports is set forth in Appendices C and D, which are incorporated herein by reference.

1. Vehicle identification number;
2. Driver license number (of owner, if available; if not available, of the primary driver);
3. Automobile make, year and model;
4. Insurance company code;
5. Policy effective date; and
6. The date on which the tape or cartridge or personal computer diskette containing the information was prepared.

(f) Insurers shall report to the Chief Administrator the termination of policies of motor vehicle liability insurance for reasons other than nonpayment of premium, including any cancellation or nonrenewal, as may be required by the Chief Administrator.

(g) In order to ensure that reports submitted are compatible with the Motor Vehicle Commission's information system, insurers shall transmit reports of information required by the Chief Administrator pursuant to this section in accordance with all of the Motor Vehicle Commission's technical specifications including, but not limited to, data set name, internal and external labeling, data block size, codes, tape format and layout, and other physical characteristics of tapes or cartridges or personal computer diskettes.

Amended by R.1994 d.252, effective May 16, 1994.

See: 25 N.J.R. 3925(b), 26 N.J.R. 2135(a).

Amended by R.2000 d.174, effective May 1, 2000.

See: 32 N.J.R. 256(a), 32 N.J.R. 1517(a).

Deleted a former (g); and recodified former (h) as (g).

Amended by R.2005 d.359, effective November 7, 2005.

See: 37 N.J.R. 1484(a), 37 N.J.R. 4299(a).

Rule heading was "Reports of personal private passenger automobile insurance policy information to the Director of the Division of Motor Vehicles"; substituted "Chief Administrator" for "Director" throughout (a), (b) and (e)-(g); also in (g), substituted "Motor Vehicle Commission's" for "Division's".

13:18-6.3 Registration expiration

For purposes of section 50c(1) of the FAIR Act (N.J.S.A. 17:33B-41c(1)) and this subchapter, a vehicle registration certificate shall be deemed to be "expired" only if such certificate has not been renewed and either the expired registration certificate (including any duplicate registration