



# Build a Tolling Program: Keys to Fleet Profitability

In the trucking industry, where profit margins are already stretched thin, every unnecessary expense matters. Toll fees and violations might seem insignificant at first, but they can quickly escalate into costly headaches.

A single unpaid toll can grow into a \$500+ problem as penalties and late fees pile up.

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## The Shifting Tolling Landscape:

Historically, roads were primarily funded by fuel taxes. However, the recent rise of electric and alternative fuel vehicles is shrinking that revenue stream. To make up the difference, governments are turning to road tolls and usage charges, creating an increasingly complex tolling environment.

Today, there are over 50 toll authorities operating across more than 120 entities, and toll revenues are steadily climbing. Over the past decade alone, toll agencies collected an astonishing \$15 billion—a \$6 billion increase from the previous decade. In contrast, while consumer prices saw a modest 20% uptick over the same period, toll costs skyrocketed by 73%.



### DID YOU KNOW?

Over the past decade, consumer prices rose by 20%, but toll costs have surged by a staggering 73%.

## Understanding Toll Costs:

While toll rates are posted on signs, the real costs often lie beneath the surface. Additional charges like fines for speeding through toll booths, late-payment penalties, maximum toll charges, license plate misreads, and administrative expenses can catch fleet managers off guard. Without a clear tolling strategy, fleets may lose visibility and control over these unexpected costs. Worse, mismanagement can leave fleets vulnerable to fraud, such as when transponders are being misused in passenger vehicles.

## Financial challenges of toll violations:

### TO BETTER UNDERSTAND THE FINANCIAL IMPACT, CONSIDER THIS SCENARIO:

A single truck generates **\$4,300** in weekly revenue. With an operating profit of around **\$400** per week, a **\$1,500** toll violation fee due to using plate reads instead of a transponder would wipe out nearly a month's profit to cover the toll violation.

**A seemingly minor \$9 toll can balloon into a \$96.50 charge due to administrative fees, late payments, and other penalties.**

## Taking control of your toll costs:

Escalating toll costs don't have to be an inevitable part of doing business. By addressing five key problem areas, fleets can save money and operate more efficiently:

### 1 Plate management

One common issue is failing to register license plates with toll agencies. When plates aren't updated, toll agencies must request information from the DMV—a cost they pass along to fleets, sometimes as much as \$100 per plate.

#### TIPS FOR SUCCESS:

Minimize plate-read violations by ensuring vehicle license plates are current with toll agencies for both power equipment and trailers. In addition, install transponders to further eliminate plate-read errors and streamline toll management.

### 2 Lack of centralized visibility and control

When each regional depot manages tolling independently, a fleet can end up with hundreds of separate accounts nationwide.

For instance, regional managers might close and reopen toll accounts to sidestep disputes, assuming this resolves the issue. However, this approach only masks the problem while costs continue to mount. Without centralized visibility and control, many fleets remain unaware of what's really going on.

#### TIPS FOR SUCCESS:

Move toll spending away from regional depots and centralize it. Consolidate all toll accounts into one invoice through a partner like PrePass and gain full visibility and control over your costs.

## 3

## Cash Deposits

Managing individual accounts across multiple toll agencies may cause fleets to make advance cash deposits to cover tolling costs, tying up working capital and limiting cash flow for other business needs.

### TIPS FOR SUCCESS:

Utilize a tolling management solution like PrePass when you consolidate your tolling accounts into a single one with a single surety to free up capital for your fleet.

## 4

## Timely Payments

Missed or late payments can lead to penalties and added fees that quickly compound. Without a streamlined payment process, costs can spiral out of control.

### TIPS FOR SUCCESS:

Centralize toll payments with a solution like PrePass. A single, consolidated invoice makes it easier to pay on time, avoiding unnecessary penalties.



## 5

## Understanding Tolling Charges

Misinterpreting toll charges can be costly for fleets. Employees need to be able to distinguish between transponder charges, plate reads, and sticker charges and know how to select the most cost-effective option based on the fleet's routes.

### TIPS FOR SUCCESS:

Invest in tolling solutions tailored to your fleet's operations. For instance, fleets driving primarily in Maryland can maximize discounts with a Maryland-based transponder. Those with routes in multiple states may benefit from an E-ZPass or a comprehensive solution like PrePass Tolls or PrePass Plus.



**Contact PrePass today to learn more about how we can simplify toll management for your fleet.**

[www.prepass.com](http://www.prepass.com)

### Smarter Toll Management with PrePass

Managing toll costs effectively is crucial for fleet profitability and sustainability. INFORM™ Tolling from PrePass provides detailed toll data, empowering you to reduce expenses and improve operational efficiency.