# OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

PHONE (405) 521-3133
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September 20, 2007

Re: LR-07-114, (Gross Production Tax) Request for adjustment to one time estimated payment.

Dear

This letter is in response to your request for an adjustment to the amount of the one (1) time estimated payment of gross production tax.

The one (1) time estimated payment was part of the restructuring of the filing period for remitting and reporting gross production tax. The amendment to move the reporting and remittance date to the twenty-fifth (25th) day of the second month following production was made under Senate Bill 1081 which was passed in 2004 (See original notification enclosed). This amendment required remitters of gross production tax to remit a one time estimated payment based on their average tax liability. Companies that made the one time payment were allowed to reduce their posted surety by the amount of such payment.

The amendment also provided for recovery of the estimated payment as provided for under 68 O.S. Sec. 1010(a) (D), which states:

"The amount of tax due on the final return of a tax remitter shall be reduced by the amount of the payment made pursuant to this section. If the amount due is less than the amount of the payment required by this section, the Tax Commission shall refund the balance of the payment to the tax remitter".

Therefore, a company may apply the amount of the one (1) time payment to an existing liability or recover any part thereof when filing their final report and no longer doing business in Oklahoma.

If you should have any questions or need additional information you may contact me at 405-521-3133.

This response applies only to the circumstances set out in your request of August 6, 2007. Pursuant to Commission Rule 710:1-3-73(e), this Letter Ruling may be generally relied upon only by the entity to whom it is issued, assuming that all pertinent facts have been accurately and completely stated, and that there has been no change in applicable law.

Sincerely,

Mark Hendrix
Tax Policy Analyst