

Revenue Information Bulletin No. 18-008
February 19, 2018
Severance Tax

Notification of Changes to Oilfield Site Restoration Fees
Effective July 1, 2017 (Act 411)

Act 411 of the 2017 Regular Session relative to Oilfield Site Restoration Fees was signed on June 26, 2017. The provisions of Act 411 became effective July 1, 2017, and amend and reenact LA R.S. 30:87. Act 411 provides that a fee is imposed on gross oil and/or condensate produced from producing wells in Louisiana and on gross gas produced from producing wells in Louisiana. The current Oilfield Site Restoration Fees are as follows:

Oilfield Site Restoration Fee	Effective July 1, 2017
Oil	Per Barrel
Full rate	\$.015
Incapable rate	\$.0075
Stripper rate	\$.00375
Gas	Per MCF
Full rate	\$.003
Incapable oil well gas (Low pressure oil well)	\$.0012
Incapable gas well gas	\$.000525

Production from certified stripper and certified incapable wells are eligible for the reduced rates that are reflected in the table above. All other production from producing wells is subject to the full rate.

There have been no changes to the filing and remittance requirements. The fee may still be reported and/or paid by either the purchaser or producer.

The following questions have been received by the Louisiana Department of Revenue (LDR) concerning the implementation of Act 411. Answers to each are included to assist all taxpayers.

Question 1:

What amount is the Oilfield Site Restoration Fee imposed on?

Answer: The Oilfield Site Restoration Fee is imposed on production amounts. Act 411 of the 2017 Regular Session provides that the fee is imposed on gross oil and/or condensate produced

from producing wells in Louisiana and on gross gas produced from producing wells in Louisiana.

Question 2:

What do I need to do if I am a producer not currently registered for the Oilfield Site Restoration Fee?

Answer: If you are a producer currently registered with LDR for any other account type, you need to add the Oilfield Site Restoration (Oil or Gas) Fee account profile to your existing customer account.

If you are a producer not currently registered with LDR for any account type, you need to register as a new business account and add the Oilfield Site Restoration (Oil or Gas) Fee account profile to your newly created customer account.

You can add to an existing account or register as a new business account using the online application found at <https://latap.revenue.louisiana.gov>.

Question 3:

What open date should I use for a newly created Oilfield Site Restoration (Oil or Gas) Fee account profile?

Answer: You should use the first day of the quarter you will begin filing. For example, if you will file your first return reporting the quarter ending March 31st, your open date should be January 1st.

Question 4:

What should I do if I am a producer who will now file the return for my production and I previously had an Oilfield Site Restoration (Oil or Gas) Fee account that has been closed?

Answer: You need to reopen your previously closed Oilfield Site Restoration (Oil or Gas) Fee account. To do so, please email a request to Severance.Inquiries@la.gov.

Question 5:

Where can I find production amounts to be included on the Oilfield Site Restoration (Oil or Gas) Fee return?

Answer: This information is available on the Department of Natural Resource's SONRIS website at http://sonlite.dnr.state.la.us/sundown/cart_prod/CART_CON_OGPENTRY1.

Question 6:

What are my filing options for the Oilfield Site Restoration (Oil or Gas) Fee return?

Answer: Although paper returns are accepted, online filing through LaTAP is more efficient. You may access LaTAP at <https://latap.revenue.louisiana.gov>.

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Question 7:

When is the Oilfield Site Restoration (Oil or Gas) Fee return due?

Answer: Returns are due quarterly on or before the twenty-fifth day of the second month following the quarter period. For example, the return reporting the quarter ending March 31st is due May 25th.

Kimberly Lewis Robinson
Secretary