

Your Settlement Is More Than a Deposit

For owner-operators: use the full settlement to explain what you earned, what was charged, and what was only moved between accounts.

Illustrative settlement	Amount	How to think about it
Line-haul pay	\$2,500	Start with the gross pay records.
Fuel surcharge	\$500	Keep this income line visible.
Detention pay	\$100	Include additional work-related pay.
Fuel charged by carrier	-\$900	Match the charge with the supporting fuel records.
Insurance deduction	-\$150	Keep the coverage and payment details.
Escrow withheld	-\$200	Track the reserve. Withholding is not automatically an expense.
Prior cash advance repaid	-\$100	Explain the earlier advance; avoid counting the cost twice.
Net bank deposit	\$1,750	Cash received after settlement deductions, not taxable profit.

Two questions to ask

Does the gross income agree with the settlement and information forms? Does each deduction have a purpose and a supporting record?

Escrow contributions, loan principal, equipment purchases, and cash-advance repayments are not interchangeable with ordinary operating costs. A lower deposit does not mean the same reduction in taxable profit.

Tax-Ready Records, One Item at a Time

Gather each item that applies. These are records to review, not a promise that every cost is deductible. W-2 drivers should bring pay and reimbursement records; owner-operator deductions are different.

- 01 Full carrier settlements and annual summaries
- 02 Forms W-2, 1099-NEC, and 1099-K received
- 03 Invoices and direct-customer payment records
- 04 Fuel receipts and carrier fuel statements
- 05 Diesel exhaust fluid receipts
- 06 Oil and lubricant receipts
- 07 Repair invoices
- 08 Maintenance service invoices
- 09 Tire purchase and repair invoices
- 10 Truck-wash receipts
- 11 Toll statements
- 12 Scale tickets and fees
- 13 Business parking receipts
- 14 Operating permits and registration
- 15 Insurance statements
- 16 ELD subscription charges
- 17 Dispatch service charges
- 18 Factoring agreements and fee statements
- 19 Truck and trailer purchase or sale documents
- 20 Lease agreements and payment history
- 21 Loan statements separating interest and principal
- 22 Escrow deposits, charges, and release statements
- 23 Business phone and internet-use records
- 24 Employer or carrier reimbursement details
- 25 Meal records and existing trip / ELD support
- 26 Business-use records for a separate vehicle
- 27 Estimated tax payments and confirmations
- 28 Prior depreciation schedules

Official references

IRS: Travel records and meals (Pub. 463)

IRS: Business tax and records (Pub. 334)