

Coal Severance Tax
(North Dakota Century Code ch. 57-61)

Report for month of _____ 20 ____ For coal severed in the county of _____

Coal Mine Owner or Operator _____ Name of Mine _____

Address _____ City _____ State _____ Zip Code _____

Individual to whom questions concerning this report should be directed:

Name _____ Title _____ Phone No. _____

Address (if different from above) _____

Please complete Schedule A on back before proceeding. (See instructions.)

- 1. Total number of tons of coal mined during month (from Schedule A).....
2. Less: Number of tons placed into a long-term inventory storage deposit
3. Balance (Line 1 minus Line 2).....
4. Plus: Number of tons removed from long-term inventory storage deposit
or pledged as collateral on a loan.....
5. Total number of tons of coal severed during month (Line 3 plus Line 4)
6. Less: Tax-exempt tons (see instructions)
7. Total number of tons of coal subject to severance tax (Line 5 minus Line 6).....
8. Rate per ton (lignite research fund tax)..... \$0.02
9. Tax on tonnage on Line 7 (Line 8 times Line 7).....
10. Number of tons to be burned in a cogeneration facility designed to use
renewable resources to generate 10 percent or more of its energy output
11. Rate per ton (50 percent of \$0.375) \$0.1875
12. Tax on tonnage on line 10 (Line 11 times Line 10).....
13. Number of tons shipped out of state this month
14. County rate per ton (70 percent of \$0.375)..... \$0.2625
15. Less: Tax exemption granted by county, if any
(____ percent times line 14)
16. Adjusted county severance tax rate (Line 14 minus Line 15)
17. Trust fund rate per ton (30 percent of \$0.375)..... \$0.1125
18. Tax rate for tonnage on line 13 (Line 16 plus Line 17)
19. Tax on tonnage on line 13 (Line 18 times Line 13).....
20. Number of tons subject to severance tax at 100 percent
(Line 7 minus Lines 10 and 13)
21. Rate per ton \$0.375
22. Tax on tonnage on Line 20 (Line 21 times Line 20).....
23. Total Tax Due (Line 9 plus Line 12 plus Line 19 plus Line 22).....

Signature of Officer _____

Date _____

Please Do Not Write In This Space

Schedule A

List below the number of tons of coal mined by location within the county shown on reverse side:

Legal Description Of Land From Which Mined (See Instructions)	Total Number of Tons Mined During Month
Total	

Coal Severance Tax Instructions

Pursuant to N.D.C.C. ch. 57-61, each coal mine owner or operator is required to file a monthly report indicating the number of tons of coal severed for sale or for industrial purposes. Coal is considered to be severed, for the purposes of this chapter, when it is first removed from where it was placed by nature, unless within thirty days of first removal it is placed into a long-term inventory storage deposit, in which case it is considered to be severed when it is removed from the deposit or pledged as collateral on a loan. The report is to be filed in the Office of State Tax Commissioner, 600 E. Boulevard Ave., Dept. 127, Bismarck, North Dakota 58505-0599, within twenty-five days after the end of the month for which it is made. Payment of the amount of severance tax due must accompany the report. A separate report is required for each county in which coal is severed.

On Schedule A, list the number of tons of coal mined by legal description (by quarter section, if available, and if not available, by legal description contained in lease or other instrument of ownership) of land from which the coal is removed. Attach additional schedules if necessary.

Requirements Regarding Tax Exempt Coal Or Coal Qualifying For Reduced Coal Severance Tax Rate

Line 6. Tax-exempt coal: The coal mine owner or operator shall require the person purchasing coal to be used for the following purposes to certify the amount of coal purchased that will be used for those purposes:

- Coal to be used primarily for heating buildings in this state, including the heating of buildings with steam created by the burning of coal or coal used by the state or any political subdivision of the state. [§ 57-61-01.1]
- Coal used in, or coal used to produce steam that is used in agricultural commodity processing facilities as defined in subsection 4 of section 57-39.2-04.4 located within North Dakota or adjacent states or any facility owned by the state or a political subdivision of the state. [§ 57-61-01.4]
- Coal purchased for improvement through the process of coal beneficiation defined in subsection 2 of section 57-60-01 which is subsequently used, or used to produce steam that is used in agricultural commodity processing facilities within North Dakota or adjacent states or any facility owned by the state or a political subdivision of the state. [§ 57-61-01.4]

Line 10. Coal qualifying for reduced coal severance tax rate: The coal mine owner or operator must certify, or require the person purchasing the coal which is to be burned in a cogeneration facility which is designed to use renewable resources as fuel to generate ten percent or more of its energy output measured in British thermal units to certify that the coal will be used in the manner required to qualify for the reduced tax rate. The Office of State Tax Commissioner prefers that the certifications be made by the purchaser.

Line 15. Tax exemption granted by county: Enter the percentage of the county's share of the coal severance tax for which the county granted an exemption, and multiply the amount on Line 14 by that percentage. Include a copy of the county's resolution granting the exemption with the initial report.

Certifications relative to Lines 6 and 10 shall include the date of purchase, name and address of purchaser, number of tons of coal purchased, and purpose for which purchased, and shall be retained by the coal mine owner or operator.

If you have any questions or need additional information, you may call (701)328-3128.