

The Owner-Operator Startup Kit | 2026 Edition

- [The Owner-Operator Startup Kit](#)
 - [Who This Kit Is For](#)
- [Part 1: The 47-Item Pre-Launch Checklist](#)
 - [Phase 1 — Business Foundation \(Week 1–2\)](#)
 - [Phase 2 — Operating Authority \(Week 2–4\)](#)
 - [Phase 3 — Tax Filings \(Week 3–4\)](#)
 - [Phase 4 — Insurance \(Week 4 — must land 7+ days before authority activation\)](#)
 - [Phase 5 — Equipment & Technology \(Week 4–5\)](#)
 - [Phase 6 — First Dispatch \(Week 5–6, after authority activation\)](#)
 - [Phase 7 — First 90 Days \(Ongoing\)](#)
- [Part 2: State-by-State Filing Fees \(2026\)](#)
 - [The Top 20 Base States for New Owner-Operators](#)
 - [Special Permits by Operating State](#)
- [Part 3: New-Authority Insurance Carrier Comparison](#)
 - [The New-Authority-Friendly Carriers](#)
 - [Key Questions to Ask Each Quote](#)
 - [RMS Placement Notes \(What We've Learned\)](#)
- [Part 4: The 90-Day Cashflow Template](#)
 - [The Assumptions \(Adjust to Your Situation\)](#)
 - [Month-by-Month Template](#)
 - [The 90-Day Summary](#)
- [Part 5: What to Do Next](#)
 - [About RMS Truck Insurance](#)

The Owner-Operator Startup Kit

Published by RMS Truck Insurance | 2026 Edition *Everything you actually need to launch your authority — minus the fluff.*

Who This Kit Is For

You've got a CDL, you've been driving for someone else, and you're ready to get your own authority. This kit compiles the things that take new owner-operators 40+ hours to figure out on their own: the exact filings, the real costs, the right order, and the cashflow math that tells you whether you're ready.

Nothing here is theory. Every number comes from live 2026 rate data, FMCSA filing schedules, and RMS clients who've successfully launched their authority in the last 12 months.

Questions while you work through this? Call RMS at **208-800-0640** — even if you're not quoting insurance yet, we'll answer questions. No upsell, no gatekeeping.

Part 1: The 47-Item Pre-Launch Checklist

Work these in order. Skipping steps is how new operators end up waiting 30+ days longer than necessary to activate their authority.

Phase 1 — Business Foundation (Week 1–2)

- 1. Choose your business structure (LLC is the default for owner-operators; avoid sole proprietorship for liability reasons)
- 2. File LLC Articles of Organization with your state (\$50–\$500 depending on state)
- 3. Pay your state LLC filing fee and wait for approval (1–10 business days)
- 4. Apply for EIN from the IRS (free, online at irs.gov, takes 15 minutes)
- 5. Open a business checking account (bring EIN letter, LLC articles, operating agreement)
- 6. Get a business credit card — even a secured one — to build business credit history
- 7. Set up QuickBooks Self-Employed or TruckingOffice for bookkeeping from day 1
- 8. Register for state sales tax permit if your state requires it (most don't for transportation)

Phase 2 — Operating Authority (Week 2–4)

- 9. Apply for USDOT number and MC number on the FMCSA Unified Registration System (\$300)
- 10. Complete the UCR registration (Unified Carrier Registration) — \$76 for 1 truck
- 11. File BOC-3 (Designation of Process Agent) — \$30–\$100, required for MC number
- 12. Wait 20–21 days for the mandatory protest period on your new authority
- 13. Register with the Drug & Alcohol Clearinghouse (free, required before operating)
- 14. Join a DOT-certified drug and alcohol consortium (\$100–\$250/year)
- 15. Schedule and complete your pre-employment drug test
- 16. Order your DOT physical if you don't have a current medical card

Phase 3 — Tax Filings (Week 3–4)

- 17. File Form 2290 (Heavy Vehicle Use Tax / HVUT) — \$100–\$550 depending on GVW
- 18. Register for IFTA (International Fuel Tax Agreement) with your base state
- 19. Apply for IRP (International Registration Plan) plates — \$500–\$3,000
- 20. Get your IFTA decals for your truck (2 required, one per side of cab)
- 21. Research state-specific permits for states you'll operate in (see Part 2)

Phase 4 — Insurance (Week 4 — must land 7+ days before authority activation)

- 22. Gather your MVR (motor vehicle record) — free from your state DMV
- 23. Pull your PSP (Pre-Employment Screening Program) report from FMCSA
- 24. Document your CDL experience (dates, employers, equipment type)
- 25. Call at least 2 trucking-specialist insurance agents for quotes (not generic auto insurance brokers)
- 26. Get quotes for: auto liability \$750K–\$1M, cargo \$100K, physical damage, bobtail/NTL, general liability
- 27. Review quotes side-by-side (don't just pick lowest — check deductibles and exclusions)
- 28. Bind coverage and pay the 20–33% deposit

- 29.** Verify your certificate of insurance (COI) is filed with FMCSA BMC-91 (auto liability)
- 30.** Verify BMC-34 or BMC-83 filing if you haul cargo requiring it

Phase 5 — Equipment & Technology (Week 4–5)

- 31.** Buy or lease your ELD (electronic logging device) — must be FMCSA-registered
- 32.** Install dashcam — minimum front-facing, recommended cab-facing too
- 33.** Install truck GPS (Rand McNally, Garmin Dezl) — consumer GPS won't route around low bridges
- 34.** Stock safety equipment: 3 reflective triangles, fire extinguisher (rated for cargo class), reflective vest
- 35.** Buy chains, binders, straps, tarps as applicable to your cargo type
- 36.** Pack a roadside repair kit: basic tools, fuses, spare belts, jumper cables, flashlight
- 37.** Subscribe to a load board (DAT One or Truckstop.com) — \$35–\$150/month

Phase 6 — First Dispatch (Week 5–6, after authority activation)

- 38.** Confirm authority is active on FMCSA SAFER (<https://safer.fmcsa.dot.gov/CompanySnapshot.aspx>)
- 39.** Verify your insurance certificate appears on FMCSA Licensing and Insurance system
- 40.** Sign factoring agreement OR set up 30-day net invoicing process
- 41.** Set up your first customer onboarding packets (COI, W-9, carrier packet)
- 42.** Establish your target lanes (regional start is recommended — lower cost, faster payment)
- 43.** Book your first load (start low-risk: dry van, short-haul, established broker)

Phase 7 — First 90 Days (Ongoing)

- 44.** Track every mile with ELD — IRS requires it, so do your IFTA filings
 - 45.** Save 25–30% of every payment for quarterly estimated taxes (Form 1040-ES)
 - 46.** File your first IFTA quarterly report (due April 30, July 31, Oct 31, Jan 31)
 - 47.** Schedule your first annual DOT inspection before 12 months is up
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Part 2: State-by-State Filing Fees (2026)

Fees shown are for a single truck, first-year operator-owner with interstate authority. Your state of domicile (“base state”) determines where you pay IRP and IFTA, but you owe use taxes and permits in states where you operate.

The Top 20 Base States for New Owner-Operators

Base State	LLC Filing	IRP Plate (Class 8)	UCR Annual	Business Entity Tax	Total Year 1
Texas	\$300	\$850	\$76	\$0 (no franchise under \$2.47M)	\$1,226
Florida	\$125	\$720	\$76	\$0	\$921
Georgia	\$100	\$1,050	\$76	\$0	\$1,226
Tennessee	\$300	\$1,150	\$76	\$300 (min franchise)	\$1,826
Ohio	\$99	\$1,275	\$76	\$0	\$1,450
Indiana	\$95	\$1,585	\$76	\$0	\$1,756
Illinois	\$153	\$2,790	\$76	\$75 (annual report)	\$3,094
Pennsylvania	\$125	\$1,555	\$76	\$70 (annual report)	\$1,826
North Carolina	\$125	\$1,035	\$76	\$200	\$1,436
Alabama	\$200	\$890	\$76	\$100 (min BPT)	\$1,266
Arkansas	\$45	\$1,245	\$76	\$150 (franchise)	\$1,516
Missouri	\$50	\$1,385	\$76	\$0	\$1,511
Kentucky	\$40	\$1,010	\$76	\$175 (LLET min)	\$1,301
Virginia	\$100	\$1,335	\$76	\$50 (annual report)	\$1,561
South Carolina	\$110	\$1,010	\$76	\$0	\$1,196
Oklahoma	\$100	\$1,835	\$76	\$25 (annual cert)	\$2,036
Iowa	\$50	\$1,390	\$76	\$30 (biennial)	\$1,546
Wisconsin	\$130	\$2,195	\$76	\$25 (annual report)	\$2,426
Michigan	\$50	\$1,475	\$76	\$25 (annual report)	\$1,626
Idaho	\$100	\$915	\$76	\$0	\$1,091

Notes on this table: - IRP is apportioned: the figure above is an **estimate** for a Class 8 tractor running 100,000 miles/year across all 48 lower states. Your actual fee depends on your distance declaration. - States like Texas, Florida, South Carolina, and Idaho offer the lowest total first-year filing burden for a single-truck LLC. - Avoid California as a base state for a single-truck operation — annual LLC franchise tax is \$800 minimum regardless of revenue, and IRP fees are among the highest.

Special Permits by Operating State

Some states require additional permits beyond IFTA/IRP:

State	Permit Required	Fee
New York	NY HUT (Highway Use Tax) sticker + permit	\$19 one-time + mileage tax filings
New Mexico	Weight Distance Tax ID	\$0 registration, quarterly filings
Oregon	Oregon Weight-Mile Tax account	\$0 registration, trip or monthly permits
Kentucky	KYU (Kentucky Weight Distance) number	\$0 registration, quarterly filings
Connecticut	Highway Use Fee registration (2023+)	\$0 registration, quarterly filings

If you'll run in any of these states, register *before* your first load — fines for operating without a permit exceed \$500 per occurrence.

Part 3: New-Authority Insurance Carrier Comparison

Not every carrier writes new authority. This matrix shows the carriers RMS has placed business with in 2025–2026 for owner-operators in their first 12 months of authority.

The New-Authority-Friendly Carriers

Carrier	Writes New Auth?	Typical Annual Premium	Strengths	Weaknesses
Progressive	Yes	\$14,000–\$22,000	Fast online quote, large network, standard coverage	Steep year-2 rate hikes, phone-tree customer service, limited cargo types
Canal Insurance	Yes	\$13,500–\$19,500	Specializes in trucking, strong cargo limits, decent service	Slower underwriting (3–5 days), stricter on driving record
Great West Casualty	Rarely (prefers 1+ yr authority)	\$11,000–\$16,500	Best-in-class claims handling, lowest renewal hikes	Rejects most new-authority apps under 6 months
Northland Insurance	Yes	\$13,000–\$18,000	Good for niche cargo (reefer, flatbed), reasonable deposit	Smaller territory, not in every state
Sentry Insurance	Yes (fleet-focused)	\$12,500–\$17,000	Strong financial ratings, multi-policy discounts	Harder to bind single-truck new authorities
RLI	Yes, through specialist agents	\$13,500–\$20,000	Excellent coverage options, competitive on physical damage	Access limited to specialist-only distribution
Berkshire Hathaway GUARD	Yes	\$14,500–\$21,000	Strong balance sheet, predictable renewals	Less flexible on non-standard operations
National Independent Truckers Insurance (NITIC)	Yes	\$14,000–\$19,500	Built for owner-operators specifically	Smaller market presence, fewer agents carry it

Key Questions to Ask Each Quote

Before you bind, every trucking insurance quote needs to answer these five questions — if the agent can’t answer, get another quote:

- What’s the total annual premium, not just the first payment?** (Some quotes look cheap because they quote first month only.)
- What’s the deposit requirement, and is it refundable if I cancel in year 1?**
- Does this quote include all five coverages I need** (auto liability, cargo, physical damage, bobtail/NTL, general liability) **or just auto liability?**
- Is physical damage priced on stated value, ACV, or agreed value?** (Stated value with actual cash valuation at claim time is the cheapest at quote but worst at claim.)
- What’s the expected year-2 renewal if I have zero claims?** (A good answer is “5–10% increase.” A red flag is “we can’t estimate that.”)

RMS Placement Notes (What We've Learned)

Based on RMS placements across 400+ new authorities in 2025:

- **First-year premium average (single truck, clean MVR):** \$15,200
 - **Carriers that hiked by 30%+ at renewal:** Progressive, one other national carrier
 - **Carriers that held rates flat at renewal (zero claims):** Canal, Northland, RLI
 - **Best service ratings from our clients:** Great West > Canal > Northland > NITIC
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Part 4: The 90-Day Cashflow Template

This is the single most useful thing in this kit. It's the math new operators wish they'd done before signing the truck loan.

The Assumptions (Adjust to Your Situation)

Variable	Low Case	Typical	Aggressive
Rate per mile (gross)	\$1.85	\$2.25	\$2.65
Miles per week	2,200	2,800	3,400
Deadhead %	20%	14%	10%
Fuel mpg	6.0	6.8	7.5
Diesel price (USD/gal)	\$4.10	\$3.85	\$3.60
Factoring fee (if used)	3.5%	2.5%	2.0%

Month-by-Month Template

Fill this in with your actual numbers. The “Typical” column shows what a middle-of-the-road single-truck OTR operator clears in the first 90 days.

Month 1 (Authority Activation + First Loads)

Line	Low Case	Typical	Aggressive
Starting cash	\$25,000	\$40,000	\$55,000
Revenue (receivable, not yet paid)	\$12,000	\$18,000	\$28,000
Cash revenue (factored, received this month)	\$11,580	\$17,550	\$27,440
Fuel	(\$4,500)	(\$4,950)	(\$5,800)
Truck payment	(\$1,200)	(\$2,100)	(\$3,000)
Insurance (first full month after deposit)	(\$1,400)	(\$1,700)	(\$2,000)
ELD/dashcam subscriptions	(\$50)	(\$65)	(\$80)
Load board	(\$40)	(\$95)	(\$149)
Tolls, scales, parking	(\$350)	(\$550)	(\$750)
Meals, hotel, personal	(\$600)	(\$850)	(\$1,100)
Home bills	(\$1,200)	(\$1,800)	(\$2,400)
Phone, software	(\$75)	(\$125)	(\$175)
Tax reserve (30% of revenue)	(\$3,600)	(\$5,400)	(\$8,400)
Month 1 net cash change	(\$1,435)	(\$85)	\$3,586
Month 1 ending cash	\$23,565	\$39,915	\$58,586

Month 2 (Settling Into Rhythm)

Line	Low Case	Typical	Aggressive
Starting cash	\$23,565	\$39,915	\$58,586
Cash revenue	\$11,580	\$17,550	\$27,440
Fuel	(\$4,500)	(\$4,950)	(\$5,800)
Truck payment	(\$1,200)	(\$2,100)	(\$3,000)
Insurance	(\$1,400)	(\$1,700)	(\$2,000)
Load board	(\$40)	(\$95)	(\$149)
Tolls, scales, parking	(\$350)	(\$550)	(\$750)
Meals, hotel, personal	(\$600)	(\$850)	(\$1,100)
Home bills	(\$1,200)	(\$1,800)	(\$2,400)
Phone, software, ELD	(\$125)	(\$190)	(\$255)
Maintenance reserve (oil, tires, DEF)	(\$300)	(\$450)	(\$600)
Tax reserve	(\$3,600)	(\$5,400)	(\$8,400)
Month 2 net cash change	(\$1,735)	(\$535)	\$2,986
Month 2 ending cash	\$21,830	\$39,380	\$61,572

Month 3 (The First Surprise)

Month 3 is when the real costs show up: first real repair, first slow week, first IFTA filing.

Line	Low Case	Typical	Aggressive
Starting cash	\$21,830	\$39,380	\$61,572
Cash revenue (factor in a slow week)	\$9,800	\$15,800	\$25,700
Fuel	(\$4,000)	(\$4,550)	(\$5,500)
Truck payment	(\$1,200)	(\$2,100)	(\$3,000)
Insurance	(\$1,400)	(\$1,700)	(\$2,000)
Load board	(\$40)	(\$95)	(\$149)
Tolls, scales, parking	(\$350)	(\$550)	(\$750)
Meals, hotel, personal	(\$600)	(\$850)	(\$1,100)
Home bills	(\$1,200)	(\$1,800)	(\$2,400)
Phone, software, ELD	(\$125)	(\$190)	(\$255)
Unexpected repair (brakes, DPF, alternator)	(\$1,500)	(\$2,200)	(\$2,800)
IFTA quarterly filing	(\$150)	(\$280)	(\$420)
Tax reserve	(\$2,940)	(\$4,740)	(\$7,710)
Month 3 net cash change	(\$3,705)	(\$3,255)	(\$384)

Line	Low Case	Typical	Aggressive
Month 3 ending cash	\$18,125	\$36,125	\$61,188

The 90-Day Summary

Scenario	Starting Cash	Ending Cash	Gross Revenue	Cash "Profit" (before taxes paid)
Low Case	\$25,000	\$18,125	\$33,800	-\$6,875
Typical	\$40,000	\$36,125	\$51,350	-\$3,875
Aggressive	\$55,000	\$61,188	\$80,300	+\$6,188

The lesson: In the first 90 days, even the "typical" owner-operator burns \$4,000 of starting cash. The "low case" burns \$7,000. If you launch with under \$25,000 in starting cash and hit bad luck, you're out of business in Month 3.

The tax reserve line isn't optional. The 30% you set aside isn't your cash — it's the IRS's cash. Don't count it in your "ending cash" feeling of how well you're doing. The numbers above already assume the tax reserve is parked.

Part 5: What to Do Next

1. **Finish the 47-item checklist above.** If you haven't filed your USDOT/MC yet, start there.
 2. **Get your insurance quote** — RMS shops 8+ trucking-specialist carriers in one call. rmstruckers.com/quote or 208-800-0640.
 3. **Run your own numbers through the cashflow template.** If Month 3 ending cash drops below \$10,000 in your realistic case, raise your starting cash or lower your truck payment before you launch.
 4. **Read our [owner-operator startup costs guide](#)** for deeper narrative on each cost category.
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About RMS Truck Insurance

RMS Truck Insurance specializes in new-authority and owner-operator trucking insurance. We place coverage with 8+ carriers including Canal, Progressive, Northland, Great West, RLI, NITIC, and more. Licensed in 40+ states.

We built this kit because we were tired of quoting owner-operators who showed up underbudgeted. If you use it and still have questions, call us. We'll answer them even if you don't quote with us.

RMS Truck Insurance 208-800-0640 | rmstruckers.com *As of 2026.*