

Revenue Information Bulletin No. 08-005
January 1, 2008
Severance Tax

Oil Spill Contingency Fee Suspended Effective January 1, 2008

The State Treasurer has notified the Secretary of the Department of Revenue that the Oil Spill Contingency Fund has reached a balance of \$7 million. Therefore, in accordance with the provisions of Louisiana Revised Statute 30:2486(A), collection of the oil spill contingency fee will be suspended as of January 1, 2008, and will continue to be suspended until the fund balance falls below \$5 million, at which time collection will resume.

The Oil Spill Contingency Fee is imposed on persons owning crude oil in a vessel at the time the crude oil is transferred to or from the vessel at a marine terminal within the state. Operators of marine terminals collect the fee from the owners of the crude oil. The fee is paid quarterly by the last day of the month following the calendar quarter in which liability for the fee is incurred. Fees collected during a quarter must be remitted to the state even if the fee is suspended during that quarter.

Suspension of the fee is effective January 1, 2008. Fees must be collected through December 2007, and remitted with the return for the quarter ending December 31, 2007, which is due January 31, 2008. Failure to collect and remit the fee by January 31, 2008, will result in additional interest and penalties.

If you have questions regarding this fee, please call the Taxpayer Services Division at (225) 219-7656, Option 3.

Cynthia Bridges
Secretary