

CHAPTER 2: OPERATING CREDENTIALS

Table 1 lists the credentials that are required for operation of commercial and agricultural vehicles in South Dakota:

Table 1: Required Operating Credentials

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Vehicle Registration	All Operators	10
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Vehicle Registration

All vehicles traveling in South Dakota must be registered each year. There are two forms of licensing:

- Non-commercial gross, for in-state non-commercial use
- Commercial, for-hire and hauling over 500 pounds of business property unless specifically exempted by law.

Out-of-state operators who plan little travel in South Dakota may choose to obtain a trip permit instead of annual registration (See 30-Day Temporary Commercial Vehicle Permit and Single Trip Commercial Vehicle Permit on page 49).

Cab Cards

Motor carriers will receive a cab card documenting each vehicle's registration in South Dakota. This card must be carried in the vehicle whenever it is operating.

Non-Commercial Vehicle Registration Fees

License fees are assessed based upon the weight and the age of the vehicle. If a vehicle is more than 5 model years old there is a 30% reduction in the license fee.

The schedule of fees listed in Table 2 is for non-commercial vehicles excluding automobiles, pickup trucks, or vans. These fees are determined by the maximum operational weight, which is the total weight of the chassis, body, equipment, and

maximum load of each motor vehicle, trailer, and semi-trailer being used in combination.

Table 2: Non-Commercial Vehicle Registration Fees

Maximum Operational Weight	Fee
Eight thousand pounds or less, inclusive	\$55
For each additional 2,000 pounds or major fraction thereof from 8,001 to 32,000 pounds, inclusive	\$3
For each additional 2,000 pounds or major fraction thereof from 32,001 to 54,000 pounds, inclusive	\$6
For each additional 2,000 pounds or major fraction thereof from 54,001 to 80,000 pounds, inclusive	\$18
For each additional 2,000 pounds or major fraction thereof in excess of 80,000 pounds	\$24

Commercial Vehicle Registration Fees

South Dakota’s commercial vehicle registration fee is based on gross vehicle weight (GVW). The gross vehicle weight includes the power unit along with trailers and any load. Because there are fines for traveling overweight, operators should declare the maximum weight at which they expect to operate when registering.

Table 3: Commercial Vehicle Registration Fees

Gross Vehicle Weight (GVW) Pounds	Registration Fee
18,001 to 20,000	\$250.00
20,001 to 78,000	\$40.00 for each 2,000 lbs
78,001 and over	\$7.00 in addition to fees above

If a vehicle is more than 5 model years old there is a 10% reduction in the license fee.

Trailers can be licensed by purchasing a trailer identification plate for \$10.00.

Prorated Registration—International Registration Plan

Interstate carriers pay South Dakota’s registration fee based on miles traveled in South Dakota. The percentage of miles traveled in South Dakota during the year is multiplied by South Dakota’s registration fee. This is called prorated or apportioned registration.

You can apportion your travel in South Dakota or other jurisdictions (states and provinces) through the International Registration Plan (IRP). Your fees are charged according to the fee structure and mileage percentage traveled in each jurisdiction.

Carriers registered under the IRP will be licensed on a quarterly staggered basis. Carriers are given the option to identify the renewal month that they would prefer and in most cases, will be given their renewal month selection. License fees will be billed accordingly based on the month of expiration set up for the carrier's fleet. Carriers having multiple fleets must use the same expiration month for all fleets. The expiration month choices are February 28, May 31, August 31 and November 30.

South Dakota does not have IRP licensing agreements with Alaska, Hawaii, Yukon Territory, or Mexico. A single trip permit may be needed to meet licensing requirements in these jurisdictions.

Credentials Required at Registration

Proof of vehicle ownership and proof of Heavy Vehicle Use Tax (HVUT) payment to the Internal Revenue Service (IRS) are required at the time of registration.

Proof of Vehicle Ownership

A bill of sale and vehicle title must accompany the registration application.

Heavy Vehicle Use Tax

Federal law requires owners of vehicles with a gross vehicle weight of 55,000 pounds or more to produce proof of payment of the Federal Heavy Vehicle Use Tax (IRS Form 2290) before issuance of registration plates or renewal stickers. The form is available at <http://www.irs.gov/formspubs/>. Federal, state, and local government vehicles are exempt from this law.

For more information, call your local Internal Revenue Service office.

Motor Vehicle Excise Tax

The Motor Vehicle Excise Tax—3 percent of the vehicle purchase price—must be paid when purchased vehicles are first registered. Like registration fees, this tax is apportioned based on the percent of miles traveled in South Dakota.

Proof of Vehicle Insurance

An operator must have a copy of the South Dakota Evidence of Motor Vehicle Liability Insurance card issued by an insurance company authorized to do business in the State of South Dakota. The card must show the registrant's name and the Vehicle Identification Number (VIN) or the words "Fleet Insured".

Fuel Tax License (IFTA)

South Dakota is a member of the International Fuel Tax Agreement (IFTA). Motor carriers must either have an IFTA license or purchase a fuel trip permit to operate an IFTA-qualified vehicle in South Dakota.

International Fuel Tax Agreement

IFTA is an agreement among member jurisdictions to simplify the reporting of fuel taxes by interstate motor carriers. A carrier opens a fuel tax account for all IFTA members with its base jurisdiction. The carrier registers its fleet as a unit, not as individual vehicles. If a carrier chooses, it may divide its vehicles into more than one fleet, and base these fleets in appropriate IFTA jurisdictions.

IFTA covers operation of IFTA-qualified interstate commercial vehicles and combinations, which are defined as:

- having two axles and a gross weight or registered gross vehicle weight exceeding 26,000 pounds;
- having three or more axles regardless of weight; or
- used in combination when the weight of the combination exceeds 26,000 pounds.

IFTA Licensing in South Dakota

You may license your vehicles through South Dakota if:

- you are a South Dakota-based interstate motor carrier;
- you keep operational control and records for your vehicles in South Dakota or can make your records available;
- you operate IFTA-qualified motor vehicles. These do not include recreational vehicles.

When a carrier's application with IFTA has been approved, the base jurisdiction assigns the fleet an account number and issues the carrier an IFTA license. A copy of the license is to be carried in the cab of each vehicle in the fleet and serves as the IFTA cab card. The base jurisdiction also issues an external fuel decal. The IFTA decal is reissued annually. A photocopy of a valid tax license is acceptable in South Dakota.

For more details about an IFTA license or to obtain a license application, please contact the Motor Fuel Section of the Division of Motor Vehicles at (605) 773-5335, the DMV website at <http://www.state.sd.us/drr2/motorvehicle/motorfuel/index.htm>, or visit a DMV office.

Dyed Fuel Enforcement

Fuel intended for non-highway use, including that for farm and mining equipment, is dyed red to indicate that it is exempt from state and federal taxes. Except for special mobile equipment, it is illegal to use dyed fuel on the highway, and thus avoid paying these taxes.

The South Dakota Highway Patrol is empowered to stop and inspect vehicles that are using or transporting dyed fuel to determine if all taxes have been paid. The penalty for using dyed (untaxed) diesel fuel in a licensed vehicle is \$500 for IFTA-qualified vehicles and \$250 for unqualified vehicles. The Internal Revenue Service may also assess a federal penalty.

For more details about South Dakota's dyed fuel laws and fines, contact the Motor Fuel Section of the Division of Motor Vehicles at (605) 773-3501, refer to the DMV website

<http://www.state.sd.us/drr2/motorvehicle/motorfuel/index.htm>, or visit a DMV office.

Interstate Operating Authority

USDOT Number

Motor carriers who engage in interstate commerce must have a United States Department of Transportation (USDOT) identification number. Carriers apply for the number through the Federal Motor Carrier Safety Administration (FMCSA). The number is for more than just identification. The information entered on the application is used to track safety performance, to assess nationwide safety trends, and to evaluate the effectiveness of federal motor carrier programs.

New Entrant Interstate Motor Carriers

All new entrant interstate motor carriers—both private and for-hire carriers—must complete an application package consisting of a MCS-150, and a MCS-150A. This application may be completed online at <http://www.safer.fmcsa.dot.gov> or by contacting FMCSA at (800)832-5660 and requesting an application by mail. For-hire motor carriers must complete an OP-1, or OP-1(P), the BOC-3, and pay a \$300.00 filing fee. Private and exempt for-hire carriers will not be required to pay any fee.

Once the application package is completed, the carrier will be granted new entrant registration with a USDOT number. The carrier will be notified by US Mail of the USDOT number and given a telephone number to call within 90 days to schedule a New Entrant Safety Audit. Failure to do so will result in the revocation of the carrier's registration.

After being issued a new entrant registration, the carrier will be subject to an 18-month safety monitoring period. During this period, the carrier will receive a safety audit and have its roadside crash and inspection information closely evaluated. The carrier will be required to demonstrate that it has systems in place to ensure basic safety management controls. Failure to

demonstrate basic safety management controls may result in the carrier having its new entrant registration revoked.

The carrier will be notified in writing that the “new entrant” designation will be removed from its registration at the end of the 18-month safety monitoring period, if the carrier meets the following requirements:

- the new entrant has passed a safety audit, or has not been deemed “unfit” following a compliance review;
- the new entrant does not have any outstanding civil penalties.

The safety audits will primarily be conducted on-site at the carrier's principle place of business. However, some safety audits may be conducted at other locations.

The safety audit will be conducted by a State or Federal Auditor and will consist of a review of the carrier’s safety management system. The areas of review include, but are not limited to:

- driver qualifications;
- driver duty status;
- vehicle maintenance;
- accident register;
- controlled substance and alcohol use and testing requirements.

FMCSA Contact

The FMCSA division office in South Dakota can provide assistance with applications for USDOT numbers. Contact FMCSA at:

Federal Motor Carrier Administration
116 East Dakota Avenue
Pierre, South Dakota 57501-3110
(605) 224-8202
(605) 224-1766 fax

You may also visit <http://www.fmcsa.dot.gov>.

Unified Carrier Registration (SSRS & Exempt Operating Authority)

Effective July 1, 2006, the South Dakota Department of Revenue & Regulation, Division of Motor Vehicles assumed responsibility for the Single State Registration System (Exempt Program) from the Public Utilities Commission.

The current federal highway bill, SAFETEA-LU, provided for the termination of the Exempt Program on January 1, 2007 and the creation of the Unified Carrier Registration Agreement (UCRA) to replace it. The intent was to have the UCRA in place prior to January 1, 2007. However, since the UCRA has not been established and there is no provision for an extension through 2007, the Department of Revenue & Regulation will not renew any motor carrier under the Exempt Program for 2007 until an agreement is established. When an agreement is established motor carriers will be notified.

After January 1, 2007, Motor Carrier Services will not issue citations if a registration system is not in place. For further information, please contact the Department of Revenue & Regulation, Division of Motor Vehicles at (605) 773-3314.