



DO NOT SEND

DR 0020A (07/27/21)
COLORADO DEPARTMENT OF REVENUE
Denver CO 80261-0006
Tax.Colorado.gov

Instructions for Metallic Minerals Severance Tax Schedule DR 0020A

Filing Requirements

Every individual, corporation, business trust, partner in a partnership, association, estate, trust or any other legal entity liable for the payment of Colorado severance tax must file a severance tax return. This return must be made for the same tax year used for federal income tax purposes and is due on or before the 15th day of the fourth month following the end of the taxable year.

Controlled Group

In case of a controlled group of corporations as defined in section 613A of the Internal Revenue Code or of a family (an individual, the individual's spouse, and their minor children) where more than one member of the group or family are subject to the severance tax, the tax must be jointly computed and the severance tax return must be jointly filed under the name of the principal taxpaying corporation, the married couple or the single adult. The DR 0021AS, available upon request from the Department of Revenue, must be attached in case of a controlled group of corporations.

Metallic Minerals Defined

Metallic minerals means all minerals except molybdenum, oil and gas, carbon dioxide, coal, oil shale, rock, gravel, stone products, earths, limestone, and dolomite. Minerals associated with molybdenum and oil shale production are not excluded from the definition of metallic minerals.

Taxpayer

The tax is levied against every mining operation engaged in the severance of metallic minerals.

Tax

The tax is 2.25% of the gross income from the mining operations in excess of \$19,000,000 per year. The \$19,000,000 exemption need not be prorated for a taxable period of less than twelve months.

Gross Income

Gross income means the value of the ore immediately after its removal from the mine, and does not include any value added subsequent to mining by any treatment processes, such as crushing, grinding or concentration, by transportation from the mine, or by marketing of such ore or any products derived therefrom.

Income from the extraction or processing of ores or minerals from mine waste or residue of previously processed ores is not subject to tax. Ores that are processed and abandoned and subsequently reclaimed by an unrelated economic interest shall be generally considered as waste or residue.

The tax applies to the value of the ore at the time it is severed, not to the sale of the ore. Ore severed during a year is taxed for that year even if it remains unsold at the end of the year.

Ad Valorem Tax

The ad valorem tax must be reported on the same basis (accrual or cash) used for filing federal income tax returns. For the accrual basis taxpayer, the accrual/assessment date is the date the actual amount of the ad valorem tax is determined based upon the mill levy set by the counties. For the cash basis filer, the ad valorem tax is paid when it is actually paid to the county assessor.

Impact Assistance Credit

A credit against the severance tax is allowed with respect to contributions of property or money to units of local government for the amount of the credit must be certified by the Executive Director of the Department of Local Affairs.

Estimated Tax

Every corporation subject to Colorado severance tax must file a declaration of estimated tax, the DR 0021PA, if its severance tax liability for the current tax year can reasonably be expected to exceed its Colorado severance tax credits by \$5,000 or more.

Interest and Penalty

If the return is filed after the due date, interest at the current statutory rate is due on any balance of tax due until paid. A penalty of the larger of \$30 or 30% of the balance of tax due is due on any delinquent return. A corporation that underpays its estimated tax may owe an estimated tax penalty.

Direct Deposit

The Department can deposit your refund directly into your account at a U.S. bank or other financial institution (such as a mutual fund, brokerage firm, or credit union) in the United States.

Extension of Time for Filing

An automatic six-month extension of time for filing the severance tax return is allowed. This is an extension of time for filing your severance tax return, not an extension of time for paying your tax. If you owe additional tax, use the DR 0021SA to submit an extension payment.

Amended Return

If you find it necessary to amend your Colorado severance tax return, you are required to file the DR 0020AX with the Department of Revenue.

Information

Forms and additional information can be accessed on the Web site at *Tax.Colorado.gov*



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Colorado Metallic Minerals Severance Tax Return

Taxable Year Beginning (MM/DD/YY)		Taxable Year Ending (MM/DD/YY)		Colorado Account Number		FEIN	
Last Name or Business Name				First Name			Middle Initial
Address							
Foreign Country		City		State	ZIP	Phone Number	
Name of facility as identified with the Colorado Department of Natural Resources							
County or counties in which operation is located							
If this is a final return, check this box • <input type="checkbox"/>						Round To The Nearest Dollar	
1. Gross income from mining operation						• 1	00
2. Specific exemption (see instructions)						2	19,000,000 00
3. Taxable income, line 1 minus line 2. If line 2 is larger, enter zero						• 3	00
4. Tax on gross income, 2.25% of amount on line 3						• 4	00
5. Ad valorem tax <input type="checkbox"/> Accrual basis or <input type="checkbox"/> Cash basis							
Check accounting method (Check Instructions)						• 5	00
6. 50% of the tax on line 4						6	00
7. Ad valorem tax credit, the smaller of lines 5 or 6						• 7	00
8. Tax, line 4 minus line 7						• 8	00
9. Impact assistance credit						• 9	00
10. Net tax, line 8 minus line 9 but not less than zero						10	00
11. Estimated tax and extension payments						• 11	00
12. If line 11 is larger than line 10, enter your overpayment						12	00
13. Enter amount from line 12 you want refunded						• 13	00
Direct Deposit		Routing Number		Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings			
		Account Number					



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14. Enter amount from line 12, if any you want credited to estimated tax for next year	● 14		00
15. If line 10 is larger than line 11, enter the balance of tax due	15		00
16. Interest on balance of tax due	● 16		00
17. Penalty on balance of tax due	● 17		00
18. Estimated tax penalty	● 18		00
19. Total Amount Owed. Add lines 15 through 18		<input type="checkbox"/> Paid by EFT	
	● 19	\$.00

The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically.

Under penalty of perjury in the second degree, I declare that I have examined this return and to the best of my knowledge and belief it is true, correct, and complete.

Signature of Taxpayer or Corporate Officer		Date (MM/DD/YY)	
Preparer Last Name	Preparer First Name	Middle Initial	
Address		Phone Number	
City	State	ZIP	

Mail to and make checks payable to: Colorado Department of Revenue
Denver CO 80261-0006