

**7022**

# Monthly Return of Oil and Gas Tax Withheld



Colorado Account Number		FEIN	
Name			
Address		City	State Zip
Period (MM/YY-MM/YY) ?		Due Date (MM/DD/YY) ?	
<b>Mail to and make checks payable to:</b> Colorado Department of Revenue Denver, CO 80261-0006			

## Instructions

Oil and gas withholding must be remitted electronically. **(Submit this paper return only if you are reporting an amount on line 2, 3, 4 or 5, or until your EFT account is established.)** Penalty and interest will apply to payments submitted with this form if you are not actively pursuing an EFT account.

- Line 1:** Enter the total of all Colorado oil and gas severance taxes withheld from disbursements made during the month.
- Line 2:** Enter the total of any underpayment adjustments for prior periods. (Attach explanation.)
- Line 3:** Enter the total of any overpayment (not to exceed the sum of lines 1 and 2) adjustments for prior tax periods. (Attach explanation.)
- Line 4:** Penalty: 30% of tax or \$30, whichever is greater if payment is delinquent.
- Line 5:** Interest applies at the current rate on the total tax due from the date due until paid if the payment is delinquent.
- Line 6:** Enter the total. (Add lines 1, 2, 4 and 5 minus line 3.)

You must round to the nearest dollar			Oil and Gas	
1. Total Colorado severance tax withheld	• 1	\$		00
2. Additional tax due for prior period within calendar year		\$	Month	00
3. Overpayment of tax for prior period within calendar year to be applied to current tax	• 3	\$		00
4. Penalty	• 4	\$		00
5. Interest	• 5	\$		00
6. Total Amount Due and Payable	• 6	\$	<input type="checkbox"/> Paid by EFT	.00

The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

**Please include the account number on your check to ensure proper credit.**

I hereby certify under penalty of perjury in the second degree that this return, including any accompanying schedules and statements, is a true, correct and complete return to the best of my knowledge.

Trade Name	Title	Phone Number
Signature of Officer or Agent		Date (MM/DD/YY) ?

# Oil and Gas Withholding Information

## Withholding Rate and Monthly Due Dates:

Section 39-29-111, Colorado Revised Statutes, as amended, provides that every producer or every first purchaser of oil or gas shall withhold 1% from every payment disbursed, including overriding royalties and working interest. Withholding is not required from payments to the State of Colorado or U.S. Government.

It is further provided that the aggregate amounts so withheld during each month shall be paid to the Department of Revenue by these dates:

<b>Withholding Month</b>	<b>Due Date</b>
January	April 1
February	May 1
March	June 1
April	July 1
May	August 1
June	September 1
July	October 1
August	November 1
September	December 1
October	January 1
November	February 1
December	March 1

## A return must be filed for each calendar month.

The paper return may only be used to report information on lines 2 through 5 or if you experience a delay in receiving your EFT authorization. Submitting payment with paper returns after EFT authorization is received, or not applying for EFT authorization, may result in penalty and/or interest charges on your payments.

Be sure to round your payment to the nearest dollar. The amount on the check and the amount entered on the payment voucher must be the same. This will help maintain accuracy in your tax account.

## Interest:

Failure to file a return and pay the tax on or before the due date will result in interest at the current statutory rate from the due date to the date of payment.

## Penalty:

Failure to file a return and pay the tax on or before the due date will result in a penalty at the rate of 30% or \$30 whichever is greater, per §39-29-115(1), C.R.S.

## Annual Reconciliation Reports:

On or before April 15 following the close of the calendar year, all producers or first purchasers withholding severance tax from oil and gas during the calendar year must file the Annual Reconciliation of Severance Tax Withheld from Oil and Gas Payments (DR 0456). The Oil and Gas Withholding Statement (DR 0021W) for each person from whom Colorado gross severance tax was withheld from oil and gas payments during the calendar year must be submitted with the DR 0456.

**For further information call (303) 238-SERV (7378) or go to [www.TaxColorado.com](http://www.TaxColorado.com)**

## Mail to and make checks payable to:

Colorado Department of Revenue  
Denver, CO 80261-0006