



## Starting Point To Your Asset-Based Business

The Department of Transportation (DOT) establishes processes, protocols, and requirements that ensure everyone's safety on the road. It is crucial that fleet companies comply with such measures, especially compliance with their checklist.

What's DOT compliance? The DOT has a list of requirements that all drivers and fleet companies must follow. This is also referred to as a DOT checklist used as a basis for the organization's audits. Your fleet can be subjected to this audit at any time, so it's important to be always ready. In this article, we list the DOT compliance review checklist for you and your fleet drivers' easy reference.

### Obtain Business Registration and Filings

1. **File your INC business entity with the Secretary of State in your home state**— Failure to register your business with the Secretary of State's office in the state where it is situated might lead to problems later on. You might not be able to safeguard your personal assets from a lawsuit, or you might have problems with tax filings.
2. **Obtain and register for a Federal Tax ID number**- It is strongly advised that you use a Federal Tax ID Number for your business rather than your personal social security number. Most states prohibit the use of duplicate names on business registrations. As a result, after your INC registration with your state has been authorized and granted, you must get your Tax ID number.
3. **Apply for Your Federal DOT and Motor Carrier Authority numbers**- These numbers are necessary in order for your trucking company to transport freight in the United States. The USDOT

number will be used by regulators to track your company's safety record and compliance with rules. The motor carrier (MC) number, also known as "operating authority," specifies the type of trucking firm you run and the types of commodities you're allowed to transport.

4. **Complete the Motor Carrier Identification Report (MCS-150) and Safety Certification Application**
5. **Complete the FMCSA 10-day review period-** After applying, you will obtain your MC and USDOT numbers, but the FMCSA must still examine your authorization request. This assessment includes a ten-day "mandated dispute period" during which your application is published in the Federal Register. This dispute time enables for public feedback from anybody who may object to your authority application.
6. **Complete your Unified Carrier Registration (UCR)-** The UCR system is used to confirm that a motor carrier has active insurance coverage in each state where it operates. You must use your company's USDOT and MC numbers to register. To discover more about UCR, go to the website of your home state's Department of Transportation. Usually done 48 hours after filing for your MC and DOT.
7. **Get an International Registration Plan (IRP) tag-** Your truck(s) can operate in all states and most Canadian provinces with an IRP license plate issued by your company's home state. A yearly renewal charge is required for the IRP plate. For further information, go to the [website of the Department of Transportation](#) in the state where your business is located.
8. **Understand Heavy Use Tax Regulations-** The federal heavy-highway vehicle usage tax applies to any truck weighing 55,000 pounds or greater. Every year, you must complete and file a 2290 tax form with the IRS to pay taxes on your heavy vehicles. Visit [www.irs.gov](http://www.irs.gov) for additional information about the form. This form is for any person who owns a CMV.

9. **Obtain an International Fuel Tax Agreement (IFTA) Decal-** The IFTA agreement streamlines the reporting of fuel consumed by trucks operating in the lower 48 states of the United States and several Canadian provinces. The IFTA decal grants your company a single fuel license and requires you to file quarterly fuel usage tax returns with the state where you are headquartered. To learn more about IFTA, go to the website of your state's Department of Transportation.
10. **File a BOC-3 form-** Registering an up-to-date BOC-3 form with the FMCSA is one of the requirements for obtaining interstate operating permission. The paperwork appoints a person to act as a legal "process agent" in each state where your company operates. Assume your business is headquartered in Missouri, but someone in Georgia sues you. In that scenario, you will require the services of a Georgia attorney who will receive the legal complaint and transmit it to you and your local attorney. Visit [www.fmcsa.dot.gov](http://www.fmcsa.dot.gov) for additional information about the BOC-3 form.
11. **Get a Standard Carrier Alpha Code (SCAC)-** The SCAC is a secret code that is used to identify various transportation firms. A SCAC code is required if you want to transport military, government, international, or multimodal cargo. Visit the National Motor Freight Traffic Association's website for additional information

## **Driver Compliance**

1. **Obtain a Driver Qualification File-** A Driver Qualification File (DQF) is required by the FMCSA to demonstrate that the individual operating a commercial vehicle is qualified to do so.
2. **Establish drug and alcohol testing and compliance-** Drug and alcohol testing is needed by law if your driver is operating a vehicle that needs a commercial driver's license.
3. **Enroll in the FMCSA Drug and Alcohol Clearinghouse-** All trucking businesses and drivers are required by the FMCSA to register with the DOT Clearinghouse. The Clearinghouse's mission is

to keep track of drivers who have tested positive for drugs or alcohol or who have refused to undergo a drug and/or alcohol test when necessary.

**The next Outline is What you need inside your Truck.**