

SOURCING OF RECEIPTS OF TRUCKING COMPANIES¹

(nuances deleted; this document is for research purposes only and should not be relied upon as tax advice)

(entries generally limited to rules set forth in statutes and, unless otherwise noted, do not reflect court decisions or settlements that may alter the way some trucking companies are taxed)

As of 3/1/23

Mileage (MTC) Approach	Alternative Mileage Approach	Pickups/Deliveries Approach	No special industry rule	Other
Alabama	Florida (revenue miles ²)	Massachusetts	Arizona (COP/MBS election; MBS--where the benefit is received)	Alaska (the Alaska portion of interstate revenues determined by multiplying total interstate revenues by the "terminal days ratio")
Arkansas	Michigan (ton miles)	Washington, D.C. ³	Delaware (MBS--where the service is performed)	Louisiana (gross apportionable income from Louisiana sources over total gross apportionable sources)
California	Mississippi (choice of ton miles or vehicle miles)	Wisconsin (see Other column)	Hawaii (MBS--where the service is used or consumed)	Rhode Island (the average of the inbound/outbound Rhode Island receipts plus all other receipts attributable to Rhode Island over total worldwide sales)

¹ The various approaches shown in this chart typically are a component of the sales factor, but sometimes they serve as their own factor.

² Revenue miles in Florida over revenue miles everywhere. A revenue mile is the transportation of one ton of freight the distance of one mile.

³ Tons of freight first received by the company as originating or connecting traffic at a point within the District plus the tons of freight discharged or unloaded by the company at a point within the District at the termination of the transportation movement or for transfer to a connecting carrier over twice the total tons of freight originated everywhere.

Connecticut	Pennsylvania (revenue miles ⁴)		Maine MBS--(where the service is received)	Wisconsin (two factors-pickups and ton miles)
Georgia	Wisconsin (see Other column)			
Idaho				
Illinois				
Indiana				
Iowa				
Kansas				
Kentucky				
Maryland				
Missouri (taxpayer may elect alternative formula based on investment in transportation facilities)				
Montana***				
Nebraska				
New Hampshire				
New Jersey				
New Mexico***				
New York				
North Carolina				
North Dakota				
Oklahoma				
Oregon				
South Carolina				
Tennessee				
Texas				
Utah				
Vermont				
Virginia				

⁴ Average receipts derived from transporting property one mile.

West Virginia				
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***Due to litigation, the mileage approach is not applied to all trucking companies in the state. *See, e.g.,* New Mexico Public Decision No. 19-27 (IN THE MATTER OF THE PROTEST OF UNITED PARCEL SERVICE INC. (OHIO) & AFFILIATES)(Oct. 25, 2019); *Montana Dep't of Revenue v. United Parcel Serv. Inc.*, 830 P.2d 1259 (Mont. 1992). Both decisions are posted on the work group's project page at [Model Receipts Sourcing Regulation Review Work Group - MTC](#).