



**TIM RUSSELL**  
Commissioner

# State of Alabama Department of Revenue

([www.revenue.alabama.gov](http://www.revenue.alabama.gov))  
50 North Ripley Street  
Montgomery, Alabama 36132  
**June 24, 2009**

**CYNTHIA UNDERWOOD**  
Assistant Commissioner  
**LEWIS A. EASTERLY**  
Secretary

## NOTICE

### **ALL OIL & GAS SEVERANCE TAX FILERS**

#### **Revised Oil & Gas Filing Procedures**

The Department has determined that the filing method of oil & gas severance tax returns needs to be revised. Each oil & gas severance taxpayer will be required to file all return schedules on a CD each month. In addition, these schedules will be required to be in the format prescribed on a template which may be downloaded at [www.revenue.alabama.gov/severancetax/ogtax.html](http://www.revenue.alabama.gov/severancetax/ogtax.html). Each CD should have the taxpayer's name, FEIN and month/year written on the face of the CD. The first return to incorporate this revision will be due **October 15<sup>th</sup> for August 2009 production**.

A hardcopy of the front of the tax return, O&G Production-1, Purchaser-1 or Offshore-1, will have to be filed along with a CD that contains the applicable schedule information required on O&G Production-2, Purchaser-2, Offshore-2, and Offshore-3 by the fifteenth of each month for the second preceding month's production. Please note that all fonts on hard copies should be 12 point Courier.

For those taxpayers remitting taxes via EFT, the payments will still be due by the fifteenth and be remitted in the same manner. Make sure the EFT payment box is checked at the top of the O&G Production-1, Purchaser-1 or Offshore-1. Please note that any payment amount may be made by EFT, however any payment equal or greater than \$750 must be made by EFT.

Each line on the schedule template will require that the county and the municipality of severance be listed. If a well is located within the corporate limits or police jurisdiction of a municipality, the county of severance and the municipality should be chosen on that line of the template. The filing of an O&G Supplemental Return will no longer be necessary to show wells located in these municipalities. If a well or unit is located in more than one municipality, the well or unit production volumes, values and taxes must be split between each municipality on a separate line of the template.

In addition, beginning October 15, 2009, all amended returns should be a replacement return for the entire prior return filed. An amendment reversing only one entry or well will no longer be acceptable. A complete replacement return should be filed showing all of the volumes, values and taxes as they should be for all wells. These amendment schedules should also be on a CD accompanied by a signed Oil & Gas Severance Tax Return coversheet that is marked as amended.

If there are any questions concerning these changes, please contact:

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Sales, Use & Business Tax Division  
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