

# WV/SEV-401W

## Annual Waste Coal Severance Tax Return Instructions

**IMPORTANT INFORMATION:** The Tax Department will deny claims for refund or credit if **ANY** part of the required information is not provided with the SEV-401W.

### REQUIRED INFORMATION

1. Current SEV-401W Form
2. Credit Schedules (**Schedules must be attached to the return. Claims for credit without schedules attached to the return in MyTaxes will be disallowed.**)
3. Power of Attorney (**as needed**)
4. Sign and date

#### **SCHEDULE E**

**This schedule must be completed by all producers.** All tonnage must be reported along with the county in which waste coal was produced from refuse, gob piles, slurry ponds, pond fines, or other sources.

#### **Name of County of Production**

Enter and review all the county/counties in which the waste coal was located when it was produced.

#### **County FIPS Code**

Enter the county FIPS code from the key. Please insure the county code printed on your return is where the waste coal was actually produced. All counties must be reported.

#### **Waste coal produced this year**

Enter the total tons produced for the taxable year. **Round all tons to the nearest whole ton. Do not include decimal points or fractions.**

#### **TAX COMPUTATIONS**

- Line 1** Enter the total gross value of waste coal that was recovered and processed during the taxable year.
- Line 2** Rate
- Line 3** Tax Due before credits: Multiply line 1 by line 2.
- Line 4** Total Credits: Enter the total credits from line 3 of Schedule TC.
- Line 5** Net amount of tax: Line 3 minus line 4. If line 4 is greater than line 3, enter 0.
- Line 6** Enter total payments made for the period covered by this return and any credit from prior years' overpayment.
- Line 7** Balance of tax due: Line 5 minus line 6.

**Line 8** Overpayment Amounts: Line 6 minus line 5. If line 5 is greater than line 6, enter 0.

**Line 9** Enter the amount of line 8 to be credited to next year's tax.

**Line 10** Enter the amount of line 8 to be refunded (line 8 minus line 9).

#### **SCHEDULE TC**

**Line 1** Enter the amount of credit: \$500 per year or \$41.67 per month engaged in the business in West Virginia. Only one annual exemption may be claimed by each business entity.

**Line 2** Enter the amount of the Credit for Coal Loading Facilities. **Schedule CL must be attached.**

**Line 3** Total Credit: Sum of lines 1 and 2. Enter this amount on line 4 on page 1 of the report.

#### **SCHEDULE D**

#### **Subsidiaries Reported**

Enter the FEIN and Name of the subsidiaries reported.

#### **OTHER INFORMATION**

#### **\$500 Annual Exemption**

This exemption is allowed only for the period you were actually in business. The fact that the exemption may exceed the adjusted tax does not result in a refund. A refund is the result of excessive actual tax paid. Only the exemption, not to exceed \$500.00 per year may be claimed by each business entity even though you may operate at more than one location or file more than one type of Severance Tax Return.

**Example:** The exemption per month is \$41.67 and per day \$1.37. If you were in business July 27 through December 31, 2007, your exemption is \$215.00 (\$41.67 x 5 months =

\$208.35 and  $\$1.37 \times 5 \text{ days} = \$6.85$ , rounded to the nearest dollar).

**Credit for Coal Loading Facilities (11-13E)**

This credit is available to taxpayers subject to Severance Tax. The credit for Business Franchise Tax applies to tax years prior to January 1, 2015. The credit is based on purchases of real personal property or a combination thereof, for the purpose of building or constructing a new or expanded coal loading facility or who revitalized an existing

coal loading facility which was located in the state on April 1, 1983. The facility is to be used solely for the purpose of transferring coal from a coal processing or preparation facility, or from a coal storage facility, or both, or from any means of transportation used to move coal, including such land as is directly associated with and solely used for the coal loading facility. The coal loading facility credit attributable to investments made on or after March 1, 1985 is limited to fifty percent (50%) of the gross tax payable for Severance Tax and Business Franchise Tax.