Mid-Year Owner Operator Trucking Trends

2025Q5 – Mid-Year Analysis

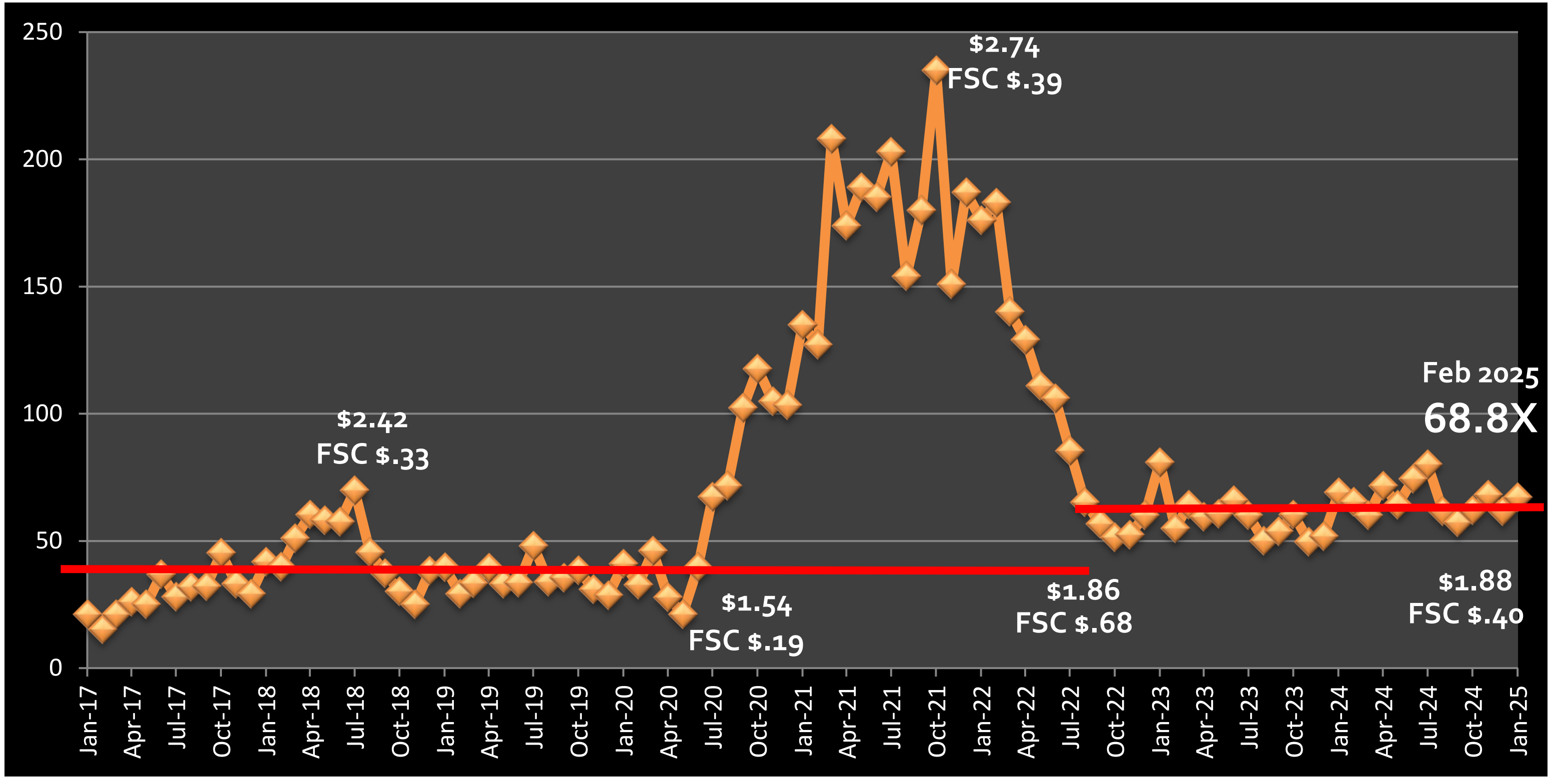
Mike Hosted – Vice President

ATBS

What is the economic environment in trucking?

Broker Load vs Truck Index – Net Rate

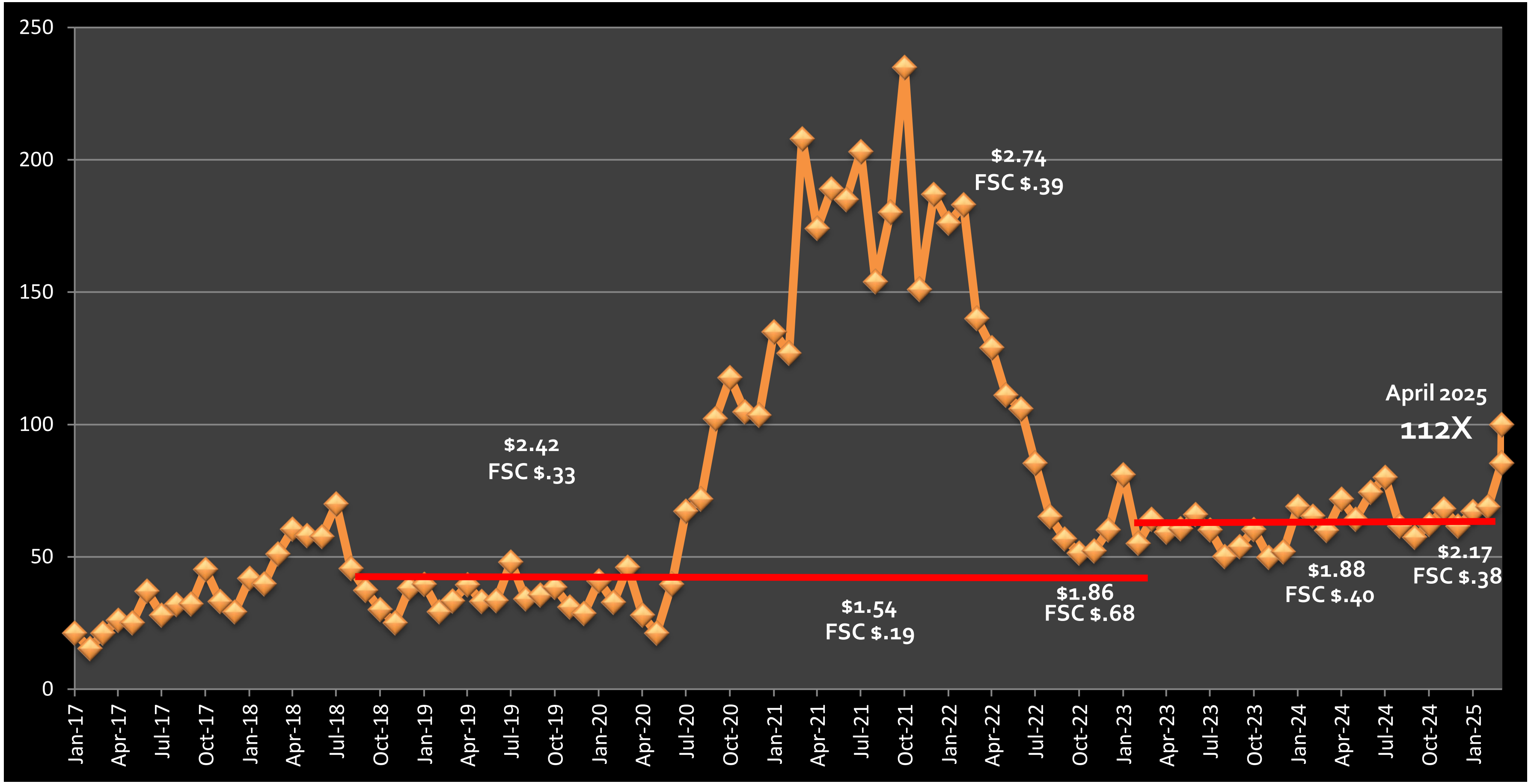
Truckstop.com



Spot Rate X Fuel Surcharge (FSC) based on $1.25 base for fuel

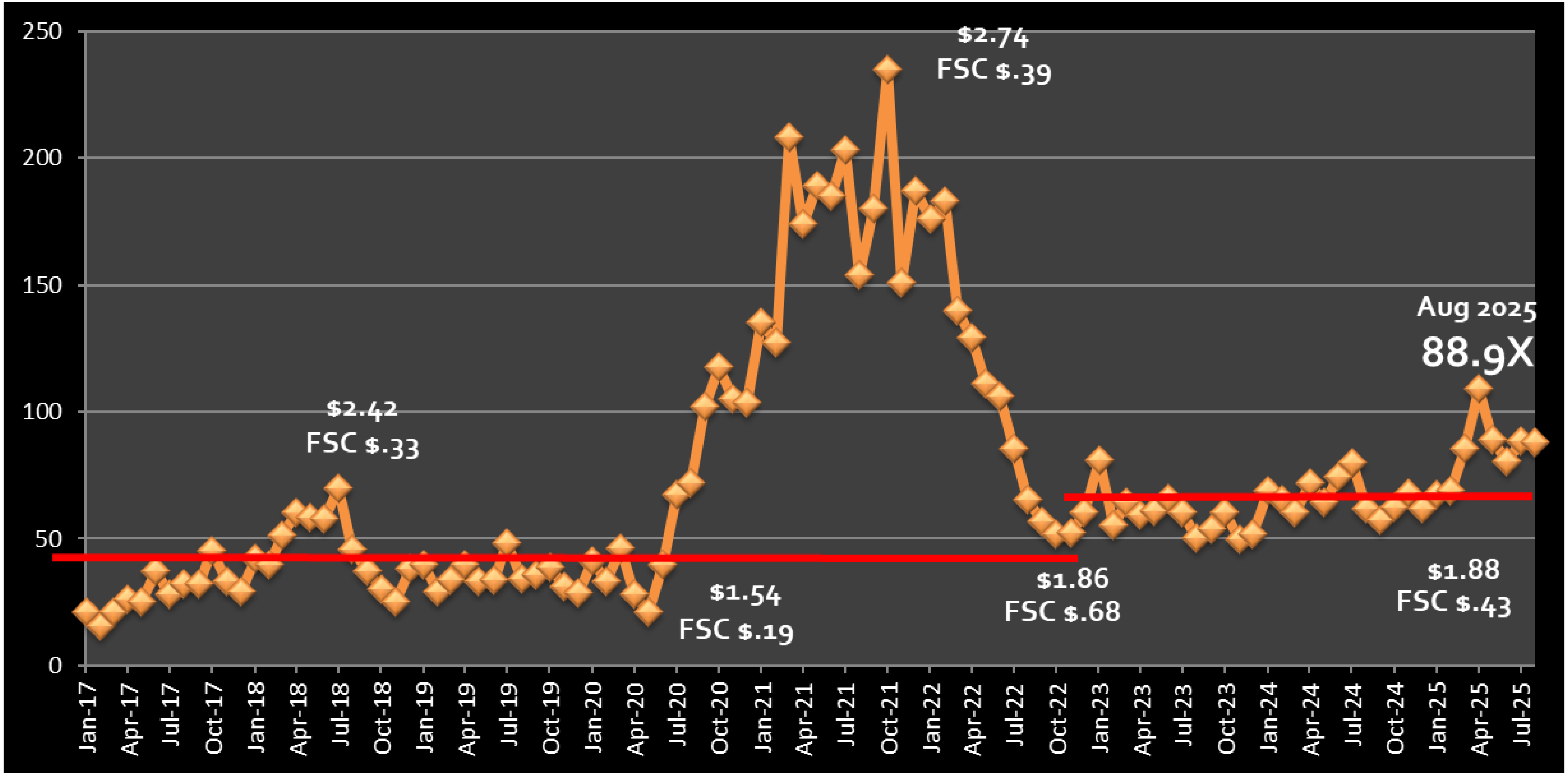
Broker Load vs Truck Index – Net Rate

Truckstop.com



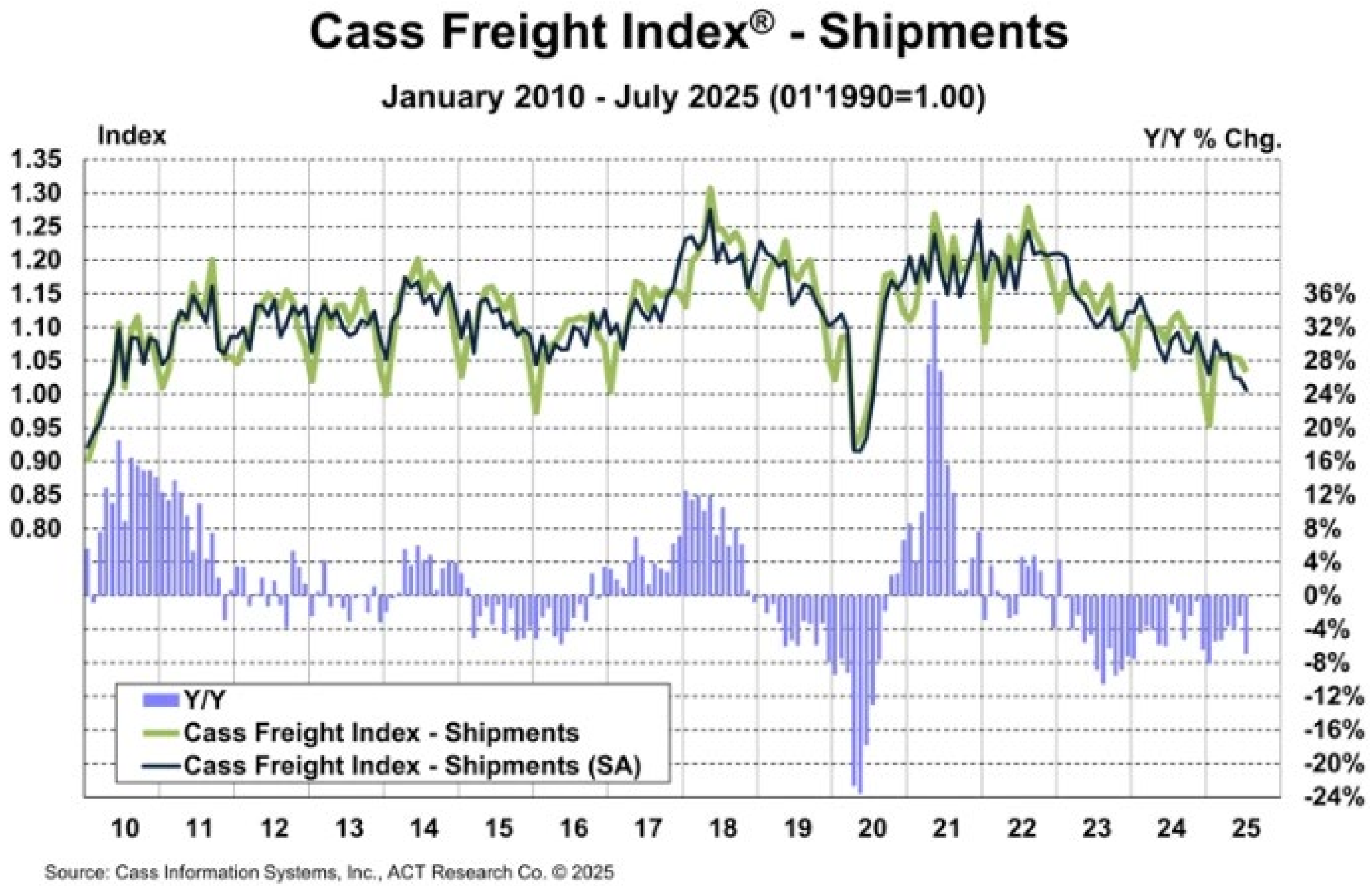
Truckstop.com

Broker Load vs Truck Index – Net Rate

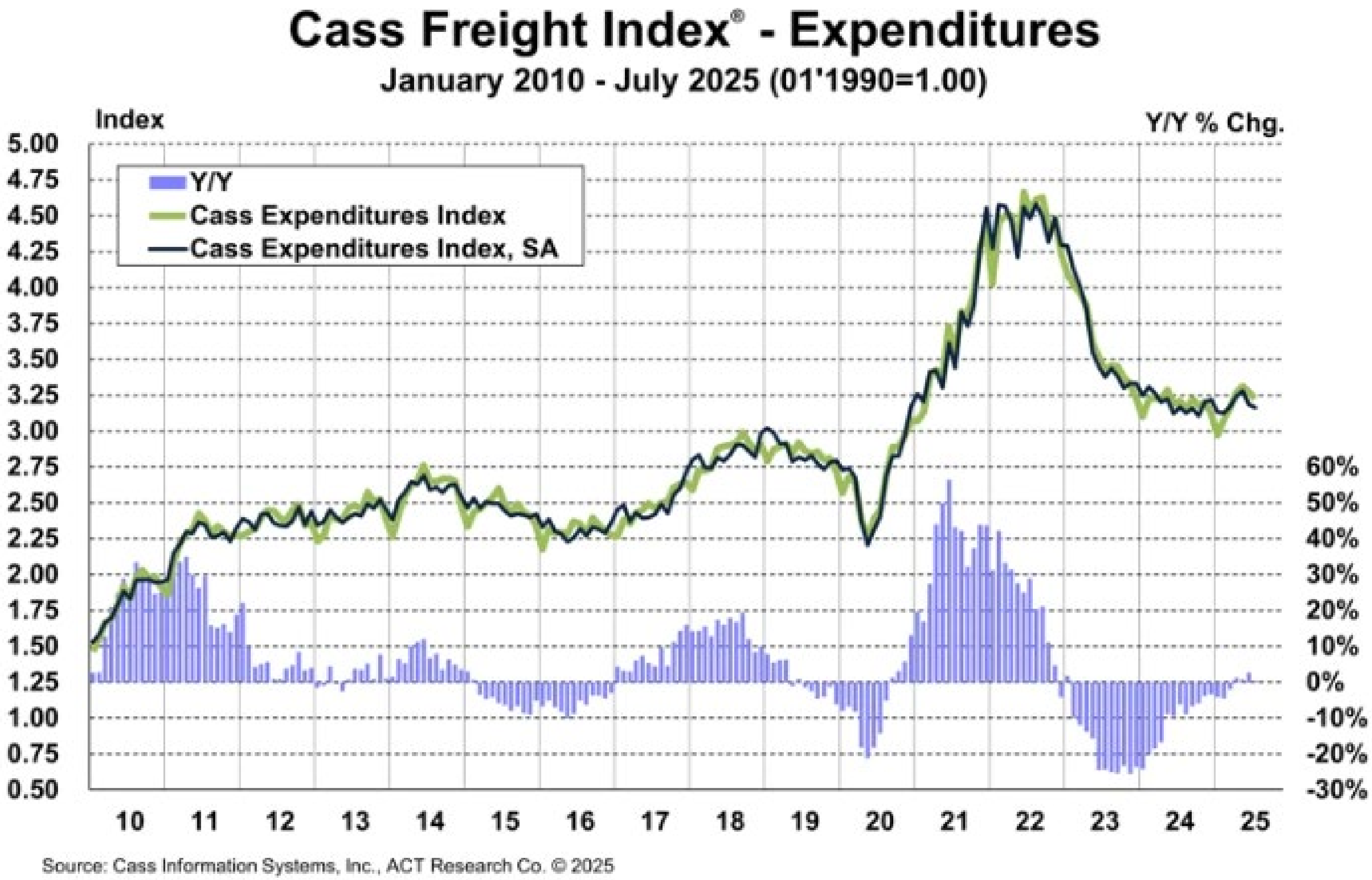


Spot Rate X Fuel Surcharge (FSC) based on $1.25 base for fuel

CASS Freight Index
Shipments

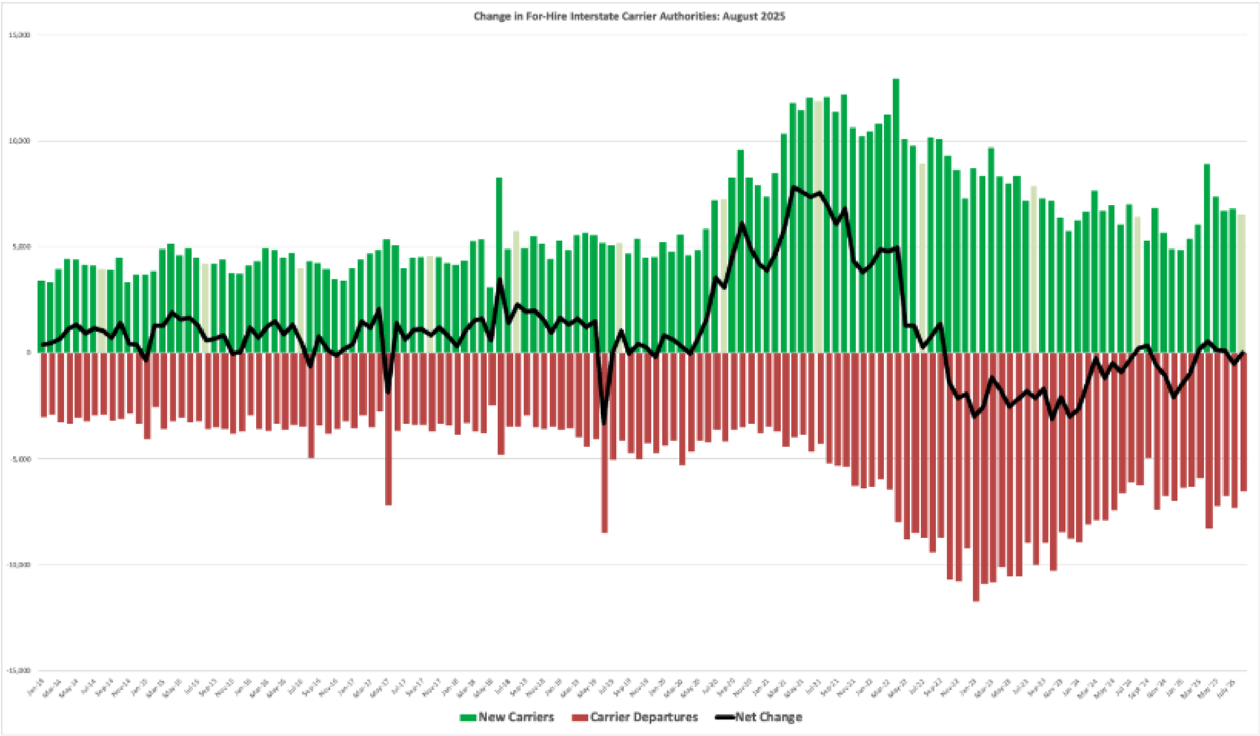


CASS Freight Index
Expenditures



DAT
Carrier Authorities

August '25 Capacity Changes



- Net interstate carrier authorities return to slightly positive following the prior month's loss (-521)
- New entrants are down 3% m/m and 17% y/y
- Carrier exits are down 11% m/m but 5% higher than last August.
- 6,529 carrier revocations and 6,536 new entrants both close to the monthly average levels over the last 12 months.

Month of Month, Beg.:	**Jul '25**	Month of Month, Beg.:	**Aug '25**
New Entrances:	4,620	New Entrances:	4,500
Re-Entrances:	2,137	Re-Entrances:	2,036
New + Re-Entrances:	6,757	New + Re-Entrances:	6,536
Departures (-):	(7,463)	Departures (-):	(6,529)
Net Change:	(706)	Net Change:	7

What we are hearing & seeing

- Small fleets are struggling, large fleets are winning freight back with 2% to 3% rate increases – due to small fleet service failures?
- But not all small fleets! How are independents surviving in such a prolonged down market?
- Foreign Driver Capacity is a huge question mark?
- Fleets that have survived are managing efficiency expecting this is the new normal

Operating Analysis

By Independent Contractor Segment

Independents, Dry, Reefer, Flatbed, & Average of All Segments

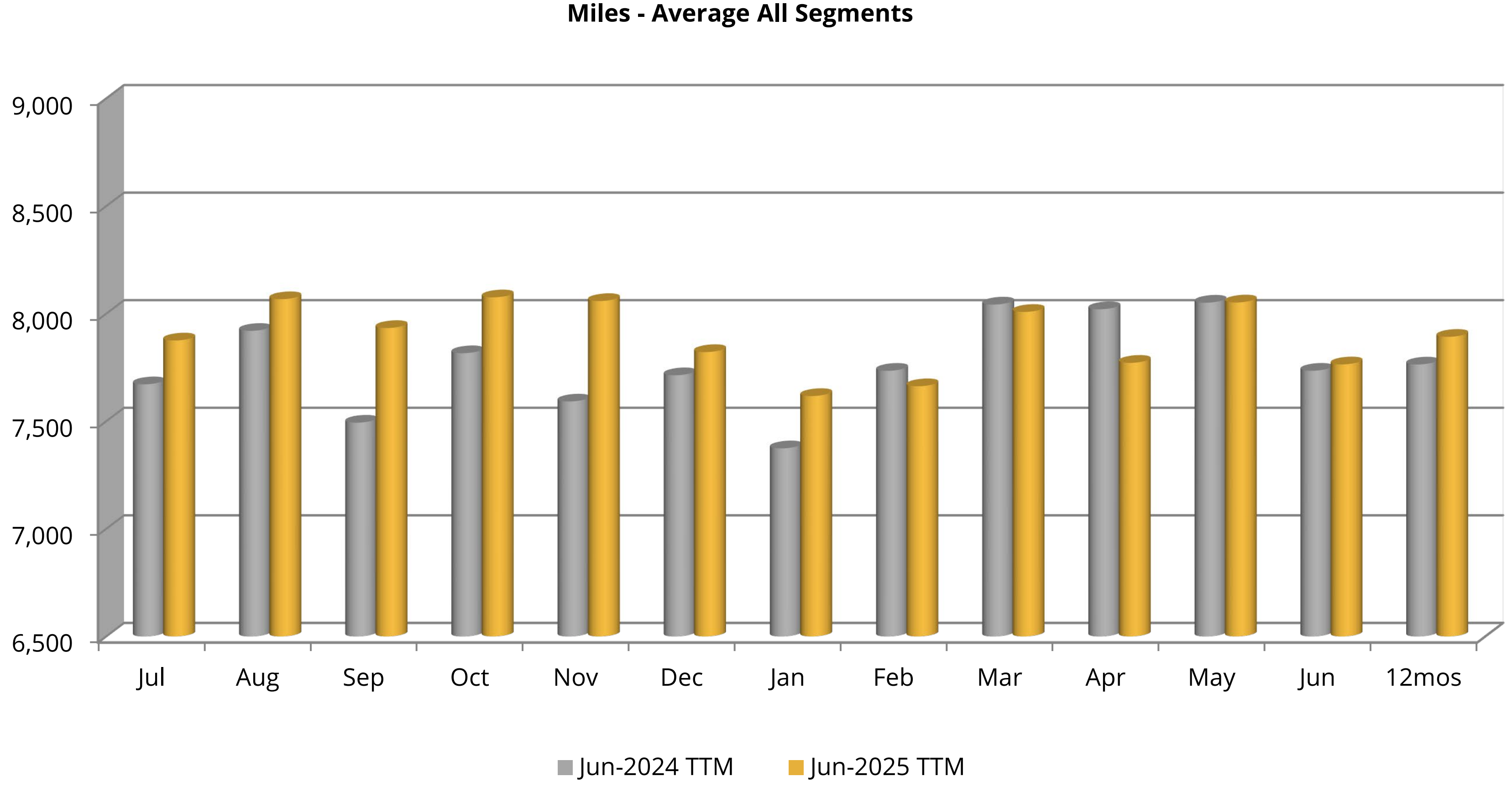
Methodology

- Sample Size = thousands of owner-operators in each market segment
- Most recent 24 months including an average of each 12-month period (Trailing Twelve Months or TTM)
- Avg All Market Segments is a weighted average of the "segments" taking into account the percent of clients in each market segment
- Data Tables are available from ATBS

Revenue Analysis

Miles, RPM, Gross Revenue

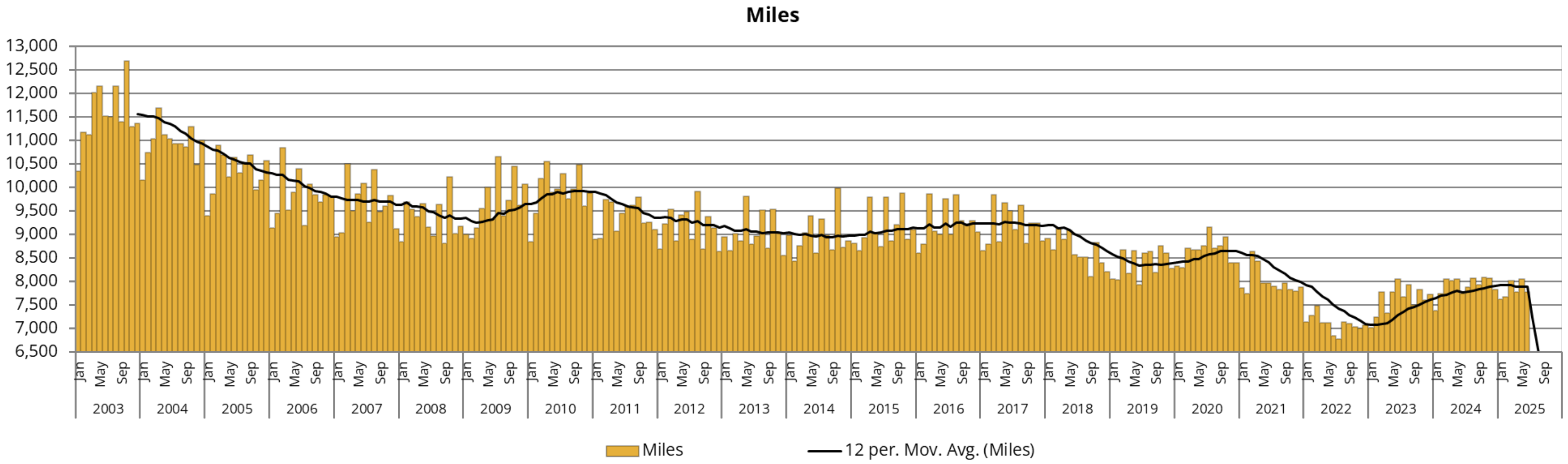
Miles
Average All Market Segments



Independent	+ 3.7%	to	83,850
Dry	+ 1.8%	to	99,997
Reefer	- 1.5%	to	100,758
Flat	+ 1.5%	to	86,459

TTM 2024 vs TTM 2025: +1.7% +1,544 to 94,717

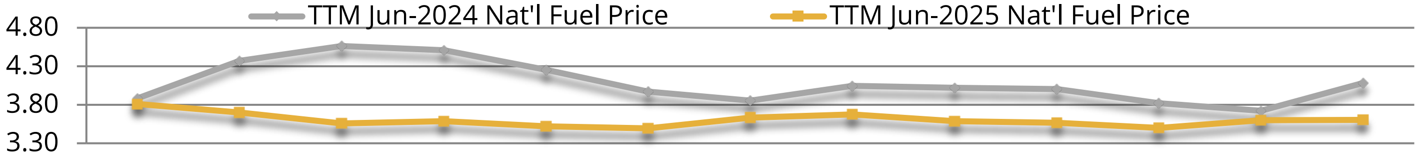
Miles, 2003 - Current
Average All Market Segments

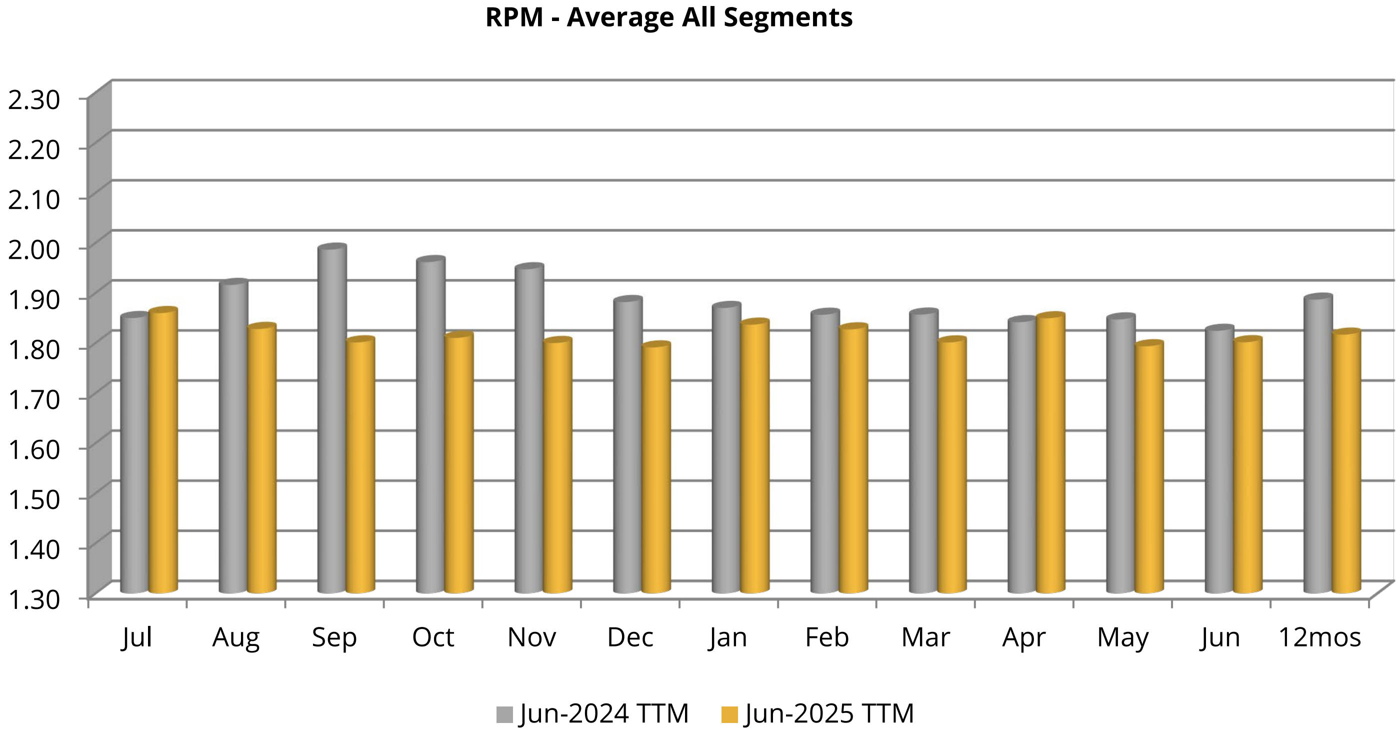


5 Year Mileage Look

Quarter	Average Miles
Q4 2020	103,000
Q2 2021	100,000
Q4 2021	95,000
Q2 2022	90,000
Q4 2022	85,000
Q2 2023	87,250
Q4 2023	91.400
Q2 2024	93,100
Q4 2024	93,100
Q2 2025	94,700

Revenue Per Mile
Average All Market Segments



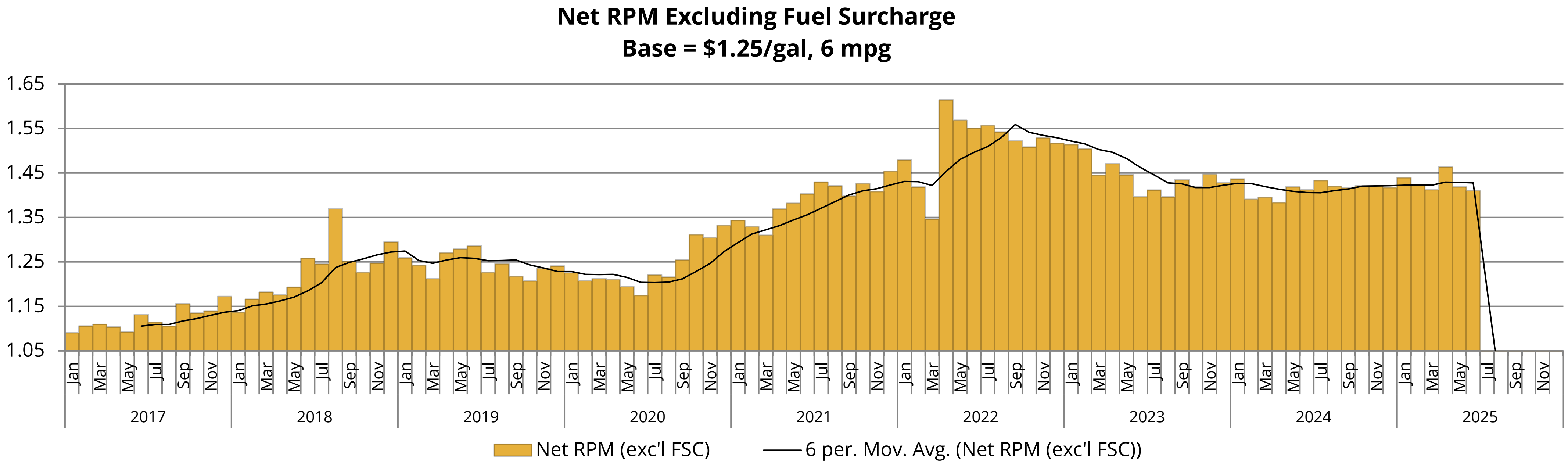


Independent	- $0.11 to $2.07
Dry	- $0.07 to $1.70
Reefer	- $0.02 to $1.75
Flat	- $0.06 to $2.02

TTM 2024 vs TTM 2025: - 3.7% - $0.07 to $1.82

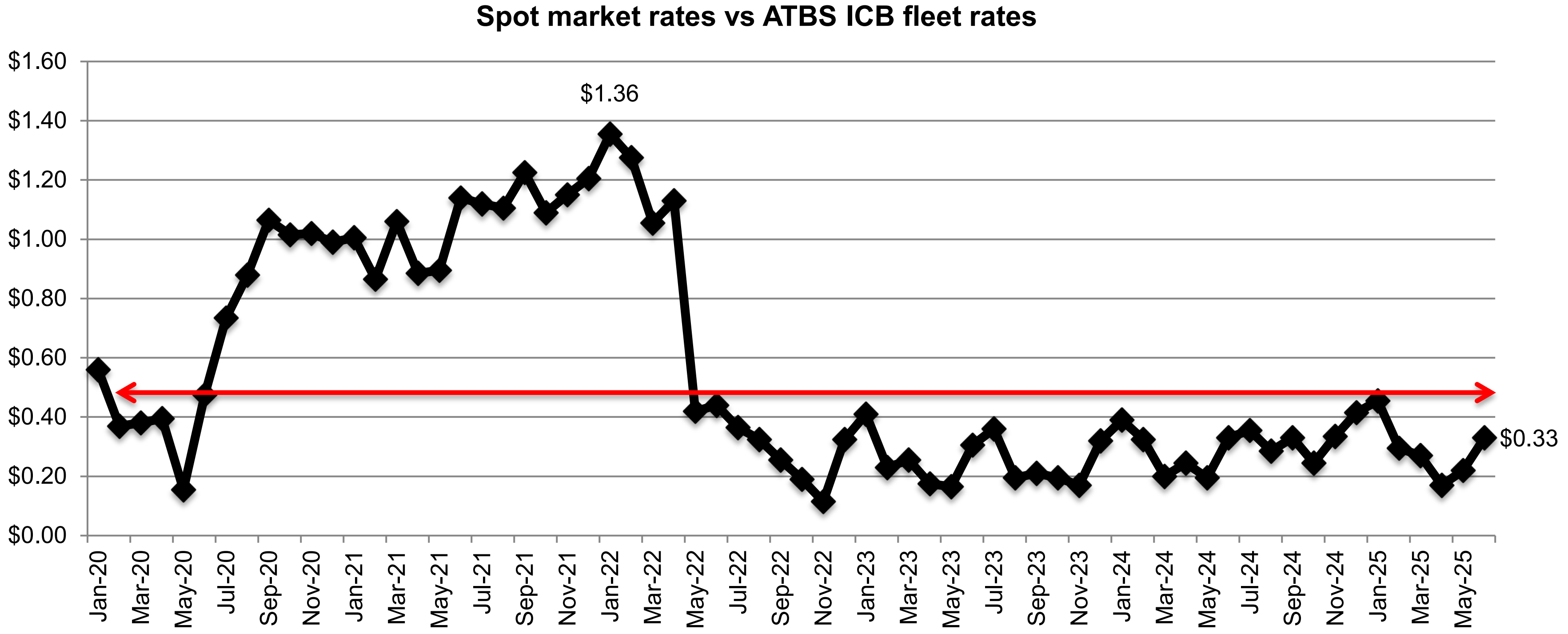
RPM Excluding Fuel Surcharge, Avg All

Calculated Base = $1.25/gal, 6 mpg



Spot Market Rates vs ATBS ICB Fleet Rates

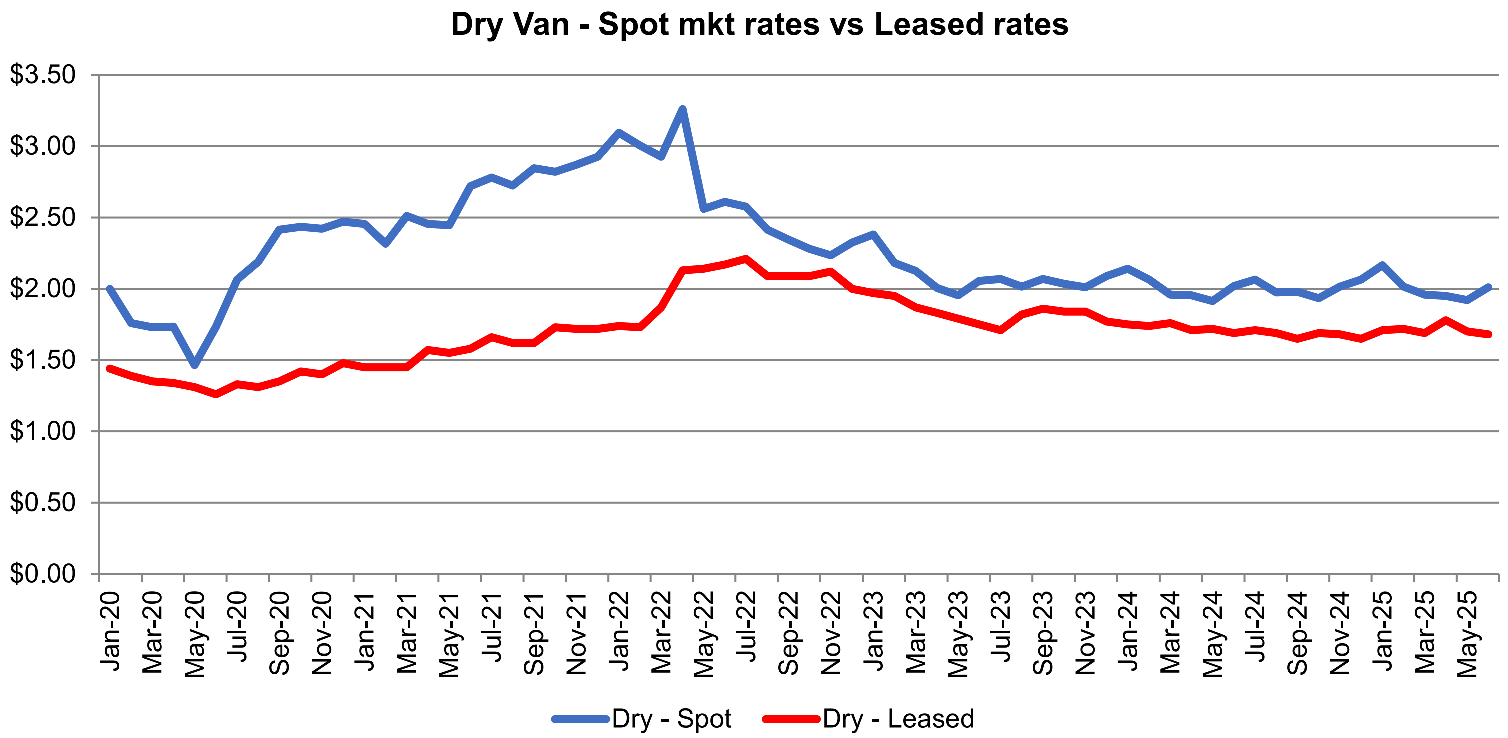
2020 to current



Indep Cost Increase	$ Amount	Per Mile
License, Permit, IFTA, etc	$3,000	0.03
Additional Insurance	$12,500	0.11
Trailer	$7,000	0.06
Book, Bill & Collect Loads	$5,000	0.05
Operational Losses, ELD's (drop & Hook)	$25,000	0.23
TOTAL	$52,500	0.48

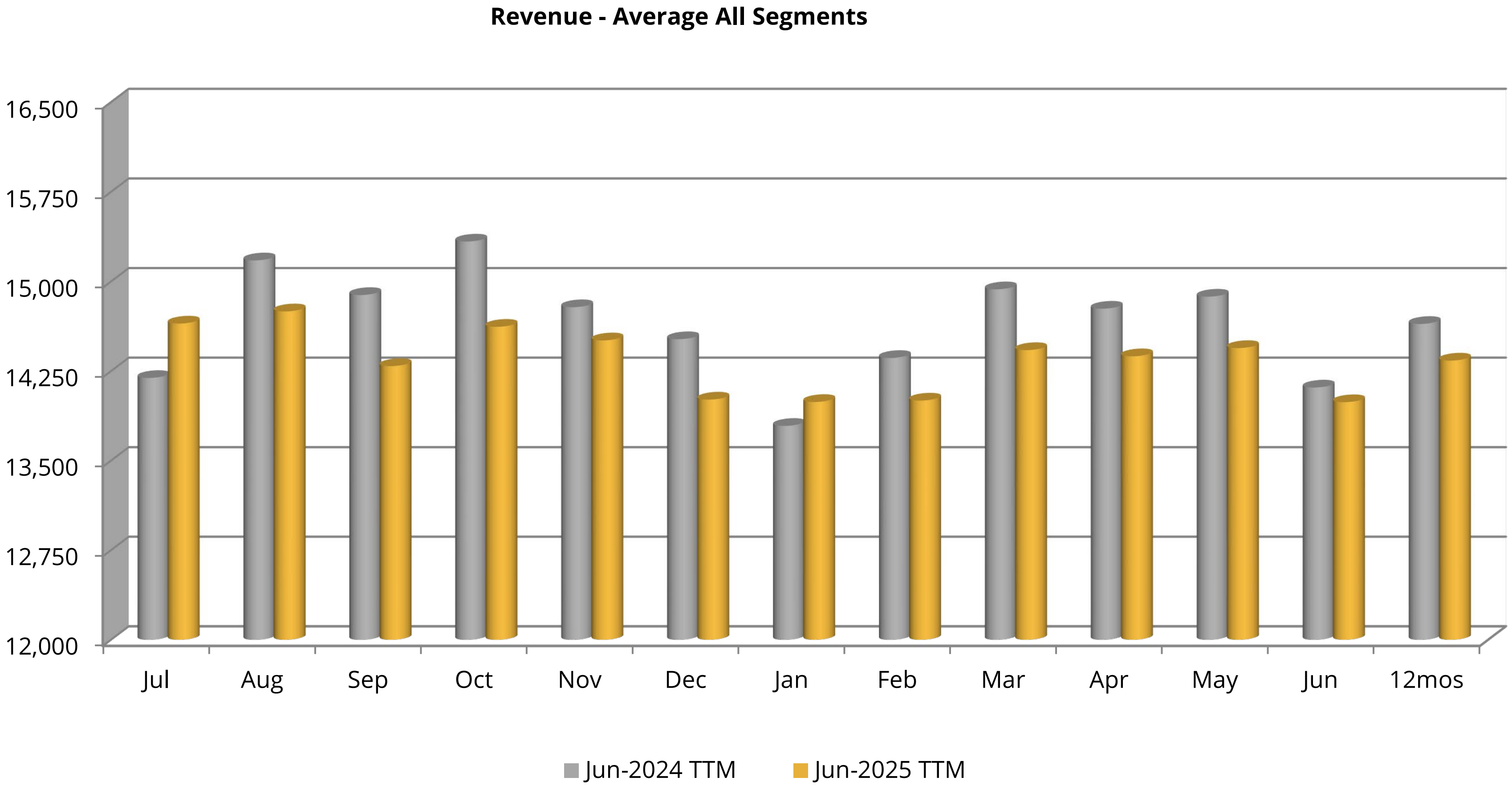
Dry Spot Rates vs ATBS ICB Fleet Rates

2020 to current



O/O running 95k mi at $2.01/mi in spot market = $191k revenue
O/O running 95k mi at $1.65/mi leased to carrier = $160k revenue
$31k add’l rev - $50k add’l cost = Losing $19k to run spot market
Hence value proposition is still better at fleet

Gross Revenue
Average All Market Segments



Independent	- 1.6% to $173,237
Dry	- 2.3% to $169,708
Reefer	- 2.9% to $176,673
Flat	- 1.4% to $174,665

TTM 2024 vs TTM 2025: - 2.1% - $3,680 to $172,077

Cost Analysis

Fixed, Variable, Total

Cost Analysis

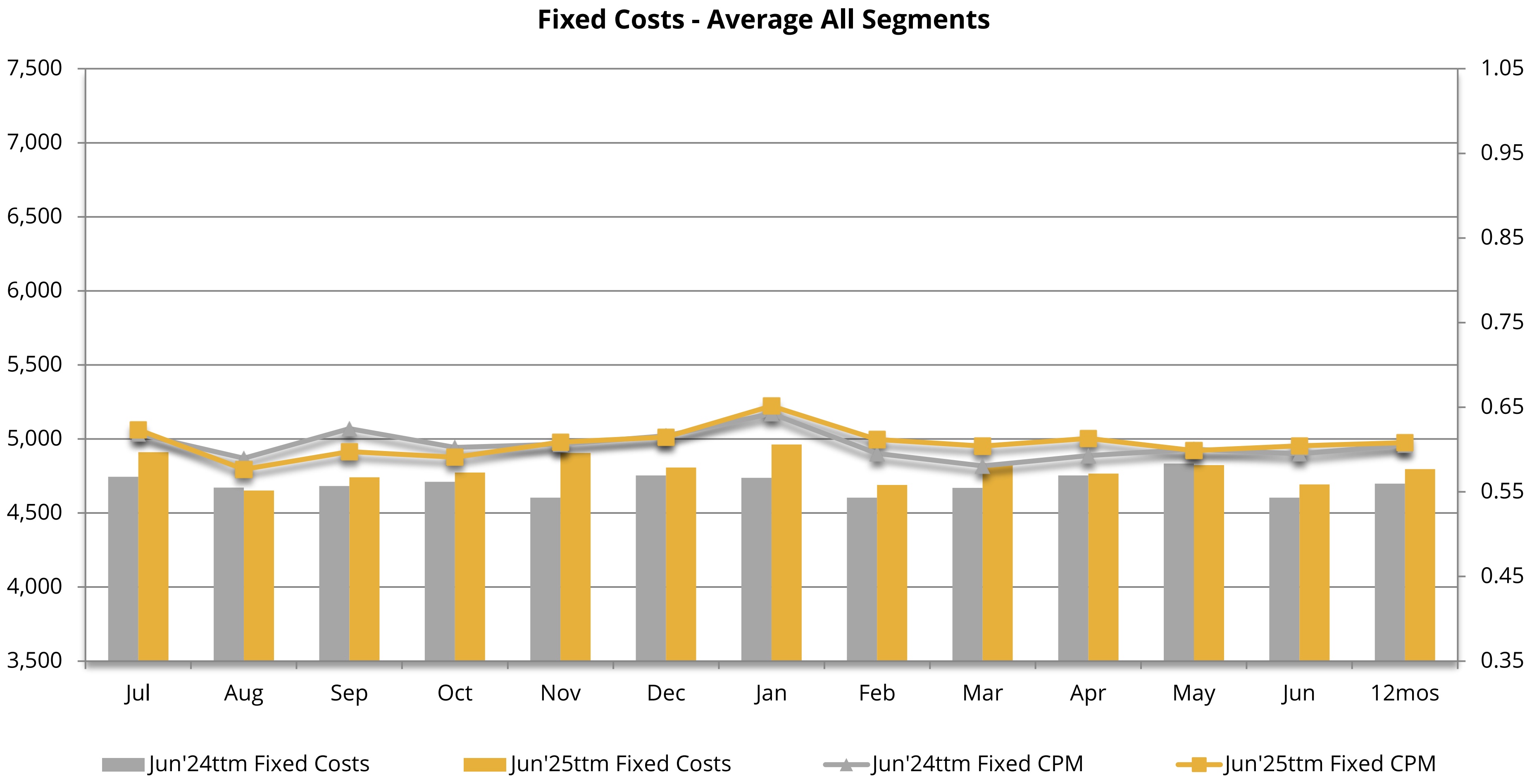
Fixed Costs

- Truck Payment
- Trailer Payment
- License, Permits, FHUT, Tolls, Scales
- Phys Dam Insurance
- Bobtail Insurance
- OccAcc Insurance
- Health Insurance

Variable Costs

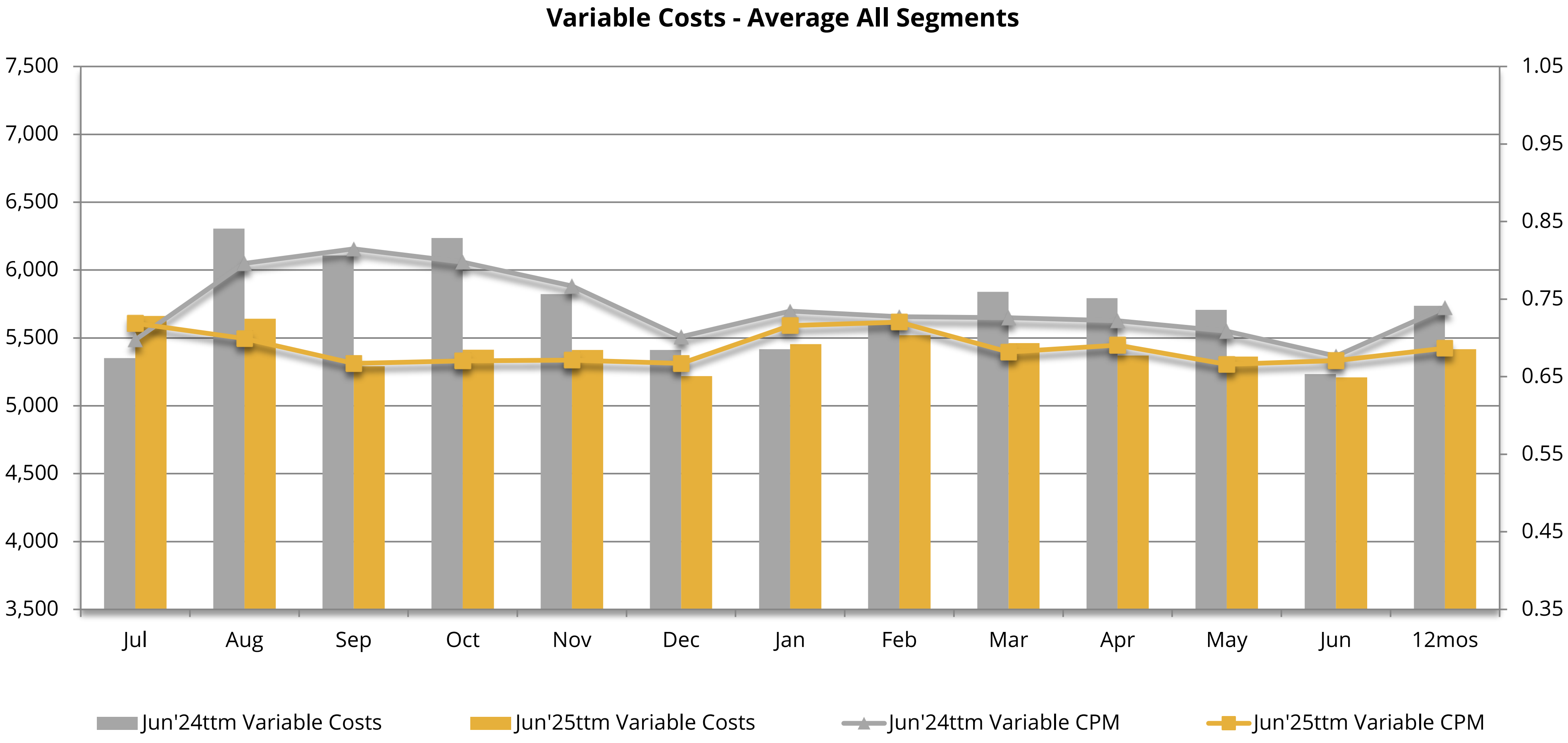
- Fuel
- Maintenance
- Communication
- Hotels

Fixed Costs
Average All Market Segments



TTM 2024 vs TTM 2025: +2.1% up $1,189 to $57,564

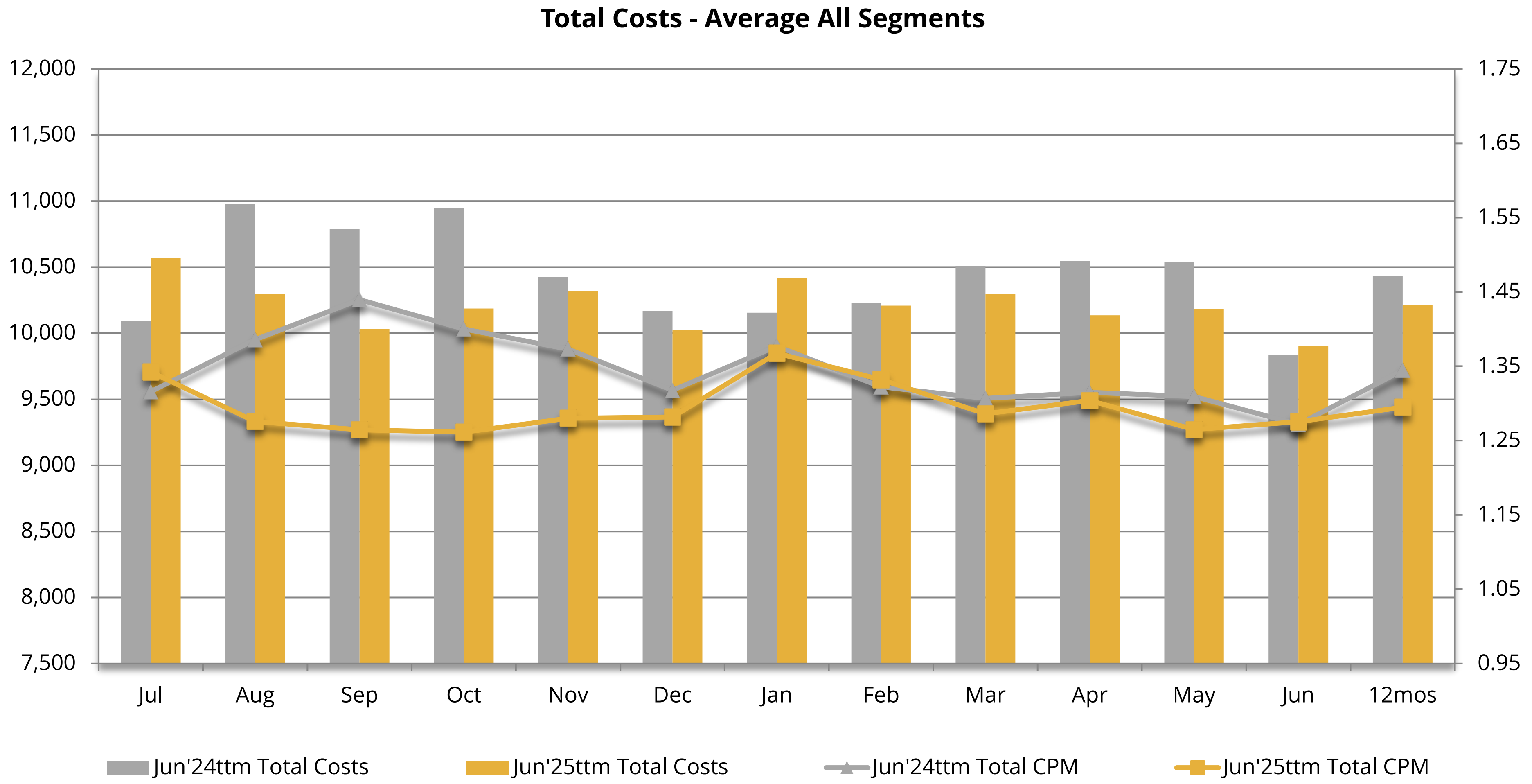
Variable Costs
Average All Market Segments



TTM 2024 vs TTM 2025: -5.6% down $3,836 to $65,016

Total Costs

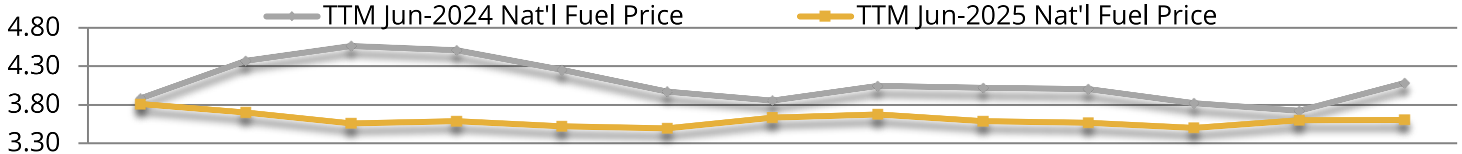
Average All Market Segments

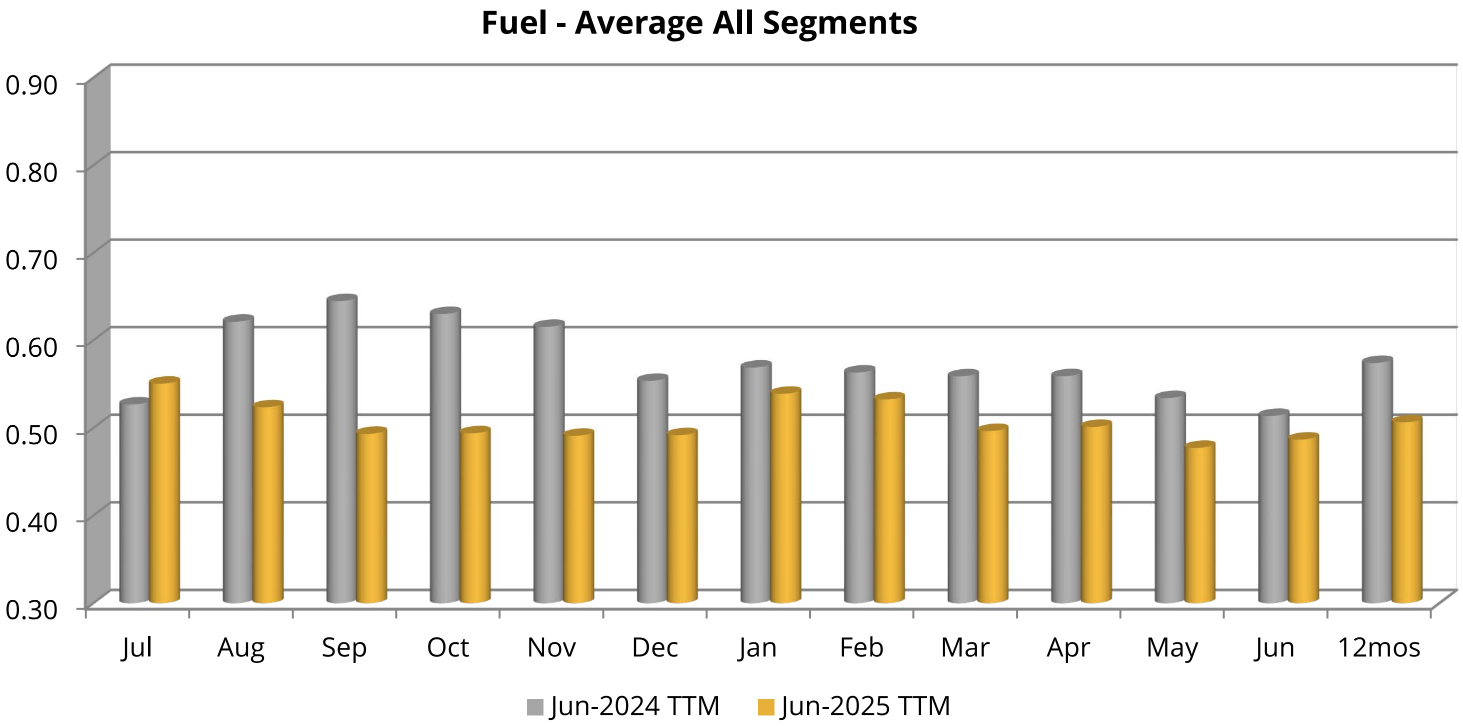


TTM 2024 vs TTM 2025: -2.1% down $2,647 to $122,579

Fuel CPM

Average All Market Segments

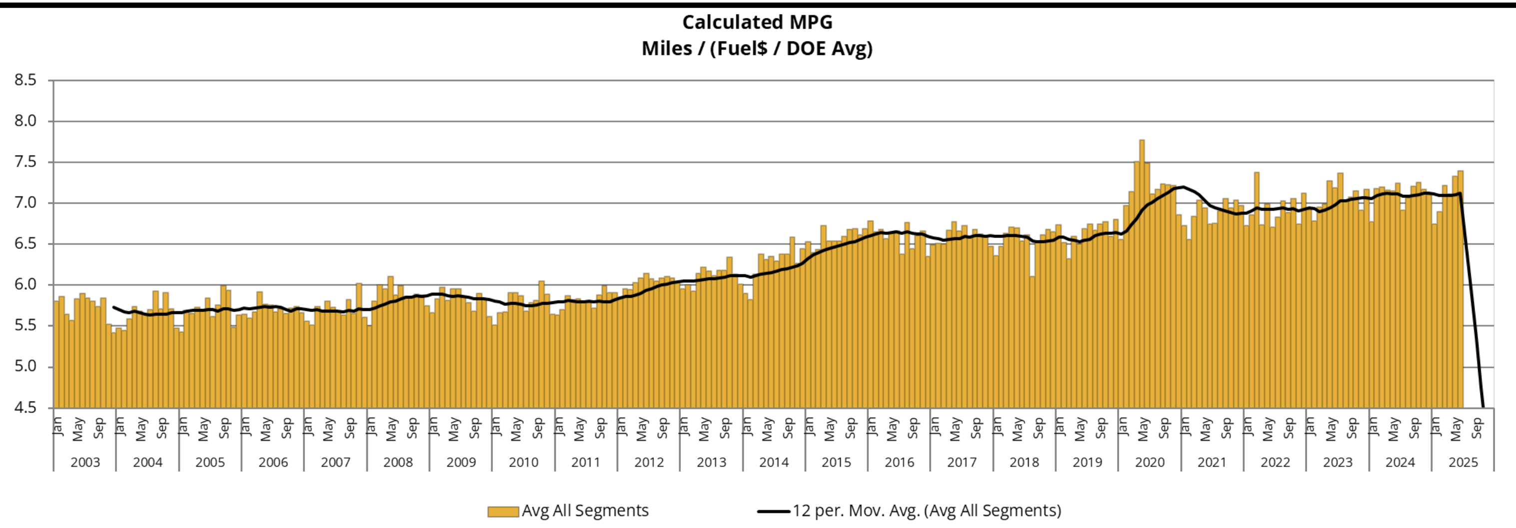


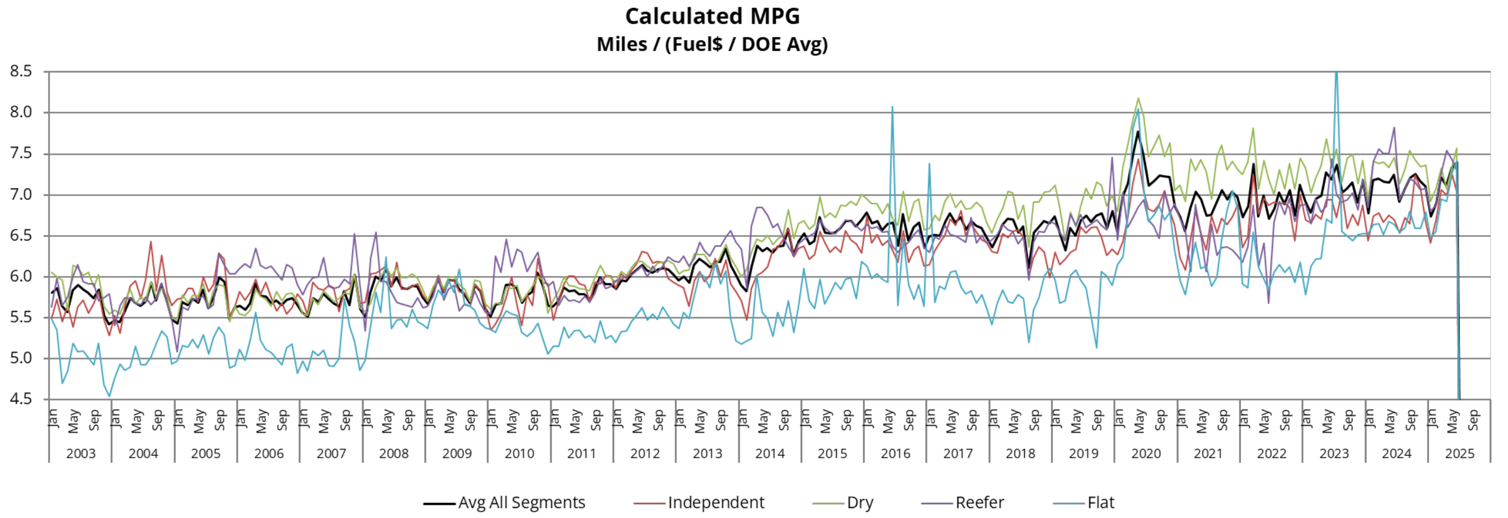


Independent	- 10.3%	to	$0.53
Dry	- 9.4%	to	$0.49
Reefer	- 12.6%	to	$0.50
Flat	- 11.6%	to	$0.53

TTM 2024 vs TTM 2025: -10.3% -$0.07 to $0.51 CPM

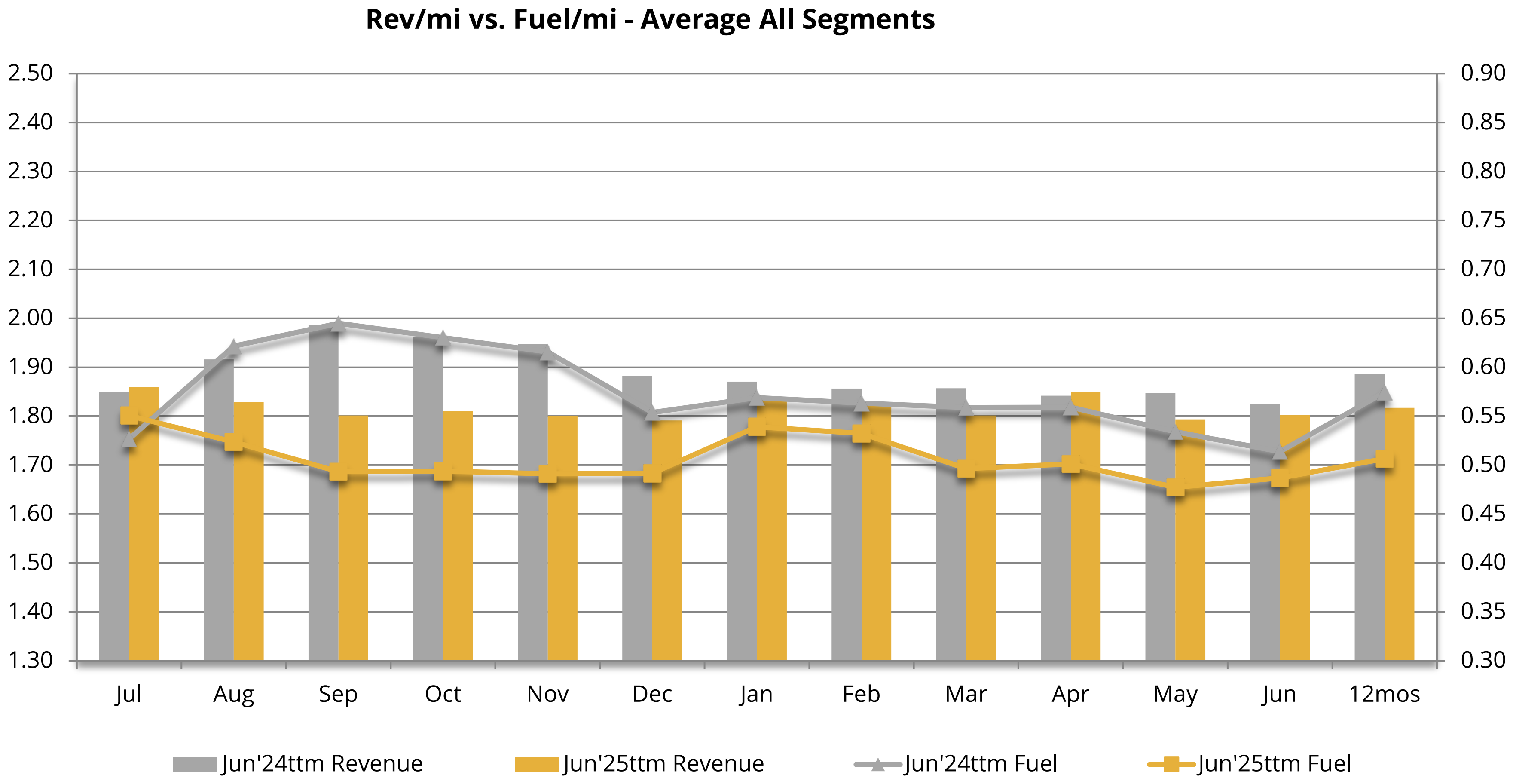
Estimated MPG





Revenue CPM vs. Fuel CPM

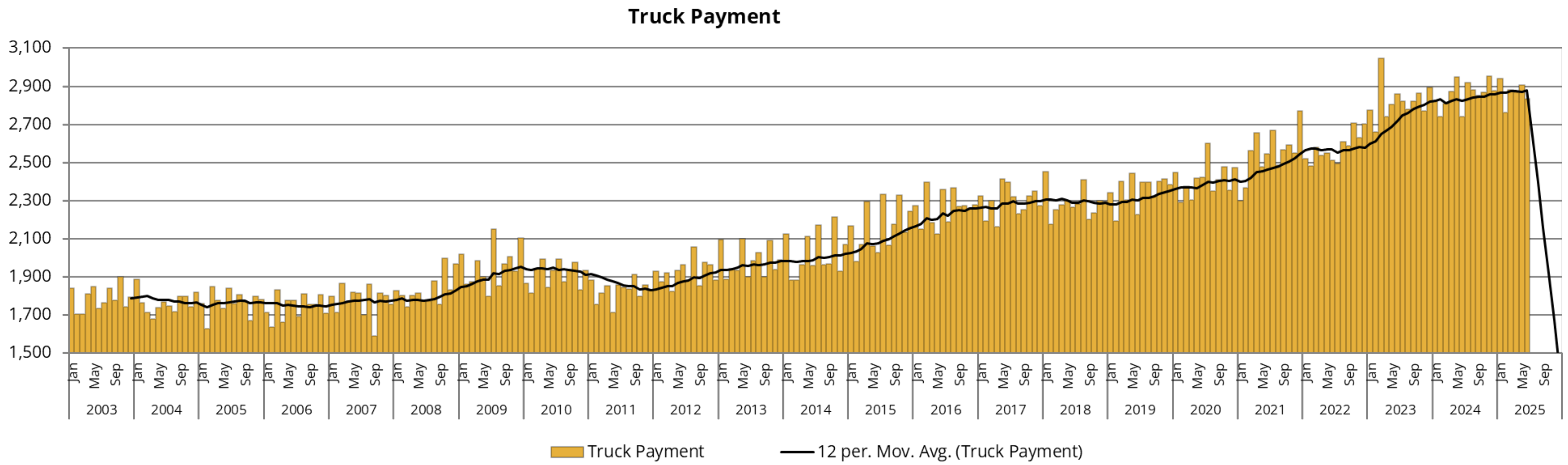
Average All Market Segments



TTM 2024 vs TTM 2025 Revenue CPM:	- 3.7%	down $0.07	to $1.82	Decrease of $3,680
TTM 2024 vs TTM 2025 Fuel CPM:	- 11.8%	down $0.07	to $0.51	Decrease of $5,524

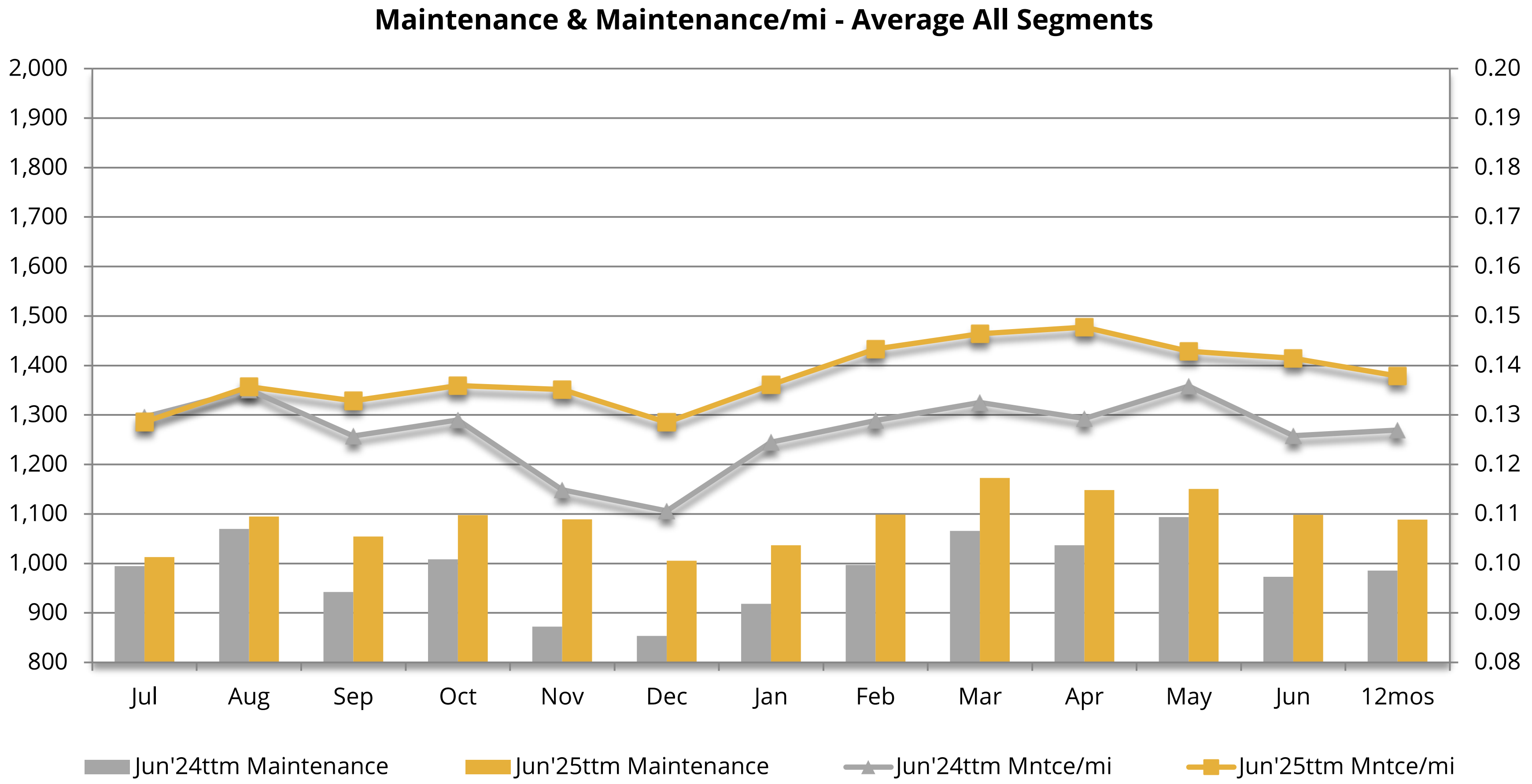
Truck Payments, 2003 - Current

Average All Market Segments



Maintenance

Average All Market Segments



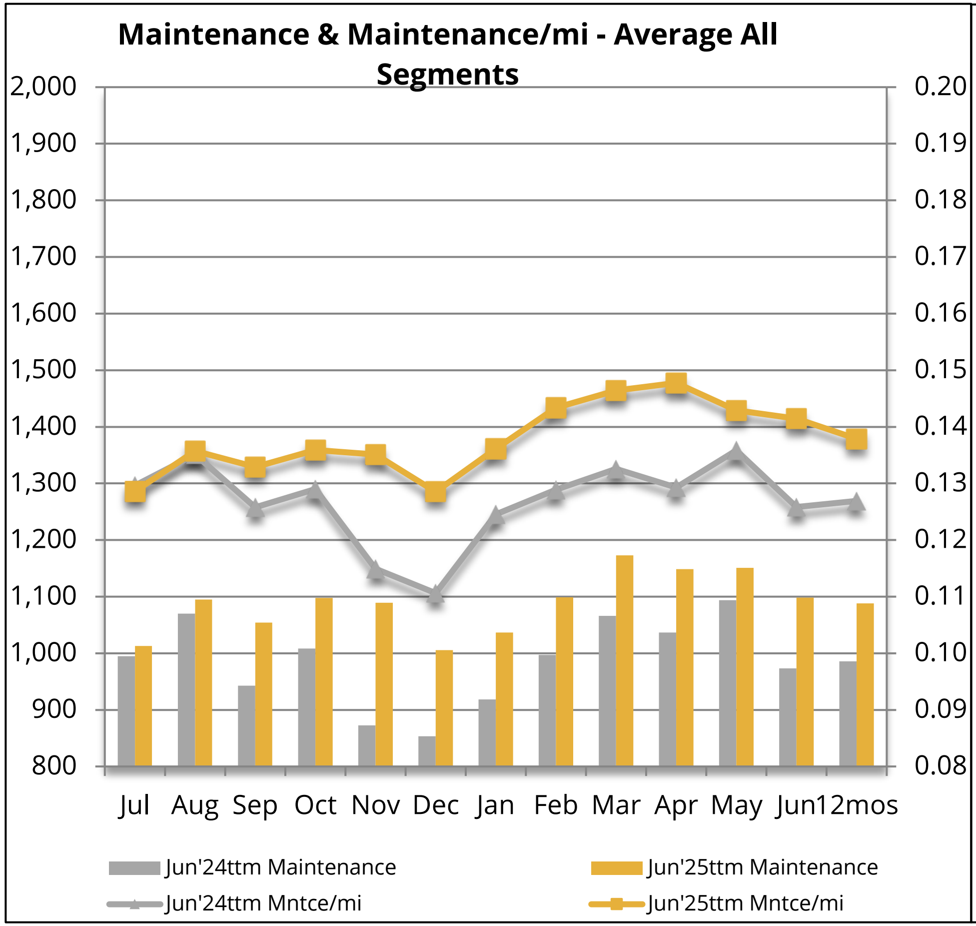
Independent	+ $101	to	$14,165
Dry	+ $1,711	to	$12,483
Reefer	+ $2,745	to	$12,453
Flat	+ $486	to	$14,087

TTM 2024 vs TTM 2025: + 10.4% + $1,234 to $13,060

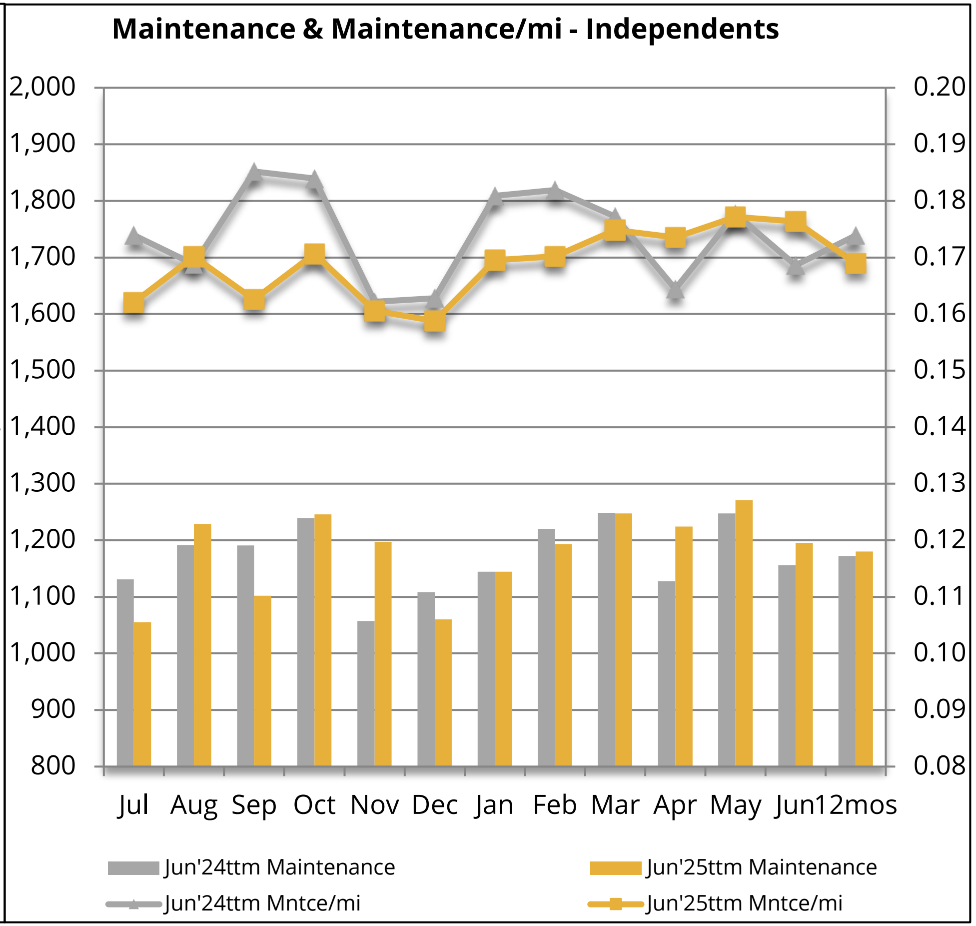
Maintenance

Average All vs Independents

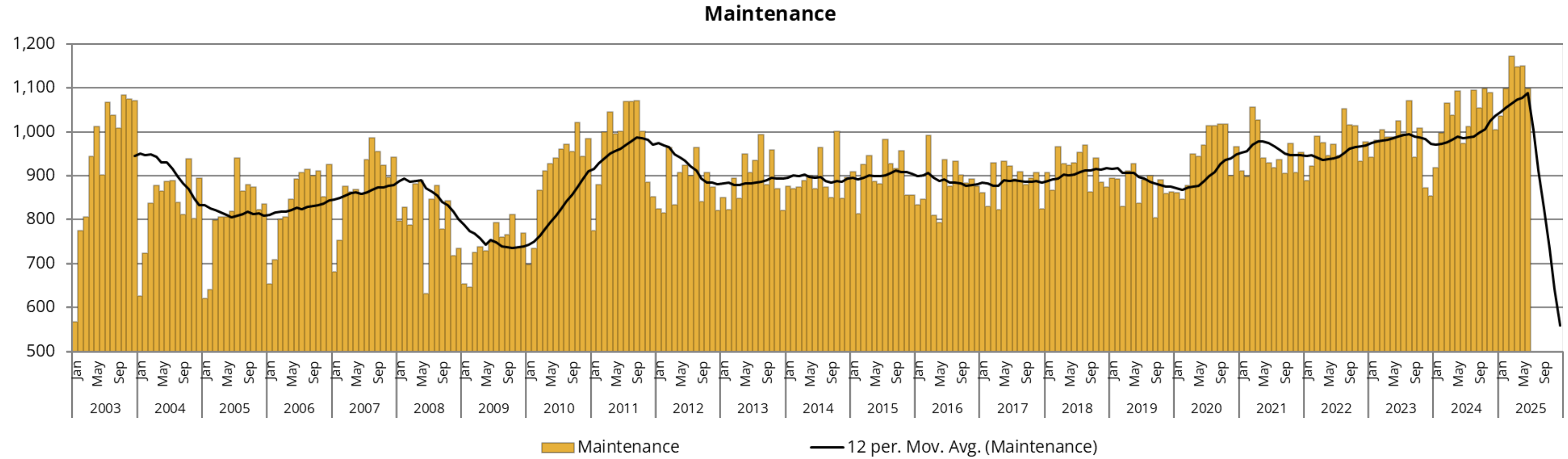
Average All

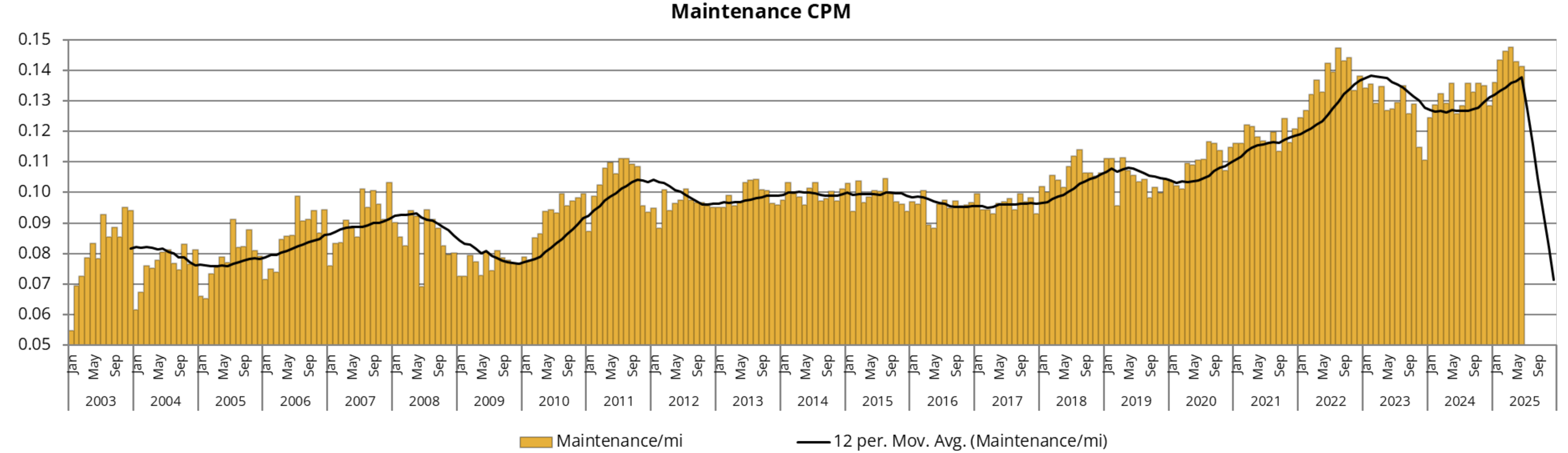


Independents



Maintenance, 2003 - Current
Average All Market Segments



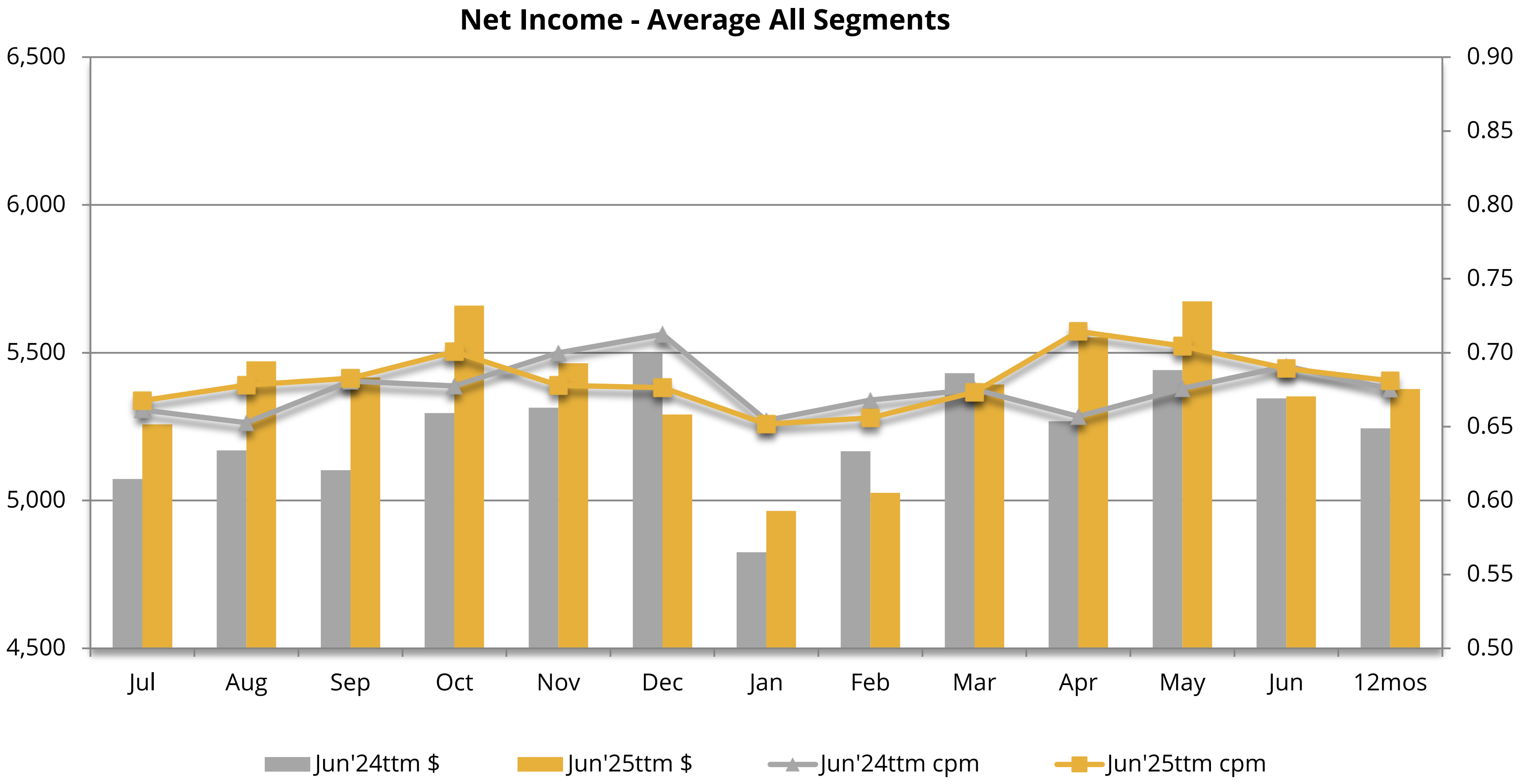


Net Income

Dollars vs Cents Per Mile (CPM)

Net Income

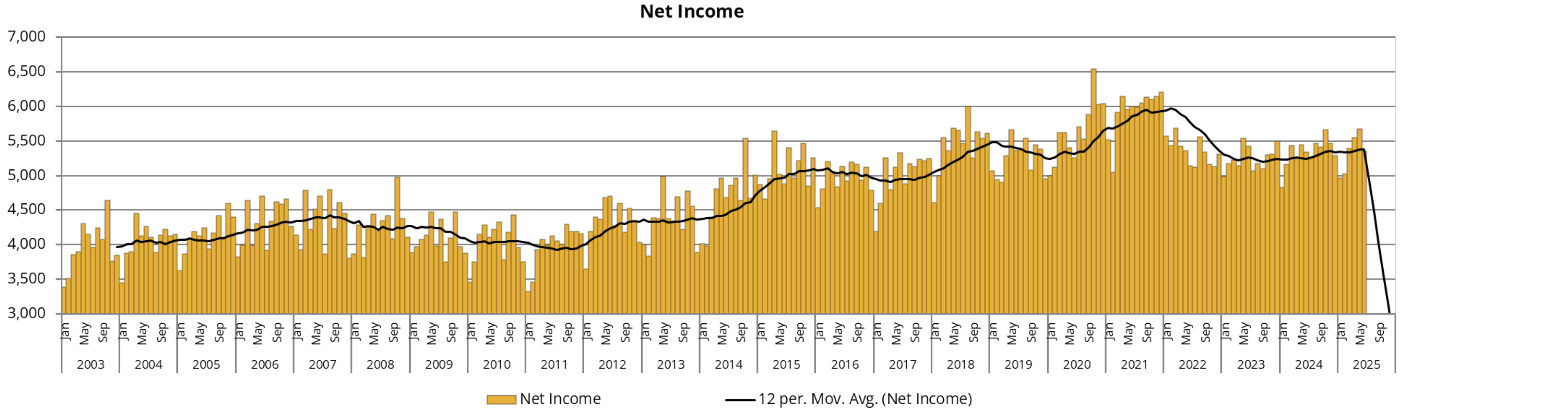
Average All Market Segments

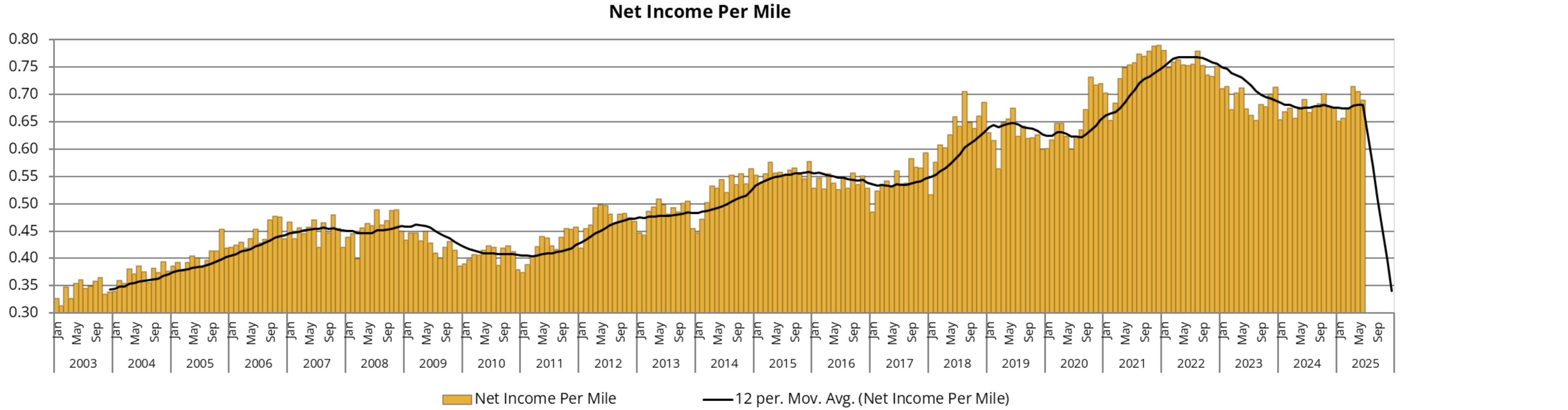


Independent	+ $1,993	to	$67,754
Dry	+ $1,569	to	$62,778
Reefer	- $2,019	to	$59,869
Flat	+ $5,745	to	$71,813

TTM 2024 vs TTM 2025: + 2.5% + $1,593 to $64,524

Net Income, 2003 - Current
Average All Market Segments



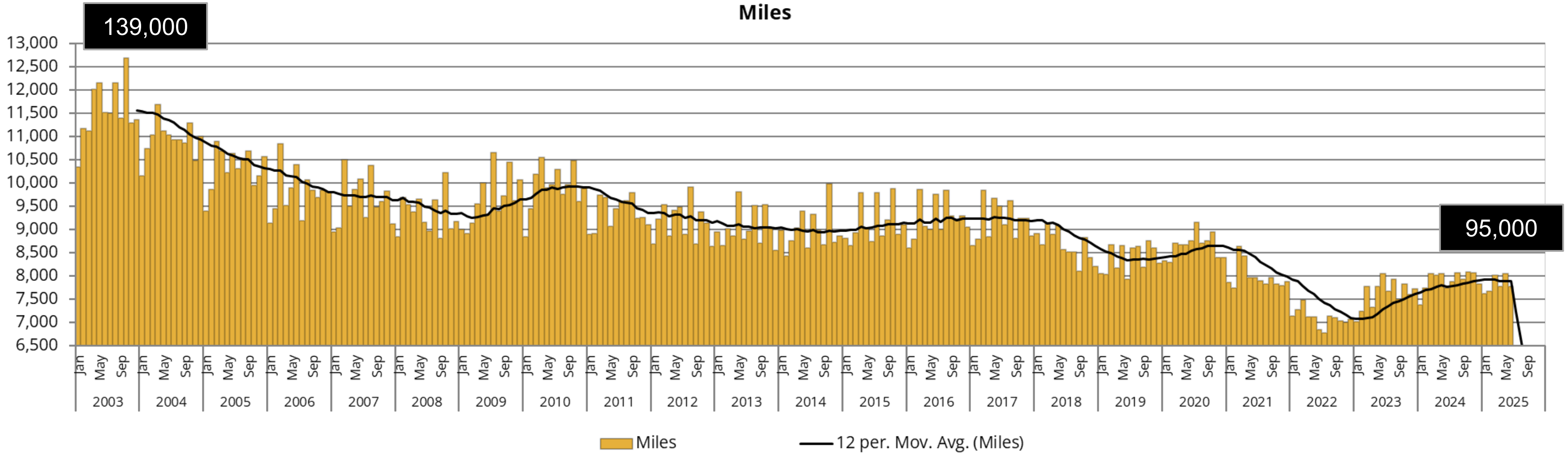


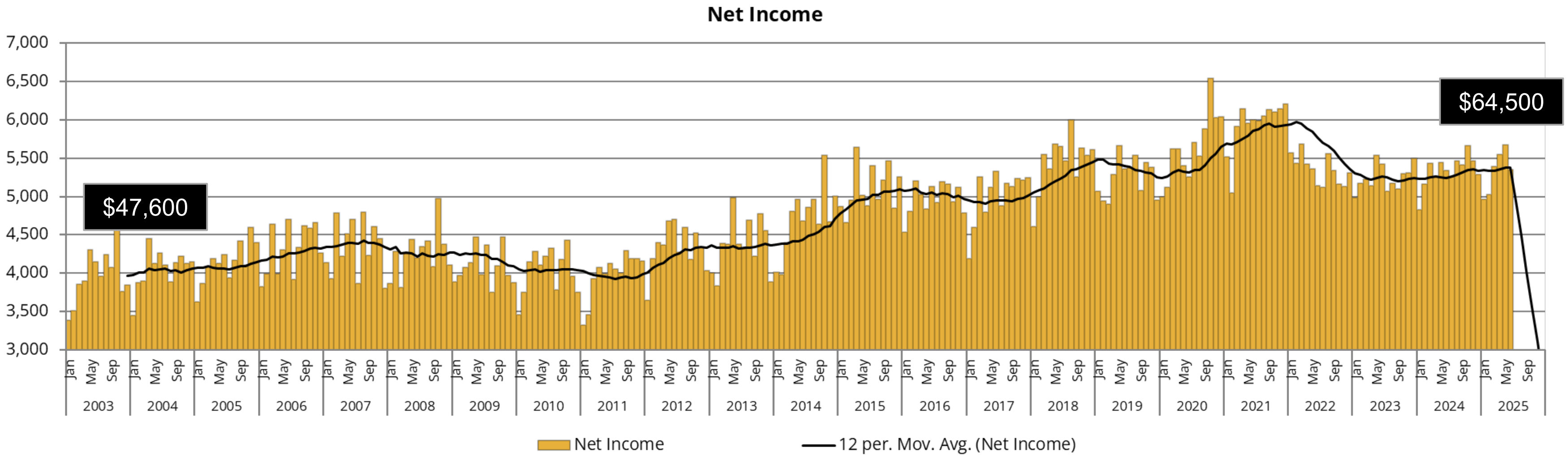
ATBS Clients >1 Year

Annualized Net Income

	2021Q4	2022Q2	2022Q4	2023Q2	2023Q4	2024Q2	2024Q4	2025Q2
Bottom 1/3rd of ATBS Clients	$56,341	$61,029	$57,066	$56,839	$56,816	$56,398	$56,486	$57,192
Middle 1/3rd of ATBS Clients	$96,965	$95,619	$87,194	$86,300	$85,514	$86,215	$86,732	$87,614
Top 1/3rd of ATBS Clients	$168,664	$164,929	$152,046	$150,006	$151,330	$153,047	$156,093	$161,082
Top 10% of ATBS Clients				$206,058	$212,735	$211,365	$215,594	$224,715

Miles vs Net Income, 2003 - Current
Average All Market Segments





How the One Big Beautiful Bill Impacts Owner-Operators

The Big Picture

- Passed in July 2025, the One Big Beautiful Bill Act makes many 2017 Tax Cuts permanent
- Adds new deductions and credits for small businesses
- Creates both certainty and complexity in the tax code

Qualified Business Income Deduction: 20% Deduction is Permanent

- The Qualified Business Income Deduction (QBID) is now permanent
- 20% of net business profit is deductible for Sole Proprietors and S-Corps
- New minimum QBID of $400 (for $1,000+ business income)

Example: $100,000 net profit = $20,000 deduction before taxes

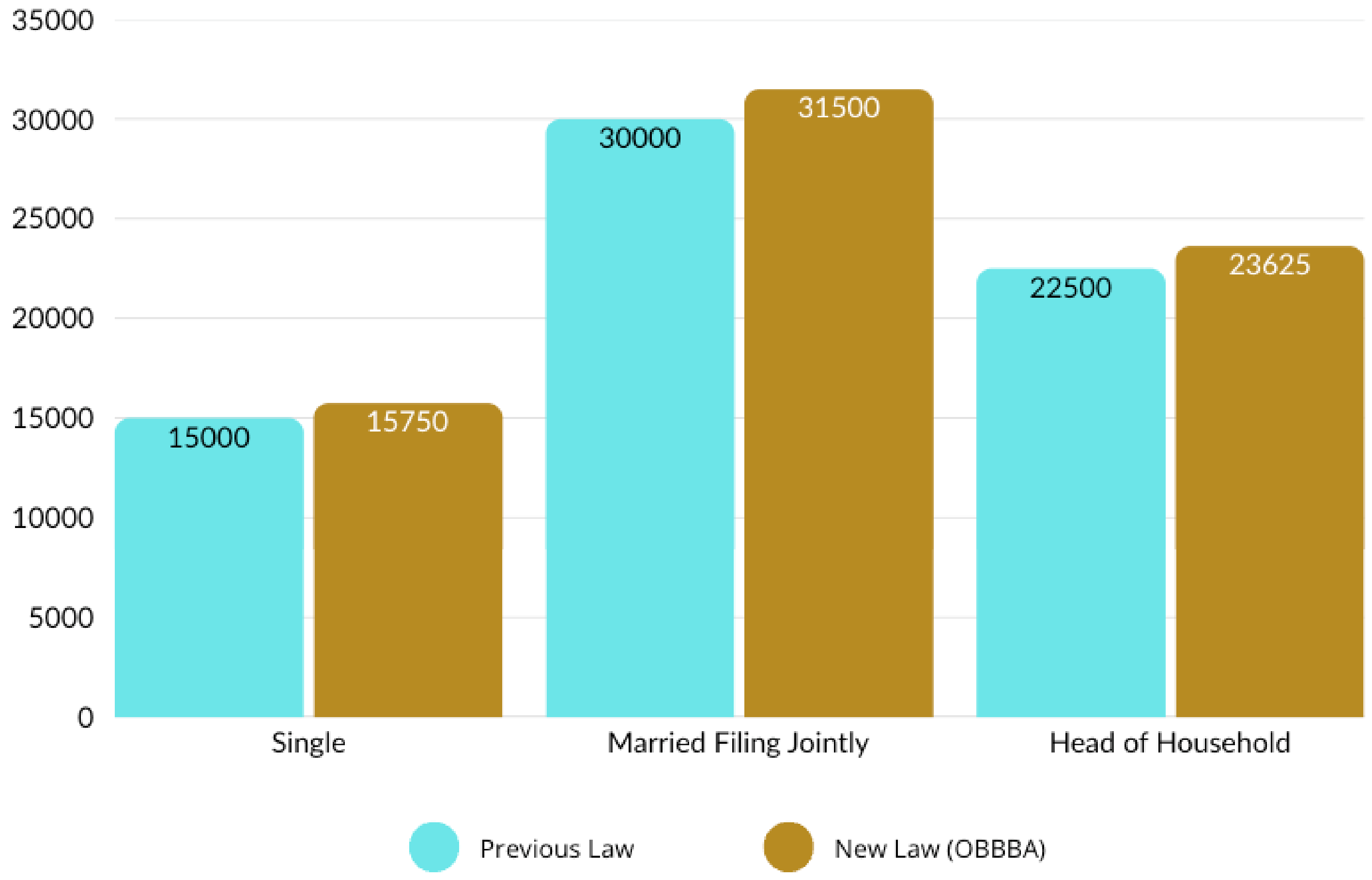
Tax Brackets & Standard Deduction

- 7 tax brackets are permanent, with annual inflation adjustments
- The standard deduction is permanently higher
- Personal exemptions are permanently eliminated

2025 Tax Brackets

Tax Rate	Single Filers Taxable Income	Married Filing Jointly Taxable Income	Head of Household Taxable Income
10%	$0 – $11,925	$0 – $23,850	$0 - $17,000
12%	$11,926 – $48,475	$23,851 – $96,950	$17,001 - $64,850
22%	$48,476 – $103,350	$96,951 – $206,700	$64,851 - $103,350
24%	$103,351 – $197,300	$206,701 – $394,600	$103,351 - $197,300
32%	$197,301 – $250,525	$394,601 – $501,050	$197,301 - $250,500
35%	$250,526 – $375,800	$501,051 – $751,600	$250,501 - $626,350
37%	$375,801 or more	$751,601 or more	$626,351 or more

2025 Standard Deduction Comparison



Equipment Deductions

- 100% bonus depreciation reinstated through 2030
- Section 179 expensing limit raised to $2.5M
- Section 179 offers flexibility; Bonus Depreciation allows larger write-offs (even creating business losses to carry forward)

Impact: Buying new or used trucks, trailers, or equipment is now more tax-friendly than before

Everyday Deductions

- Per Diem deduction rate is permanent: ($64 per full day, $48 per partial day (80% of $80/$60)
- Senior Deduction: Extra $6,000 (2025–2028), phased out at higher incomes
- Personal Auto Loan Interest Deduction: Up to $10,000 interest (2025–2028, for cars/pickups only)
- Tip Income Deduction: Up to $25,000 in reported tips (2025–2028) applies if your spouse in service industries (not trucking income), and you file jointly

Note: Semi-truck loan interest is already fully deductible as a business expense

What This Means for Drivers

Most drivers will benefit from:

- Lower taxable income
- Bigger business write-offs
- More flexibility in tax planning

Download the Full Guide

The law is more complex than ever. ATBS is here to help you navigate the changes, maximize tax savings, and keep your business between the lines. Download the full eBook:

https://www.atbs.com/resources-page/obbba

Contribution Margin

- You take all the Revenue(R) you generated
- Subtract all the Variable Costs (VC) that you incurred to generate that revenue
- The money you have left is Contribution Margin (CM)
- R-VC=CM
  - Revenue – Variable Costs = Contribution Margin

Take an Extra Load

	1 more load	12 months		2 more loads	12 months
Miles	500	6000		1000	12000
RPM	$1.83	$1.83		$1.83	$1.83
Gross	$915	$10,980		$1,830	$21,960
Fixed Costs	$0	$0		$0	$0
Variable CPM	$0.70	$0.70		$0.70	$0.70
Contribution Margin	$1.13	$1.13		$1.13	$1.13
Profit	$565	$6,780		$1,130	$13,560

Last Thoughts

- Extend your range – Don’t say “I won’t go North of I40 in the winter” – Maximize your Revenue Per Day
- Understand your company fuel routing software or know the alternatives if it isn’t ideal
- Always run your business off your P&L
- Know your costs – Fixed Cost per Day, Variable Cost per Mile

Common Questions Asked

- When will freight turn around?
- What are the best lanes to run? - https://www.atbs.com/post/the-best-and-worst-states-for-outbound-freight
- I'm new to being an OO, how do I succeed?

ATBS

www.ATBS.com

888-640-4TAX