

OKLAHOMA TAX COMMISSION

TAX POLICY DIVISION
DAWN CASH, DIRECTOR

PHONE (405) 521-3133
FACSIMILE (405) 522-0063



August 20, 2009

Re: LR-09-017 (Gross Production Tax) pertaining to statute of limitations.

Dear :

This letter is in response to your inquiry regarding how the statute of limitations for oil and gas severance (Gross Production) tax is applied when making adjustments to tax payments.

So as to specifically address the subject, I have re-stated your question below:

“Hypothetically speaking, if the original reporting during January 2005 were adjusted in January 2006 ---- does the adjustment effectively reset the date for the open statutory periods?”

As provided for under 68 O.S. Section 227 (Copy enclosed), the statute of limitation allows for a thirty-six (36) month period from the date a gross production tax payment is remitted to the Tax Commission wherein a claim adjustment may be made regardless of when the original payment was received. The thirty-six month period may not be expanded upon subsequent claims being filed on the original payment.

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 January 16, 2009. 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,

OKLAHOMA TAX COMMISSION

Mark Hendrix
Tax Policy Analyst

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IT IS OUR MISSION TO SERVE THE PEOPLE OF OKLAHOMA BY PROMOTING TAX COMPLIANCE THROUGH QUALITY SERVICE AND FAIR ADMINISTRATION