

Revenue Information Bulletin No. 18-005
January 1, 2018
Severance Tax

Applicable Interest Rate for Certain Severance Tax Overpayments

Act 10 of the 2016 Second Extraordinary Session enacted R.S. 47:1624(A)(2) and repealed R.S. 47:1624.1 concerning interest on refunds for overpayments of severance tax on wells which qualify for the severance tax suspension pursuant to R.S. 47:633(7)(c)(iii) or (9)(d)(v) on new horizontal or deep wells.

For refunds issued within 180 days, the rate of interest shall be the U.S. Treasury Yield Curve Constant Maturity 6-Month Treasury rate on the first business day of October of the preceding year. If an overpayment is refunded after the 180th day from the receipt of a properly filed claim for refund or amended return, the interest will be calculated using the applicable U.S. Treasury Yield Curve Constant Maturity 6-Month Treasury rate for the first 180 days and the judicial interest rate for each day in excess of 180.

The applicable interest rates for overpayments refunded between January 1, 2018 and December 31, 2018 are the six-month rate of 1.22% for the first 180 days and the annual rate of 5% thereafter.

Kimberly Lewis Robinson
Secretary