

Oil and Gas Severance Tax – Payment Allocation Report Example

SCENARIO #1: Original return submitted with an *UNDIRECTED* payment

Initial account standing before any TAP activity occurs March 19, 2018:

| Filing Period | Original Tax Due - Return | Tax Paid | Tax Liability Remaining | Interest | Penalty |
|---------------|------------------------------|-------------|----------------------------|----------|----------|
| 12/31/2017 | \$780,000 | (\$780,000) | - | - | - |
| 11/30/2017 | \$630,000 | (\$600,000) | \$30,000 | \$55.10 | \$325.29 |

1. New original return submitted before 3/26/2018:

| Filing Period | Return | Tax | Penalty | Interest |
|---------------|-------------------------------|-----------|---------|----------|
| 01/31/2018 | \$700,000 | \$700,000 | | |
| | No prior period amendments | | | |

2. A \$700,000 payment is made, effective dated before 3/26/2018, on the same day the return is submitted:

(See FYI-401 for additional details regarding payment effective date for **ORIGINAL** returns. For Fedwire/ACH Credit: The Department must have access to the funds on the due date, so check with your bank to determine the date to initiate the Fedwire or ACH Credit.)

Since no direction was added to ACH Credit or ACH Debit/eCheck payment, it will follow the standard offsetting rule:

Oldest period first, then within the period:

- a. Tax
- b. Interest
- c. Penalty

So the Payment Allocation Report for \$700,000 payment would be as follows:

| Filing Period | Tax | Interest | Penalty | Other |
|---------------|----------------|-----------|------------|-------|
| | | | | |
| 11/30/2017 | (\$30,000) | (\$55.10) | (\$325.29) | -- |
| 1/31/2018 | (\$669,619.61) | -- | -- | -- |

The "other" column represents the amount of payment that has been refunded, transferred to another account, or is excess credit.

Account Standing as of 3/27/2018: Penalty and Interest would start to be assessed against the 1/31/2018 period, which was not fully paid off.

SCENARIO #2: Original return and amendment with a *DIRECTED* payment

1. Initial account standing as of date that return and amendment are submitted:

| Filing Period | Original Tax Due - Return | Tax Paid | Tax Liability Remaining | Interest | Penalty |
|---------------|---------------------------|-------------|-------------------------|----------|---------|
| 12/31/2017 | \$780,000 | (\$780,000) | | | |
| 11/30/2017 | \$630,000 | (\$630,000) | | | |
| | | | | | |

2. One original and One amended return are submitted before 3/26/2018:

| Filing Period | Return/Amendment | Tax | Interest | Penalty |
|---------------|-------------------|-----------|----------|---------|
| 01/31/2018 | \$700,000 | \$700,000 | -- | -- |
| 11/30/2017 | Increase \$20,000 | \$650,000 | -- | -- |

Payment is made the **SAME DAY** as the returns submitted:

PAYMENT MADE:

| Filing Period | Effective Payment Date | Tax | Interest | Penalty |
|---------------|--|-------------|--|--|
| 01/31/2018 | Up to 3/26/2018 | (\$700,000) | 0 | 0 |
| 11/30/2017 | Previous or the same day the amendment is submitted. | (\$20,000) | Interest will start to accrue from Jan 26, 2018. | If amendment is within 12 months of original submission, and additional tax is due, no penalty will be assessed. |

ALTERNATIVE METHODS FOR ***DIRECTED PAYMENT***

1. ACH Credit/Fedwire

Via TAP ACH Credit\Fedwire VOUCHER

Menu **ACH Credit Payment Voucher** Settings Log Off

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How-To Videos Frequently Asked Questions

1. ACH Credit Payment Voucher 2. Review and Submit

ACH Credit Payment Voucher

INSTRUCTIONS

The purpose of this form is to provide TRD with instructions on how to direct a single ACH Credit payment to multiple filing periods. This form is intended to be submitted **before** initiating an ACH Credit payment through your financial institution. In order for these payment directions to be honored, all information provided must match the ACH Credit payment submitted through your financial institution. **This form is informational only and is not a payment submission.** ACH Credit payments must be initiated through your financial institution.

ACCOUNT INFORMATION

Name
Your name here

Account Type
OGT Account

ID Type
Federal Employer ID #

Federal Employer ID #
99-1234567

PAYMENT VOUCHER INFORMATION

PAYMENT DIRECTIONS

Show Errors 1 - 2 of 2 Filter

| Account Type | Payment Type | Filing Period | Direction Amount |
|--------------|------------------------|---------------|------------------|
| OGT Account | Return Payment | 01/31/2018 | 700,000.00 |
| OGT Account | Amended Return Payment | 11/30/2017 | 20,000.00 |

2 Rows

PAYMENT AMOUNT
720,000.00

Cancel Previous Next

The taxpayer is responsible for initiating the ACH Credit with their financial institution. If taxpayer financial institution allows, please specify the SAME Federal ID to taxpayer-initiated ACH Credit payment as above, in this case, Federal Employer ID on the voucher. THIS WILL ENSURE THE TRD SYSTEM CAN ELECTRONICALLY MATCH THE INCOMING PAYMENT ***WITHOUT ADDITIONAL DELAY.***

See guidelines in FYI-401 for ensuring, with your financial institution, the correct effective date ACH Credit and FeWire payments.

Upon receipt from TRD Fiscal Agent, TRD GenTax system will 'match' the incoming payment with the ACH TAP voucher and allocate the payment accordingly.

ALTERNATIVE METHODS FOR **DIRECTED PAYMENT**

2. eCheck\ACH Debit via TAP Period Payment

Menu
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HOME » OGT ACCOUNT » 01/31/2018 » SELECT TYPE » PERIOD PAYMENT

[How-To Videos](#) [Frequently Asked Questions](#)

✍
PERIOD

Your customer name
-*3322

OGT Account
04208970040-OGT

▶ 01/31/2018
OGRID 12345

Note: The balance displayed may not include updated penalty and interest (P&I). To update P&I navigate to the account page and click on the Update Penalty & Interest link under the "I WANT TO" panel. Select "Request Current Balance Update" from the drop-down menu and submit the web request. Once the web request is completed your tax account will display the updated balance.

🏠
PAYMENT SOURCE

Type
E-check - US Bank

Bank Account Type
Checking

Routing Number
011103093

Bank Name
TD BANK NA

Account Number
12345

Re-Enter Account Number
12345

Save this payment source for future use

Note: If you have a debit block filter on your checking account allowing only pre-specified businesses to debit your account, you must contact your financial institution and add the State of New Mexico company identification number (1856000536) before your electronic check can be accepted. If your bank rejects your electronic payment, you will be subject to penalty and interest.

📊
PAYMENT

Would you like to direct this payment towards more than one filing period?

| Show Errors 1 - 2 of 2 | | | |
|------------------------|----------------|---------------|------------|
| | Payment Type | Filing Period | Amount |
| 📄 | Return Payment | 01/31/2018 | 700,000.00 |
| 📄 | Amended Return | 11/30/2017 | 20,000.00 |
| | | | 2 Rows |
| | | | 720,000.00 |

Payment Date
05/11/2018

Amount

Re-Enter Amount

The total payment amount must equal the sum of the direction amounts.

Memo

NOTE: Using either of the ACH DEBIT\ eCheck methods provided by TRD, ensures that the entire payment from that point forward can occur electronically without further delays for processing by multiple financial institutions and manual intervention of the part of the taxpayer or TRD. This is a more streamlined, timely method of payment.

ALTERNATIVE METHODS FOR **DIRECTED PAYMENT**

3. eCheck\ACH Debit

via XML Bulk File Payment Information Segment

```
<PaymentInformation>
  <PaymentPeriodEndDate>2018-01-31</PaymentPeriodEndDate>
  <PaymentType>Return Payment</PaymentType>
  <IsInternational>N</IsInternational>
  <PaymentAmount>720000.00</PaymentAmount>
  <RoutingNumber>011103093</RoutingNumber>
  <AccountNumber>12345</AccountNumber>
  <DebitDate>2018-05-11</DebitDate>
  <MemoField> </MemoField>
- <tblDirections>
-   <rowDetail>
-     <DirectionPeriod>2018-01-31</DirectionPeriod>
-     <DirectionVoucherType>RTNPYM</DirectionVoucherType>
-     <DirectionAmount>700000.00</DirectionAmount>
-   </rowDetail>
=   <rowDetail>
-     <DirectionPeriod>2017-11-30</DirectionPeriod>
-     <DirectionVoucherType>AMEND</DirectionVoucherType>
-     <DirectionAmount>20000.00</DirectionAmount>
-   </rowDetail>
- </tblDirections>
</PaymentInformation>
```

NOTE: Using either of the ACH DEBIT\ eCheck methods provided by TRD, ensures that the entire payment from that point forward can occur electronically without further delays for processing by multiple financial institutions and manual intervention of the part of the taxpayer or TRD. This is a more streamlined, timely method of payment.

YOUR ACCOUNT Payment Allocation Report

| Filing Period | Tax | Interest | Penalty | Other |
|----------------------|-------------|--|----------------|--------------|
| 1/31/2018 | (\$700,000) | - | - | - |
| 11/30/2017 | (\$20,000) | Interest will start to accrue from Jan 26, 2018. | | |

*The "other" column in the Payment Allocation Report represents the amount of payment that has been refunded, transferred to another account, or is excess credit.

Account Standing as of **3/27/2018**:

| Filing Period | Tax Due | Tax Paid | Pen. Due | Pen. Paid | Int. Due | Int. Paid | Period Balance |
|----------------------|----------------|-----------------|-----------------|--|--|------------------|--------------------------------|
| 1/31/2018 | (\$700,000) | 700,000 | - | - | - | - | 0 |
| 11/30/2017 | (20,000) | 20,000 | - | No penalty will be assessed unless not paid within the year. | Interest will start to accrue from Jan 26, 2018. | - | Interest from January 26, 2018 |