

# ARTICLE 6. PETROLEUM SEVERANCE TAX

## [Rule 1.](#)

## General Provisions

### Rule 1. General Provisions

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#### 45 IAC 6-1-1 Statutory scheme; purpose of rules

Authority: [IC 6-8-1-12](#); [IC 6-8.1-3-3](#)

Affected: [IC 6-8-1-8](#)

Sec. 1. (a) Under this article, a tax is imposed under [IC 6-8-1-8](#) on all petroleum products, which includes generally crude oil and gas severed and taken from the land, upon the owner and producers of the petroleum products.

(b) The responsibility for the payment of the tax is upon any person purchasing such petroleum products or having such petroleum products in their possession, in that it is a lien upon such petroleum for the tax and penalties and interest thereon. The responsibility follows such petroleum products in the hands of the purchaser or the gatherer.

(c) Any person purchasing or having possession of petroleum products upon which the petroleum severance tax has not been paid shall be personally liable for the reporting and payment of the amount of the lien of the tax and other charges. Additionally, if the purchaser or the person having possession of petroleum products pays the amount of the petroleum severance tax, they shall be entitled to reimbursement from the owners or producers. By paying the petroleum severance tax, these purchasers or possessors of petroleum products are not subject to any suit or action for recovery by the owners or producers of petroleum products. Any remedy of such owners or producers is exclusively by way of claim for refund and litigation upon such claim for refund with the department.

(d) The responsibility for the reporting and paying of the petroleum severance tax is imposed upon all purchasers and those having possession of petroleum products after severance from the ground, which would include all petroleum products gatherers. The reporting and payment is to be made upon forms prescribed by the department in these regulations and at the time prescribed in the regulations. (*Department of State Revenue; PT II, Sec 1; filed Jul 18, 1947, 9:30 a.m.: Rules and Regs. 1948, p. 346; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

#### 45 IAC 6-1-2 Petroleum severance tax division (Repealed)

Sec. 2. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

#### 45 IAC 6-1-3 Definitions

Authority: [IC 6-8-1-12](#); [IC 6-8.1-3-3](#)

Affected: [IC 6-8-1](#); [IC 6-8-3](#)

Sec. 3. (a) "Purchaser" means any person engaged in the purchase of petroleum products and shall include pipelines, refineries, and any other form of petroleum purchasers for resale or use.

(b) "Petroleum gatherer" means those who purchase petroleum products, as well as those who gather and transport petroleum

products in which they do not have the right, title, or interest and any person who possesses petroleum products upon which the petroleum severance tax has not been paid. (*Department of State Revenue; PT II, Sec 3; filed Jul 18, 1947, 9:30 a.m.: Rules and Regs. 1948, p. 347; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-4 Tax rate (Repealed)**

Sec. 4. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-5 Time and place of tax; reporting; payment; penalty**

Authority: [IC 6-8-1-12](#); [IC 6-8.1-3-3](#)

Affected: [IC 6-8-1-10](#); [IC 6-8-1-11](#); [IC 6-8.1-10](#)

Sec. 5. (a) The tax is imposed at the time of sale or delivery from the place of production.

(b) All purchasers or gatherers of petroleum products must report this tax at the time the petroleum products are transported from the place of production. This reporting is to be made on or before the last day of the month immediately following the preceding monthly period on forms prescribed by the department. At the time of the reporting, a remittance for the amount of tax is to be made to the department. The purchaser or petroleum products gatherer must report the severance of petroleum products from the land and the payment of the tax. The reports showing the amount and computation of the tax shall reflect the names and addresses of all owners or producers or interest holders participating in the production of petroleum products.

(c) The department will make available Petroleum Severance Tax Return forms to be used in making reports of and payment of the petroleum severance tax. These returns shall show the total monthly amount of petroleum products severed from the land, the amount of tax thereupon, and the amounts paid to the various owners or producers as their interest may be.

(d) Remittance must be made by check.

(e) If a person responsible for paying this tax fails to do so in a timely fashion, that person shall be subject to standard penalties and interest under [IC 6-8.1-10](#). (*Department of State Revenue; PT II, Sec 5; filed Jul 18, 1947, 9:30 a.m.: Rules and Regs. 1948, p. 349; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-6 Confidentiality (Repealed)**

Sec. 6. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-7 Exempt taxpayers (Repealed)**

Sec. 7. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-8 Excluded gas**

Authority: [IC 6-8-1-12](#); [IC 6-8.1-3-3](#)

Affected: [IC 6-8-1-8](#)

Sec. 8. Gas is excluded from taxable consideration if it is produced from any well that is used in pumping or treating petroleum products, or when such gas is piped and used by the landowner in his private buildings and for his own private use. (*Department of State Revenue; PT II, Sec 8; filed Jul 18, 1947, 9:30 a.m.: Rules and Regs. 1948, p. 352; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-9 Refunds**

Authority: [IC 6-8-1-12](#); [IC 6-8.1-3-3](#)

Affected: [IC 6-8.1-8](#); [IC 6-8.1-9](#)

Sec. 9. Any taxpayer may apply for a refund on forms prescribed by the department by identifying the amount and date of the alleged overpayment and the area in which the petroleum products were produced. The application for refund must include any

supporting documentation as is reasonably requested by the department. (*Department of State Revenue; PT II, Sec 9; filed Jul 18, 1947, 9:30 a.m.; Rules and Regs. 1948, p. 352; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-10 Power of attorney; notice (*Repealed*)**

Sec. 10. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-11 Dissolution or withdrawal of corporations; certificate of clearance (*Repealed*)**

Sec. 11. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-12 Books and records; retention**

Authority: [IC 6-8-1-12](#); [IC 6-8.1-3-3](#)

Affected: [IC 6-8-1-23](#)

Sec. 12. Every taxpayer shall keep and maintain proper books and records sufficient to adequately reflect the severance of all petroleum products and their value for a period of three (3) years from the date of the filing of the return and the payment of the tax for each taxable period. (*Department of State Revenue; PT II, Sec 12; filed Jul 18, 1947, 9:30 a.m.; Rules and Regs. 1948, p. 353; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-13 Fraud and evasion in recordkeeping (*Repealed*)**

Sec. 13. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-14 Subpoena (*Repealed*)**

Sec. 14. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

**45 IAC 6-1-15 Powers of petroleum severance tax division (*Repealed*)**

Sec. 15. (*Repealed by Department of State Revenue; filed Nov 25, 2014, 3:44 p.m.: [20141224-IR-045140145FRA](#)*)

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