

FREQUENTLY ASKED QUESTIONS

Question: What is the purpose of MT-178 Natural Gas Severance Tax – Operator/Producer Activity Report?

Answer: To report to the Miscellaneous Tax Section the Operators/Producers natural gas sales activity per AR Code Ann. §26-58-116.

Question: How will the MT-178 be used by the State of Arkansas?

Answer: The information supplied on the MT-178 is compared against the MT-179 Natural Gas Severance Tax – First Purchaser Activity Report. The comparison of data from the two forms allows the State of Arkansas to verify that all the gas severed in Arkansas and sold has been reported for Severance Tax purposes by the Operators/Producers.

Question: Who is required to file the MT-178 Natural Gas Severance Tax – Operator/Producer Activity Report?

Answer: Every Operator/Producer or Non-Operator/Producer (company, organization, or individual) engaged in the severance of natural gas in the State of Arkansas shall file a MT-178 form with the Miscellaneous Tax Section.

LINE INSTRUCTIONS FOR PREPARING THE MT-178 FORM

Summarized natural gas purchase information

Line 1. Enter the First Purchasers AR Severance Tax Permit Number, name, address, Total Mcf sold to the First Purchaser, and the corresponding Total Value of Mcf sold during the production/report month.

Line 2 – 10. If Mcf is sold to more than one First Purchaser during the production/report month, list that information on Lines 2 - 10. (If additional lines are necessary, submit supplemental pages.)

Line 11 Total the amounts on Lines 1 – 10 for Columns D and E and enter the results on Line 11.

Line 12. Enter the Taxpayer Representative's Signature, Printed Name, Title, Telephone Number, and Date.

Report due date information

Form MT-178 Natural Gas Severance Tax – Operator/Producer Activity Report is due by the 25th day of the second month following the production/report month. The form should be mailed to:

Miscellaneous Tax Section
PO Box 896, Room 2340
Little Rock, AR 72203