2005 Colorado Severance Tax

Forms and Instructions

This booklet contains:

Form DR 21
Oil and Gas Severance Tax Return

Form DR 21D
Oil and Gas Severance Tax Computation Schedule

Form DR 21X
Amended Colorado Severance Tax Return

Form DR 21S
Application for Extension of Time to File Colorado Severance Tax Return

Severance Tax Forms

All forms in this booklet may be photocopied. Other severance tax forms and schedules not included in this booklet can be accessed on the Web at:

TaxColorado.Com

Colorado Department of Revenue
Tax Forms, Information and E-Services

GENERAL INFORMATION

WHAT IS THE COLORADO SEVERANCE TAX?

Colorado severance tax is imposed upon nonrenewable natural resources that are removed from the earth in Colorado. The tax is calculated on the gross income from oil and gas and carbon dioxide production.

WHO MUST FILE THE COLORADO SEVERANCE TAX OIL AND GAS RETURN (DR 21)?

Anyone who receives taxable income from oil or gas produced in Colorado. If you are a producer or own a working interest, or a royalty interest in any oil or gas (including carbon dioxide) produced in Colorado, or if you receive royalties on Colorado oil shale, you must pay severance tax to the State of Colorado. Severance tax might be due even though you do not realize a net profit on your investment.

Oil and gas production from "**stripper wells**" is exempt from severance tax. This includes oil from a well that produces 15 barrels or less of crude oil per day or gas from a well that produces 90,000 cubic feet or less of gas per day, for the average of all producing days during the taxable year.

Note: General Partnerships
Since withholding is required on the individual partner (as the entity with the income interest), each partner, and **not** the partnership, is required to file the return.

One exception exists to the filing requirement. It is not necessary to file a Severance Tax return if you meet both of the following conditions:

1. your total gross oil and gas income for any calendar year is less than $500; **and**
2. the producer has withheld sufficiently from your royalty or production payments to cover your severance tax liability.

HOW WILL I KNOW HOW MUCH HAS BEEN WITHHELD FROM MY OIL AND GAS INCOME PAYMENTS?

Producers or first purchasers who disburse funds must withhold 1 percent of the gross income of **all** interest owners. This includes royalty, working or any other interest owner.

The producer or first purchaser is required to send you an "Oil and Gas Withholding Statement" (DR 21W) by **March 1 of each year**. This form lists your gross income and the amount of severance tax the producer has withheld and paid to the state from your royalty or production payments. If you own an interest in more than one well or field, you should receive a separate withholding statement from each producer or first purchaser. A copy of each withholding statement **must** be attached to your severance tax return (DR 21).

The producer or first purchaser also will list your share of "ad valorem" taxes, if any, on the withholding statement. Ad valorem taxes are paid by the producer to local governments (cities and counties). You are allowed a credit against severance tax of 87.5% of your share of ad valorem taxes paid or assessed on actual oil or gas production (not the tax on facilities or equipment). However, **ad valorem taxes on production from "stripper wells" should not be included in the credit.** Specific instructions for this deduction are on the "Colorado Oil and Gas and Carbon Dioxide Severance Tax Schedule" (DR 21D). You should verify that the withholding statements accurately report the same information as shown on your division of interest statements and revenue checks.

Note: Partners of a General Partnership
Partners of a General Partnership should attach a copy of the partnership's DR 21W and a schedule detailing their individual portion of gross income and taxes paid or withheld as reported on their individual returns.

WHAT IS MY TAX YEAR?

Your federal income tax year or filing period is also your severance tax year or filing period.

WHEN IS THE COLORADO SEVERANCE TAX RETURN DUE?

You must complete and file a "Colorado Severance Tax Return" (DR 21) annually. The return and your payment if any are due by the 15th day of the fourth month after the close of your taxable year. Therefore, if your taxable year ends on December 31, your severance tax return is due April 15 of the following year. The envelope must be postmarked by the due date, or the next business day if the deadline falls on a Saturday, Sunday or holiday.

Mail your Colorado severance tax return and, if applicable, tax payment to:

Colorado Department of Revenue
Denver, CO 80261-0007

CAN I GET AN EXTENSION OF TIME FOR FILING THE SEVERANCE TAX RETURN?

Yes. If you are unable to complete your severance tax return by the filing deadline and you estimate that you will owe severance tax, you can request a **six-month extension** by filing **form DR 21S included as page 11 of this booklet.** Form DR 21S is an extension of time for filing your return. It is not an extension of time for paying your severance tax.

An extension of time for filing your federal or Colorado income tax return **does not** qualify as an extension of time for filing your severance tax return if you owe severance tax. **If no balance of severance tax is due,** an extension for filing is not required.

CAN I AMEND MY COLORADO SEVERANCE TAX RETURN?

Yes. A change or correction on your return must be reported on form DR 21X. This form is included on page 9 of this booklet.

CAN I FILE SEVERANCE TAX RETURNS FOR PRIOR YEARS?

Yes. However, the statute of limitations for claiming a severance tax refund is three (3) years from the due date.

ARE ESTIMATED SEVERANCE TAX PAYMENTS REQUIRED?

Corporations who expect their Colorado severance tax liability for the year to exceed their Colorado severance credits by $1,000 or more are required to file a quarterly declaration of estimated severance tax on form DR 21P, available upon request from the Department of Revenue. **Individuals are not required to make estimated payments for severance tax.**

HOW DO I FILE ON BEHALF OF A DECEASED TAXPAYER?

If you are a surviving spouse or legal representative of someone who died during 2005, you may file a return on the deceased's behalf. Write "deceased" across the top of the return and the date of death next to the deceased person's name. Additionally, you must sign the return and write "filing as surviving spouse" or "filing as legal representative" by your signature.

Any person other than the surviving spouse who files a return and requests a refund on behalf of a deceased person must file **form DR 102,** available from the Department of Revenue, and a **copy of the death certificate** with the return.

HOW LONG SHOULD I KEEP MY SEVERANCE TAX RECORDS?

Keep all records you used in preparing your return for at least 3 years after the due date or filing date of your return, whichever is later. If your return is audited by the Colorado Department of Revenue, you must be able to provide back-up documents for all claims and credits listed on your return. Please note that you are not protected from audit adjustments to your severance tax return simply because an operator or purchaser supplied the information. Also, the Department of Revenue may request copies of your Federal and Colorado income tax return or other documentation in connection with your Colorado severance return.

HOW DO I REPORT OIL SHALE ROYALTY PAYMENTS?

Oil shale is not currently produced in Colorado. If you have received royalties on Colorado oil shale for prior years, please contact the Department of Revenue for assistance in filing the severance tax return.

DO I ALSO HAVE TO PAY COLORADO STATE INCOME TAXES ON MY OIL AND GAS INCOME?

Yes. Severance tax is different from income tax. If you receive oil, gas, or CO_2 income from Colorado sources you must also complete and file a Colorado state income tax return. Contact the Department of Revenue for the state income tax form 104. **DO NOT CLAIM SEVERANCE TAX WITHHOLDING AS A TAX CREDIT ON YOUR COLORADO INCOME TAX RETURN.**

INSTRUCTIONS FOR PREPARING SEVERANCE TAX FORM DR 21

WHO MUST FILE

Every individual, corporation, business trust, partner in a general partnership, association, estate, trust or any other legal entity that received income from oil and gas produced in Colorado must file a severance tax return. The return must be made for the same tax year used for federal income tax purposes and is due on or before the 15th day of the fourth month following the end of the taxable year. See general information section for exception.

Controlled Group

In the case of a controlled group of corporations as defined in section 613A of the Internal Revenue Code **or of a family (man, woman, and/or minor children) where more than one member of the group or family is subject to the severance tax, the tax must be jointly computed and the severance tax return *must* be jointly filed** under the name of the principal taxpaying corporation, the married couple or the single adult. Form DR 21AS, available upon request from the Department of Revenue, must be attached in the case of a controlled group of corporations.

SOCIAL SECURITY OR

COLORADO ACCOUNT NUMBER

Individuals must use a social security number as the Colorado account number.

TAX AND CREDIT - Complete schedule DR 21D first to calculate your severance tax.

1. **Oil and Gas Severance Tax:** Enter on line 1 your net tax from line 5 of schedule DR 21D.
2. **Impact Assistance Credit:** A credit against the severance tax is allowed to **corporations** with respect to contributions of property or money to units of local government for planning, including financial, architectural, and engineering services, construction, or expansion of public facilities such as municipal roads, schools, recreation facilities, police and fire protection facilities and hospitals which are deemed to be necessary because of a new severance operation or the increase in production at an existing operation. The amount of the credit must be certified by the Executive Director of the Department of Local Affairs. Enter your Impact Assistance Credit for the year on line 2.
3. **Net Tax:** Subtract line 2 from line 1, and enter the difference on line 3. If line 2 is larger than line 1, enter zero.

PREPAYMENTS

4. **Severance Tax Withheld:** Enter on line 4 the total amount shown on all of your oil and gas withholding statements (DR 21W forms) as Colorado severance tax withheld. Be sure to attach your DR 21W forms to your return; missing DR 21Ws will delay your refund. **Do not claim credit for conservation tax or ad valorem taxes on this line.**
5. **Estimated Tax Payments:** Every corporation subject to severance tax must file a quarterly declaration of estimated tax, DR 21P, if its severance tax liability for the taxable year can reasonably be expected to exceed $1,000, plus any severance tax withheld. Enter on line 5 the total amount of your estimated tax payments made for the taxable year.

REFUND OR BALANCE DUE

7. **Refund:** If line 6 is more than line 3, you are entitled to a refund. Subtract line 3 from line 6 and enter the difference on line 7. The State of Colorado will send you a refund check for this amount if your form is properly completed.
8. **Refund Applied to Future Period:** Corporations enter on line 8 the amount of refund, if any, you wish credited to estimated severance tax payment for next year.
9. **Tax You Owe:** If line 3 is more than line 6, you have additional tax to pay. Subtract line 6 from line 3 and enter the difference on line 9. This is the amount you owe. Attach to your return a check or money order in this amount payable to the Colorado Department of Revenue. **Be sure to write your Colorado account number on your check or money order to ensure credit for your payment.**
10. **Interest:** If the return is filed after the due date, interest at the current statutory rate will accrue on any balance of tax due until paid. The interest rate is 9% per year if we bill you and your payment is made more than 30 days after you receive your bill. If you pay your tax with your return or within 30 days of receiving a bill, the interest rate is 6% per year. Enter the amount of late filing interest on line 10.
11. **Penalty:** The penalty on any late filed return with a balance of tax due is $30.00 or 30% of the balance of tax due, whichever is greater. Enter the amount of late filing penalty on line 11.

BE SURE TO SIGN YOUR RETURN! IF FILING A JOINT RETURN, BOTH SPOUSES MUST SIGN.

TO ENSURE PROPER PROCESSING, PLEASE INCLUDE YOUR ACCOUNT NUMBER ON THE RETURN.

Departmental Use Only

(53)

FORM DR 21 — 2005 COLORADO SEVERANCE TAX RETURN OIL and GAS

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For calendar year 2005
or other tax year beginning _____ , 2005, ending _____ , 200__.

Last Name (or Corporation Name)	First Name and Middle Initial		
Yourself			Social Security Number or Colorado Account No.
Your Spouse (see controlled group definition)			Spouse's Social Security Number
Address			Federal Employer ID Number
City	State	ZIP Code	Telephone ( )

Are you a producer of Colorado Oil or Gas? ☐ **YES** ☐ **NO**

		ROUND TO THE NEAREST DOLLAR	
TAX and CREDIT – Complete schedule DR 21D first.			
1. **Oil and Gas, enter amount from line 5, DR 21D**	(34)		.00
2. **Impact Assistance Credit** (corporations only)	(43)		.00
3. **Net Tax**, line 1 minus line 2 **but not less than zero**			.00
PREPAYMENTS			
4. Severance Tax withheld, **attach forms DR 21W**	(36)		.00
5. Estimated Tax Payments (corporations only)	(38)		.00
6. Total prepayments, add lines 4 and 5			.00
REFUND OR BALANCE DUE			
7. **If line 6 is larger than line 3**, enter the difference here. **This is your severance tax refund**	(41)		.00
8. Enter amount of refund, if any, you wish credited to Estimated Tax for next year (corporations only)	(42)		.00
9. **If line 3 is larger than line 6**, enter the balance due here. **This is the amount of severance tax you owe**			.00
10. Interest on balance due (see instructions)	(40)		.00
11. Penalty on balance due (30% of tax due or $30.00, whichever is greater)	(01)		.00
12. **Total amount due**, add lines 9, 10, and 11 (Paid by EFT ☐)	(48)		.00

MAIL YOUR SEVERANCE TAX RETURN SEPARATELY FROM YOUR INCOME TAX RETURN.

MAKE CHECKS PAYABLE TO: Colorado Department of Revenue, Denver CO 80261-0007. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

Under penalty of perjury in the second degree, I declare that I have examined this return and to the best of my knowledge and belief it is true, correct, and complete.

Signature of Individual Taxpayer	Date
Spouse's Signature	Date
Signature of Corporate Officer	Date

Name, address and telephone number of person preparing return:

ATTACH DR 21-W WITHHOLDING FORMS

INSTRUCTIONS FOR PREPARING SEVERANCE TAX SCHEDULE FORM DR 21D

PURPOSE OF FORM

Use form DR 21D to calculate the amount of Colorado severance tax to enter on line 1 of form DR 21.

COLUMN

(A) SOURCE OF INCOME. Enter in column (A) the well, tract, lease or field name that identifies the revenue source. All well operators must list income on a well by well basis. If you are filing from information on withholding form DR 21W, enter the name of the payor. When claiming a stripper well exemption for production from a particular well, you must record each well on one line, or provide detail on a well basis with the return. In other cases the well, tract, lease or field identifier may be used as you desire.

(B) API NUMBER. Enter in column (B) the American Petroleum Institute well number of the income source.

(C) TYPE OF OWNERSHIP. Indicate in column (C) whether your ownership is a royalty interest (RI) or working interest (WI).

(D) PERCENTAGE OF OWNERSHIP. Enter in column (D) your percentage of ownership.

PRODUCTION. If you are a producer or own a working interest, or claim stripper well exemptions, enter:

(E) BARRELS OF OIL-GROSS. Enter in column (E) your share of gross barrels of oil produced. Include both taxable and exempt production.

(F) BARRELS OF OIL - STRIPPER OIL EXEMPTION. Enter in column (F) that part of the gross barrels of oil that is from a qualified Colorado Stripper Oil Well. The oil production from any well that produces fifteen barrels or less of crude oil per day, for the average of all producing days in your tax year is exempt from severance tax. (Records to prove the production on a single stripper well basis are necessary to establish your right to this exemption.)

(G) MCF GAS - GROSS. Enter in column (G) your share of gross natural gas coalbed methane and carbon dioxide produced in thousand cubic feet.

(H) MCF GAS - STRIPPER GAS PRODUCTION. Enter in column (H) that part of the gross MCF gas that is from a qualified Colorado Stripper Gas Well. The gas production from any well that produces 90,000 cubic feet or less of gas per day, for the average of all producing days in your tax year is exempt from severance tax. (Records to prove the production on a single stripper well basis are necessary to establish your right to this exemption.

(I) AD VALOREM TAX. Round off all amounts to whole dollars. Based on your accounting method (cash or accrual basis), enter in column (I) your share of ad valorem tax paid or accrued to Colorado local governments in the taxable year on oil and gas production. **Do not include ad valorem tax on buildings, improvements, or equipment. Also, do not include ad valorem tax related to exempt stripper - well production.** A percentage of ad valorem tax is allowed as a reduction to the severance tax.

Reporting revenue and ad valorem taxes in the correct tax year is critical to filing a correct return. Please review the following information.

Cash or Accrual Basis. Oil and gas revenue and related ad valorem tax must be reported on a basis consistent with the basis used for filing your federal income tax return. Thus, if you are a **cash basis federal** taxpayer, reporting income when received and deductions when paid, you must report the same way on the severance tax schedule (form DR 21-D). You should include only the income received in the tax period and all income received, even if it is from prior period production or it is take or pay payments for future production. If you use the **accrual basis**, you must report income from all production in the tax period whether you actually received the income or not, including deferred amounts if they are reported on the federal income tax return.

Reporting Ad Valorem Tax. (This information applies to the following examples.)

- 2003 - year of oil or gas production.
- Dec., 2004 - ad valorem tax **levy assessed** on 2003 production $1,000
- April, 2005 - ad valorem tax **paid** on 2003 production $1,000
- Ad valorem tax related to 2003 production from stripper wells $250

Cash Basis Taxpayers. Report only ad valorem tax (on production) actually paid to the county assessor during the severance tax year. Payments to operators of wells do not qualify, only actual payments to the assessor. If a payment is skipped during a tax year, (i.e.. delinquent) no claim for tax is allowed. Catch up or double payments must all be claimed in the year paid and cannot be carried back or forward.

Example 1. Taxpayer files a severance tax return for the **calendar year 2004 or fiscal year ending in 2004** based upon information given above.

Result: Taxpayer cannot claim ad valorem tax on 2004 return since the tax was not **paid** in the taxpayer's tax year.

Example 2. Taxpayer files a severance tax return for the **calendar year 2005 or fiscal year ending April or later in 2005.**

Result: Since the tax was **paid** in the tax year, 2005, taxpayer may report ad valorem tax of **$750.**

(INSTRUCTIONS CONTINUED ON PAGE 8)

DR 21D (09/26/05)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0007

COLORADO OIL AND GAS SEVERANCE TAX SCHEDULE

(ATTACH TO FORM DR 21)

Page _____ of _____

Please round dollars to whole dollars.

For tax year beginning _____ , 20 ____ ending _____ , 20 ____

Taxpayer's Name	Social Security or Colorado Account No.

(A) Source of Income: Well, Lease, Field or Payor	(B) API Number	(C) Royalty or Working Interest	(D) % of Owner-ship	Production				DO NOT INCLUDE AD VALOREM TAX OR GROSS INCOME FROM STRIPPERWELLS.	
				Barrels of Oil		MCF Gas			
				(E) Gross	(F) Exempt	(G) Gross	(H) Exempt	(I) Ad Valorem Tax	(J) Gross Income
TOTALS									

Check Accounting Method ☐ **cash basis** or ☐ **accrual basis**

1. Total gross income [total of column (J)] ..... .00
2. Tax on total gross income (see tax rate schedule below) ..... .00
3. Total ad valorem tax [total of column (I)] ..... .00
4. Ad valorem tax credit, 87.5% of the amount on line 3 ..... .00
5. Net tax on oil and gas income, line 2 minus line 4. If line 4 is larger enter 0. Enter here and on line 1 of form DR 21 ..... .00

TAX RATE SCHEDULE

If total gross income is:	The tax is:
Under $25,000	2% of gross income
$25,000 - $99,999	$500 plus 3% of the excess over $24,999
$100,000 - $299,999	$2,750 plus 4% of the excess over $99,999
$300,000 and over	$10,750 plus 5% of the excess over $299,999

Calculation:

Ad valorem tax **paid** in tax year $1,000

less ad valorem tax related to stripper-well production ..... ($250)

Total ad valorem tax reported on 2005 return $750

Accrual Basis Taxpayers. Report only ad valorem tax (on production) levied, or assessed, within the severance tax year. In November or December, depending upon the year, the Colorado counties set the mill levy for assessment of ad valorem tax on the prior year's oil and gas production. **The ad valorem tax is not accruable until the amount is established on that date.**

Example 3. Taxpayer files an accrual basis severance tax return for **calendar year 2004.**

Result: Since the levy/assessment date is in the tax year, 2004, taxpayer may report ad valorem tax of **$750.**

Calculation:

Ad valorem tax **assessed** in tax year $1,000

less ad valorem tax related to stripper-well production ..... ($250)

Total ad valorem tax reported on 2004 return $750

Example 4. Taxpayer files an accrual basis severance tax return for **calendar year 2005.**

Result: Taxpayer cannot claim any ad valorem tax on this return since the accrual date is not within the tax year. (Taxpayer could report the ad valorem tax assessed on a fiscal year 2005 return that includes the levy date. i.e., July 2004 - June 2005 fiscal year.)

Short Period Returns. Because Severance Tax requires filing periods consistent with Federal Income Tax filing years, some companies may have to file short period severance tax returns to match their federal filings. The same ad valorem rules apply. If no payment (cash basis) or accrual date (accrual basis) falls within the short tax period, no claim for ad valorem tax is allowed. (Also, if the levy or payment date **does** fall in the short period, all the tax applies to only that short period.)

Example 5. A **cash basis** taxpayer files a severance tax return for the **short period of August 2004 - December 2004.**

Result: Taxpayer cannot claim any ad valorem tax; the tax payment date is not within the short filing period.

Example 6. An **accrual basis** taxpayer files a severance return for the **short period of August 2004-December 2004.**

Result: Since the accrual date is within the short period, taxpayer may claim all ad valorem tax of **$750.**

Calculation:

Ad valorem tax **assessed** in tax year $1,000

less ad valorem tax related to stripper-well production ..... ($250)

Total ad valorem tax reported on short period return $750

(J) GROSS INCOME. Round off all amounts to whole dollars. **Based on your accounting method of cash or accrual basis (see column (I) instructions),** enter in column (J) your share of the gross income **received or accrued** on oil or gas production. **Do not include gross income from exempt production from stripper wells.** Report the gross amount of oil shale royalties before any deductions.

LINE

1. **TOTAL GROSS INCOME.** Total all amounts in column (J).

2. **TAX.** Compute the tax on the income on line 1 using the tax rate schedule. In the case of a controlled group of corporations as defined in section 613A of the Internal Revenue Code or **a family consisting of a man, woman and/or their minor children, where more than one member of the group or family is subject to the severance tax, the tax must be jointly determined and filed.** In the case of a controlled group of **corporations,** attach form DR 21-AS (Affiliation Schedule) to the return.

3. **TOTAL AD VALOREM TAX.** Total ad valorem taxes entered in column (I). Check whether your accounting method is on a cash basis or accrual basis. (See instructions for column (I).)

4. **AD VALOREM TAX CREDIT.** Enter 87.5% of line 3.

5. **NET TAX ON OIL AND GAS INCOME.** Enter the difference of line 2 less line 4. (If line 4 is larger, enter 0.) Enter here and on line 1 of form DR 21.

To expedite the processing of your severance tax return, attach all documentation to support ad valorem taxes, gross income and severance tax withheld.

Mail your severance tax return and payment, if any, separately from your Colorado income tax or any other tax return.

DR 21X (07/28/05)
(55)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0007
www.taxcolorado.com

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Departmental Use Only

AMENDED COLORADO SEVERANCE TAX RETURN

Taxable year beginning _____ , _____ **ending** _____ , _____

Last Name (or Corporation Name)	First Name and Middle Initial		
Yourself			Social Security Number or Colorado Account No.
Your Spouse (see controlled group definition)			Spouse's Social Security Number
Address			Federal Employer ID Number
City	State	ZIP Code	Telephone

	A AS ORIGINALLY REPORTED OR AS ADJUSTED	B CORRECT AMOUNT		C NET CHANGE INCREASE OR (DECREASE "–")
1. TAX DUE				
A. Metallic Minerals (DR 20)	.00	.00	(31)	.00
B. Molybdenum (DR 22)	.00	.00	(32)	.00
C. Coal (DR 20)	.00	.00	(33)	.00
D. Oil and Gas (DR 21)	.00	.00	(34)	.00
E. Oil Shale Facility (DR 20)	.00	.00	(35)	.00
F. TOTAL lines 1A through 1E	.00	.00		.00
2. Impact Assistance Credit (Corporations only)	.00	.00	(43)	.00
3. Net Tax, line 1F minus line 2	.00	.00		.00
4. PREPAYMENTS				
A. Oil and Gas Withholding	.00	.00	(36)	.00
B. Estimated Tax Payments	.00	.00	(38)	.00
C. TOTAL lines 4A and 4B	.00	.00		.00
5. Payments Made to Date on Balance Due				.00
6. TOTAL PAID, add lines 4C and 5				.00
7. Less:				
A. Refund on Original or Adjusted Return		.00		
B. Amount of Net Tax Due, from line 3 column B		.00		
8. Total lines 7A and 7B				.00
9. Line 6 minus line 8 - Refund Claimed			(41)	.00
10. Additional Tax Due, line 8 minus line 6				.00
11. Interest on Tax Due			(40)	.00
12. Penalty on Tax Due			(01)	.00
13. PAYMENT DUE, add lines 10, 11, and 12			(48)	.00

If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

MAKE CHECK PAYABLE TO:
COLORADO DEPARTMENT OF REVENUE
Denver, CO 80261-0007
ATTACH COPIES OF:
- Documentation supporting amended return.

14. Reason for amended return:

see reverse side for instructions

Under penalty of perjury in the second degree, I declare that I have examined this return and to the best of my knowledge and belief it is true, correct, and complete.

Signature of Individual Taxpayer or Corporate Officer	Date
Spouse's Signature	Date

Name, address and telephone number of person preparing return:

AMENDED COLORADO SEVERANCE TAX RETURN

GENERAL INSTRUCTIONS

Colorado Amended Severance Tax Return, Form DR 21-X, is to be used to correct your Colorado Severance Tax Return, Form DR 20, DR 21, or DR 22.

Statute of Limitations:

The statute of limitations for filing a Colorado severance tax claim for refund is generally three years from the due date of the original return or three years from the date of last tax payment for the year involved, whichever is later.

Refund for Deceased Taxpayer:

To request a refund for a deceased taxpayer, write "deceased" across the top of the return and the date of death next to the deceased person's name. Additionally, you must sign the return and write "filing as surviving spouse" or "filing as legal representative" by your signature.

Any person other than the surviving spouse who files a return and requests a refund on behalf of a deceased person must attach a copy of the death certificate and Form 102, Claim for Refund for Deceased Taxpayer [available on the Internet or from the Department of Revenue Forms Hotline (303) 238-FAST(3278).

Colorado Account Number:

Business accounts, enter your Colorado account number and your federal employer identification number in the spaces provided. *Individuals, enter your social security number.*

Forms and Information:

If you have any questions you may call the Department of Revenue at (303) 238-SERV(7378) or see our Internet site at ***www.taxcolorado.com*** for forms and information.

FORM INSTRUCTIONS

Column:

A. In column A, show the severance taxes and credits on your original return or on your return as last corrected by yourself or by the Department of Revenue.

B. Place the correct amounts in column B.

C. Show the net change in taxes and credits in column C. Indicate decreases with a clear minus sign.

Line:

1 through 8. Enter information as directed for each line.

9. **Refund.** If line 6 is greater than line 8, you are entitled to a refund. Subtract line 8 from line 6 and enter the difference on line 9. (The Department of Revenue will calculate interest if applicable.)

10. **Additional tax due.** If line 8 is more than line 6, you owe additional tax. Subtract line 6 from line 8 and enter the difference on line 10. This is the amount you owe.

11. **Interest.** If the return is amended after the original due date of the return, interest at the applicable statutory rate will accrue on any balance of tax due until paid.

January 1 through December 31:	2002	2003	2004	2005	2006
Tax due paid without billing	7%	5%	4%	4%	6%
Tax paid within 30 days of billing	7%	5%	4%	4%	6%
Tax due paid after 30 days of billing ...	10%	8%	7%	7%	9%
Refunds of less than $5,000	10%	8%	7%	7%	9%
Refunds of $5,000 or more **and** 10% or more of the net tax liability	7%	5%	4%	4%	6%

12. **Penalty.** The penalty on any balance of tax due is $30.00 or 30% of the balance of tax due, whichever is **greater**.

14. **Reason for amended return.** Enter a brief explanation for amending. For example, additional DR 0021-W received from XYZ Corporation not previously included.

EXTENSION OF TIME FOR FILING COLORADO SEVERANCE TAX RETURN

INSTRUCTIONS FOR FORM DR 21S

Prepare form DR 21S in duplicate and mail one copy to the Colorado Department of Revenue, Denver, Colorado 80261-0005, prior to the due date for filing your severance tax return.

Retain a second copy of form DR 21S to attach to your severance tax return to show that you have an extension. Otherwise, your return will be processed as delinquent. Do not mail both copies of form DR 21S to the Department of Revenue when requesting your extension.

Form DR 21S is an extension of time for filing your severance tax return. It is not an extension of time for paying your tax. If you have a balance of tax due, it is important that you make a reasonable payment with your extension request. If the balance of tax to be paid with the completed Severance Tax Return exceeds 20 percent of your tax liability, you will be assessed a delinquent payment penalty.

The application must be signed by the taxpayer or the duly authorized agent of the taxpayer. Blanket requests for extensions will not be granted. Filing of the return terminates the extension.

Interest will be charged on any balance of tax due from the original due date (normally April 15) until such tax is paid.

The Director of Revenue may terminate an extension at any time by mailing to the taxpayer or the person who requested the extension for the taxpayer a notice of termination. The notice shall be mailed at least 10 days prior to the termination date designated in such notice.

This form may not be used to request an extension of time for filing for more than six months. Extensions for more than six months will not normally be granted. Requests for extension of time for filing in excess of six months must be made in letter form addressed to the Director of Revenue.

If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

WORKSHEET

1. Tentative amount of tax for the taxable year after reduction for the impact assistance credit (if any) ..... $ _____
2. Less: (a) Severance tax withheld ..... $ _____
   (b) Estimated tax payments ..... $ _____
   (c) Total (a) and (b) ..... $ _____
3. Balance to be remitted with this request for extension, line 1 minus line 2 (c). Enter on line 1 and 2, Form DR 21S, below. Claim credit for this payment on line 7 of form DR 20 or line 5 of Form DR 21 ..... $ _____

DETACH FORM ON THIS LINE

CUT ALONG THIS LINE - RETURN LOWER PORTION

(59)

DR 21S (08/10/05)
COLORADO DEPARTMENT OF REVENUE
DENVER CO 80261-0007

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FOR SEVERANCE TAX ONLY

Application for Extension of Time to File Colorado *SEVERANCE* Tax Return for Tax Period _____

Name			Social Security or Colorado Account No.
Address			Spouse's Social Security Number
City	State	ZIP	Federal Employer I.D. Number

Application is hereby made for an extension of six (6) months for filing the completed severance tax return.

Original due date	Extended due date	If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.
Signature		
Title	Date	

1. Type of tax – Check one:

☐ Metallic Minerals ..... (31)	$	.00
☐ Molybdenum Ore ..... (32)		.00
☐ Coal ..... (33)		.00
☐ Oil and Gas ..... (34)		.00
☐ Oil Shale Facility ..... (35)		.00
2. Payment due ..... (48)	**$**	**.00**

DO NOT WRITE IN SPACE BELOW

COLORADO
DEPARTMENT OF REVENUE
DENVER CO 80261-0007

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U.S. POSTAGE
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OF REVENUE

TaxColorado.Com

Colorado Department of Revenue
Tax Forms, Information and E-services

DEPARTMENT OF REVENUE TELEPHONE NUMBERS

Income and Business Tax Self-Service Information
(303) 238-FAST(3278)
24 hours a day, every day

Assistance (303) 238-SERV(7378)
Monday-Friday (8:00 A.M. - 4:30 P.M.)

FORMS AND INFORMATION ARE AVAILABLE AT THESE SERVICE CENTERS:

Colorado Department of Revenue
1375 Sherman Street
Denver, CO 80261-0007

Fort Collins Service Center
1121 W. Prospect Rd., Bldg. D

Pueblo Service Center
310 E. Abriendo Ave., Suite A4

Colorado Springs Service Center
4420 Austin Bluffs Parkway

Grand Junction Service Center
222 S. 6th Street, Room 208