

Revenue Information Bulletin No. 18-013
May 11, 2018
Severance Tax

Notification of Change to Severance Tax Forms

Act 421 of the 2017 Regular Session of the Louisiana Legislature became effective August 1, 2017. This Act established reduced tax rates for inactive wells and orphan wells. As a result, the severance tax forms are being updated. These updates will be effective for returns filed on or after July 1, 2018.

The updates to the forms include the following changes:

- 1) Production information for the newly established tax rates for inactive and orphan wells will now be reported on the Severance Forms O-1D, G-1D, O-5 and G-5.
- 2) If a taxpayer reports either of the newly established tax rates for inactive or orphan wells on Severance Form O-1D or G-1D, the taxpayer must also report this information on the corresponding O-5 or G-5.
- 3) The Severance Form O-1D has a new column for reporting gross production barrels.

Taxpayers who are required to report severance taxes on the affected forms should begin reprogramming their systems as necessary to include these updates. File specifications required to upload return information to the Severance Web Application will be updated to include the additional information and will be posted by July 1, 2018.

Questions concerning these updates should be directed to the Louisiana Department of Revenue's Taxpayer Compliance – Sales Severance Excise Withholding Tax Unit at 855-307-3893, option 2 then 1.

Kimberly Lewis Robinson
Secretary