# Get Your Trucking Authority Checklist

Having your own carrier authority means you have the government's permission to get paid for hauling freight as your own trucking company. If you're interested in having your own trucking authority, use our checklist to help keep track of all the steps it takes to get there. Getting your authority does require some start-up cash, an attention to detail, and a "get it done" commitment. Expect the entire process to take upwards of two months.

> Fees can vary depending on the state you live in. Visit your state's Department of Transportation/motor carrier website for specific state fees and information.

#### Where to start:

Depending on where you are in your trucking career, you may have some of these things in place. Make sure they're all complete before applying to get your authority.

#### Figure out what kind of authority you need.

Authority is based on the cargo being carried, and some carriers need multiple authorities to cover multiple types of cargo. Visit <u>fmcsa.dot.gov</u>  $\rightarrow$  Registration to review the types of authority there are.

Some states require Intrastate Authority if you're moving loads within a given state. Apply for the authority or authorities relevant to your business.



#### **Decide on a name for your business.**

If required, file your business with the state you live in. Typically this is done through the Secretary of State, but check your state's official website to be sure.

FYI: Some states require you to file your business under an assumed name or DBA (doing business as). Check your state's official website to be sure.

## **Decide on a business structure.**

Meet with an accountant who can help you decide if a Limited Liability Company (LLC), C Corporation, S Corporation, Partnership, or Sole Proprietorship is right for you and your business.

#### □ Get an EIN.

Visit <u>IRS.gov</u>  $\rightarrow$  File  $\rightarrow$  Businesses for an Employer Identification Number (EIN) which you'll need for tax purposes related to your business.

#### **Get preapproved for primary liability and cargo insurance.**

Don't wait until the end of the process to learn you aren't approved for insurance to protect you in the event of an accident; you'll have spent a lot of time and resources unnecessarily.

#### Get a Motor Carrier (MC) number.

Operating Authority is issued through the Federal Motor Carrier Safety Administration (FMCSA) in the form of an MC number. Visit <u>fmcsa.dot.gov</u>  $\rightarrow$  Registration for full details.

#### **Figure out where your freight is coming from.**

Research load boards if you don't have customers lined up, and start building relationships with quality brokers that you can work with in the future. Go to <u>Truckstop.com</u>  $\rightarrow$  Carriers  $\rightarrow$  Load Board for more information.



# Get your trucking authority:

Once everything under "Where to start" is complete, start on the list of items below.

# Apply for your authority at <u>fmcsa.dot.gov</u> $\rightarrow$ Registration.

Have your truck information (VIN, year, weight, etc.), tax ID number, incorporation details, and license plate information. Be prepared to pay the \$300 application fee.

# □ Complete the <u>OP-1</u> or <u>OP-1(P)</u> form.

OP-1 is for Motor Property Carrier and Broker Authority, and OP-1(P) is for Motor Passenger Carrier Authority.

#### Complete the <u>BOC-3 form</u>.

This assigns an agent or business in all 50 states to receive and forward legal documents on your behalf.

# □ Complete the Motor Carrier Identification Report and Safety Certification Application (MCS-150).

This will get you a USDOT Number.

There is a mandatory 10-business day dispute period after your application is posted to the Federal Register in which anyone can protest your authority. Once it ends, post proof of your insurance and your BOC-3 form. Your authority will be reviewed by the FMCSA.

## After you get the FMCSA's letter:

You can start working on the remainder of this list. Make sure you do it in order.

## □ Secure your UCR permit.

Use your USDOT and MC Number to apply for the Unified Carrier Registration (UCR) system which verifies active insurance coverage in the states you operate in. The state of Indiana administers the program. Apply at <u>UCR.IN.gov</u>.

# □ Pay your HVUT.

The Heavy Vehicle Use Tax is an annual tax assessed on all heavy vehicles operating on public highways. Search for Form 2290 at **IRS.gov**.



# □ Register for an IRP.

The International Registration Plan (IRP) allows you to participate in interstate transportation. Visit **IRPonline.org**  $\rightarrow$  **Registration** to register.

## □ Set up an IFTA account.

The International Fuel Tax Agreement (IFTA) simplifies fuel tax collection allowing you to travel between jurisdictions and ensures each state has funds to support transportation. You submit one fuel tax return every quarter to your base jurisdiction. Go to IFTAch.org  $\rightarrow$  Carrier Information to set up your account.

## **Enroll in a Drug and Alcohol Testing Program.**

All motor carriers must have a negative drug test before driving or hiring drivers. Rules available at <u>fmcsa.dot.gov</u>  $\rightarrow$  Regulations.



#### Complete controlled-substance training.

All supervisors of commercial drivers are required to complete two hours of controlled-substance training. Details available at <u>fmcsa.dot.gov</u>  $\rightarrow$  Regulations.

#### □ Name a DER.

A Designated Employee Representative (DER) must be employed by your company and is authorized to immediately remove employees from duty in the event they cannot pass a drug or alcohol test.

#### Some circumstances require extra permits.

Complete what is applicable to the work you'll be doing and where:

- □ Kentucky, New Mexico, and New York require weight distance permits to operate.
- Oregon requires a permit and a bond.
- Standard Carrier Alpha Code (SCAC) is required if moving military, government, international, or intermodal loads. Available at **secure.nmfta.org**.



## After the above is complete, you'll be enrolled in the New Entrant Safety Assurance Program.

Within the first 18 months, you'll have a mandatory "New Entrant" audit to ensure you're compliant with federal regulations. Start maintaining:

- Driver qualification files/employee recordsDriver logs
- □ Safety records
- □ Hours of Service (HOS) records
- □ Accident reporting
- □ Maintenance records
- All Drug and Alcohol Testing Program records and reports

Learn about the New Entrant Safety Assurance Program at <u>fmcsa.dot.gov</u> → Safety.

For in-depth details on getting your own authority, see the "How to Get Your Trucking Authority" blog at **Truckstop.com**.

*Truckstop.com can help you get your operating authority through ITS Financial Services. For more information, call 1-866-812-9675 (option 2), or send an email to <u>pamelavasquez@itsfs.com</u>* 

