

Severance Tax

Severance Tax Refund Recovery

Our severance tax professionals help companies identify, analyze, and recover potential tax refunds. The scope of analysis typically includes a review of business operations, a review of the company’s compliance with severance tax laws and regulations, and assistance with refund recovery by preparing claims for filing by the company. We utilize leading technologies developed specifically for severance tax refund reviews to streamline our services.

Furthermore, in order to help mitigate future errors, we work alongside our clients and discuss the issues that are identified as part of our refund recovery services. The following are areas where we assist in the recovery of refunds:

- Marketing cost review
- Statutory exemption review
- Contract compliance review

Due to our deep understanding of the processes and procedures in the various state departments of revenue, Deloitte Tax can help a company navigate and resolve complex issues effectively and efficiently.

Audit Defense

Many of our severance tax professionals have significant experience working with state departments of revenue. Our professionals have insight into tax law and administrative audit policies, as well as industry knowledge. The areas where our experience may prove valuable include the ability to:

- Provide guidance regarding audit procedures and processes
- Assist with required tax or data reconciliations
- Assist in gathering the supporting documentation required for the tax audit to reduce assessments
- Participate in meetings with tax authority auditors
- Review and analyze audit assessments
- Understand industry tax positions and regulatory compliance
- Identify potential overpayments to offset audit liabilities
- Track legislative changes, court decisions, and agency rulings that affect severance tax imposition and reporting requirements

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### Why Deloitte?

- **Dedicated team of experienced severance tax advisers**
- **Proprietary technology developed specifically to enhance our clients’ experience with our services**
- **Experience with audit, refund pursuit, and controversy procedures for many tax jurisdictions**

Consulting

Deloitte’s severance tax professionals are ready to assist clients with their severance tax needs. Our consulting services include:

- Well incentive planning and assistance with certification
- Compliance assistance
- Due diligence associated with merger and acquisition activity
- Taxability research
- Assistance with obtaining incentive certification
- Training and education

We pride ourselves in being trusted severance tax advisers through continuous communication with our clients, providing them with background regarding issues and potential planning considerations identified through the course of our reviews. Our goal is to facilitate knowledge transfer and provide our clients with the necessary tools to explore severance tax positions specific to their operations.

Compliance

Deloitte assistance in the area of severance tax extends to both compliance outsourcing and compliance support services. This includes the following:

- Preparation of original and amended returns for filing by our clients
- Identification of potentially applicable deductions
- Identification and application of qualifying statutory exemptions
- A dedicated team with over 100 years of combined multistate experience working in audit, consulting, tax technology, and industry for some of the largest oil and gas companies. This team includes former state employees with significant experience working with companies to maintain compliance with severance tax requirements.

Through the use of proprietary and third-party technology tools, Deloitte has the capability to address our clients’ severance tax needs and evolving compliance requirements.

**For more information, contact:**

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