

INSTRUCTIONS

- General:** There is levied a severance tax on all gas and oil removed from the ground in Tennessee. The tax shall be three percent (3%) of the sale price. Gas and oil tax shall be paid by every person actually engaged in severing oil and gas, or actually operating oil or gas property under controls or agreements requiring direct payments to the owners of any royalty interest.
- Due Date:** The return for Crude Oil tax is due to be filed on or before the 20th day of the month following the filing period. Natural Gas tax is due on or before the 20th day of the second month following the filing period.
- Oath of Taxpayer:** You must sign and date your return. Paid preparers (accountants, attorneys, etc.) must also sign the return.
- Penalty and Interest:** If filed late, penalty is 5% for each 30 day period of delinquency not to exceed 25% (minimum penalty is \$15.00). Interest is computed at the current rate on the tax from date due to date paid.
- Filing:** Make your check payable to the Tennessee Department of Revenue for the amount shown on Line 8 of the return and mail with the return to: Tennessee Department of Revenue, Andrew Jackson State Office Building, 500 Deaderick Street, Nashville, TN 37242.
- Amended Return:** If this return is an "Amended Return" check the appropriate box on the front of the form.
- If Blank Return:** If your account number is not preprinted on the front of the return, enter your social security number (SSN) or Federal Employer Identification Number (FEIN) in the spaces provided.

COMPUTATION OF TAX

1. Compute total selling price of Crude Oil in Schedule A (below) and transfer total to Line 1 (front of return).
2. Multiply Line 1 by tax rate (3%).
3. Compute total selling price of Natural Gas in Schedule A.
4. Multiply Line 3 by tax rate (3%).
5. Enter outstanding credit amount from previous Department of Revenue notice(s).
6. If filed late, penalty is computed at 5% of the total tax due for each 30-day period that the return is late. Total penalty is not to exceed 25% with a minimum of \$15.00 regardless of tax due.
7. If filed late, compute interest at the current rate on the tax from date due to date paid.
8. Add lines 2, 4, 6, and 7; subtract Line 5 to determine net amount due.

SCHEDULE A WORKSHEET

Compute gross sales of Crude Oil and Natural Gas for each county listed below. If the county is not listed enter county in the blank space provided.

County	Situs Code	Total Sale Price Crude Oil					(b)	Total Sale Price of Natural Gas				
1. Anderson	0100	(a)				00	(b)					00
2. Campbell	0700	(a)				00	(b)					00
3. Claiborne	1300	(a)				00	(b)					00
4. Clay	1400	(a)				00	(b)					00
5. Coffee	1600	(a)				00	(b)					00
6. Cumberland	1800	(a)				00	(b)					00
7. Fentress	2500	(a)				00	(b)					00
8. Hancock	3400	(a)				00	(b)					00
9. Hawkins	3700	(a)				00	(b)					00
10. Morgan	6500	(a)				00	(b)					00
11. Overton	6700	(a)				00	(b)					00
12. Pickett	6900	(a)				00	(b)					00
13. Rhea	7200	(a)				00	(b)					00
14. Roane	7300	(a)				00	(b)					00
15. Robertson	7400	(a)				00	(b)					00
16. Scott	7600	(a)				00	(b)					00
17.	(a)				00	(b)					00
18. TOTAL	(a)				00	(b)					00