Subpart F—Geothermal Resources

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1218.706 What debts may ONRR refer to Treasury to collect by administrative offset or tax refund offset?


ONRR will publish a Notice of the assessment amount to be applied in the Federal Register.


§ 1218.41 Assessments for failure to submit payment of same amount as Form ONRR–2014 or bill document or to provide adequate information.

(a) The ONRR may assess an amount not to exceed $250 when the amount of a payment submitted by a reporter/payor for geothermal, solid minerals, and Indian oil and gas leases is not equivalent in amount to the total of individual line items on the associated Form ONRR–2014, Form ONRR–4430, or a bill document, unless ONRR has authorized the difference in amount.

(b) The ONRR may assess an amount not to exceed $250 for each payment for geothermal, solid minerals, and Indian oil leases submitted by a reporter/payor that cannot be automatically applied to the associated Form ONRR–2014, Form ONRR–4430, or a bill document because of inadequate or erroneous information submitted by the reporter/payor.

(c) For purposes of this section, inadequate or erroneous information is defined as:

1. Absent or incorrect payor-assigned document number, required to be identified by the reporter/payor in Block 4 on Form ONRR–2014 (document 4 number), or the reuse of the same incorrect payor-assigned document 4 number in a subsequent reporting period.
2. Absent or incorrect bill document invoice number (to include the three-character alpha prefix and the nine-digit number) or the payor-assigned document 4 number required to be identified by the reporter/payor on the associated payment document, or the reuse of the same incorrect payor-assigned document 4 number in a subsequent reporting period.
3. Absent or incorrect name of the administering Bureau of Indian Affairs Agency/Area office; or the word “allotted” or the tribe name on payment documents remitted to ONRR for an Indian tribe or allottee. If the payment is made by EFT, the reporter/payor must identify the tribe/allottee on the EFT message by a pre-established five-digit code.

4. Absent or incorrect ONRR-assigned payor code on a payment document.

5. Absent or incorrect identification on a payment document.

(d) For purposes of this section, the term “Form ONRR–2014” includes submission of reports of royalty information, such as Form ONRR–4430.

(e) For purposes of this section, a bill document is defined as any invoice that ONRR has issued for assessments, late-payment interest charges, or other amount owed. A payment document is defined as a check or wire transfer message.

(f) The amount of the assessment to be imposed pursuant to paragraphs (a) and (b) of this section shall be established periodically by ONRR. The assessment amount will be based on ONRR’s experience with costs and improper reporting and/or payment as specified in this section. The ONRR will publish a Notice in the Federal Register of the assessment amount to be applied with the effective date.


§ 1218.42 Cross-lease netting in calculation of late-payment interest.

(a) Interest due from a payor on any underpayment for any Federal mineral lease or leases (onshore or offshore) and on any Indian tribal mineral lease or leases for any production month shall not be reduced by offsetting against that underpayment any overpayment made by the payor on any other lease or leases, except as provided in paragraph (b) of this section. Interest due from a payor or any underpayment on any Indian allotted lease shall not be reduced by offsetting against any overpayment on any other Indian allotted lease under any circumstances.

(b) Royalties attributed to production from a lease or leases which should have been attributed to production from a different lease or leases may be offset to determine whether and to what extent an underpayment...