

**OFFICE OF THE NAVAJO TAX COMMISSION
POSSESSORY INTEREST TAX RETURN
DECLARATION OF INTEREST IN LEASE**

Instructions for Form 200

A. WHO MUST FILE.

Any person owning an interest in a lease granted by the Navajo Nation must file this form with the Navajo Tax Commission.

B. TIME FOR FILING.

The form must be filed on or before April 1, following the annual assessment date, for business site leases the due date is May 15th. Exception would be for procurement clearances; in that case the Form 200 would have to be filed with the Form 100 to complete the procurement clearance process.

C. PLACE FOR FILING.

The form can be hand-delivered to the Office of the Executive Director at the Karigan Professional Building, Hwy 264, 100 Taylor Road, Suite 115, St. Michaels, AZ 86511, or delivered by mail to: Navajo Tax Commission, Office of the Executive Director, Post Office Box 1903, Window Rock, AZ 86515.

D. EXTENSION OF TIME.

Any extension of the time for filing the declaration (Form 200) may be obtained by filing Form 145, Request for Extension of Time for Filing. Or a letter of request in accordance with regulations, on or before the due date for filing the declaration, April 1. For business site leases the due date is May 15th of each year.

E. EXEMPTIONS FROM FILING.

The government of the Navajo Nation and any wholly-owned subdivision or enterprise of that government is exempt from filing the Form 200. If an individual or business is leasing a space from the NN, the individual or business is not exempt. You are responsible for filing and paying possessory interest tax. Also taxable are contracts, agreements, leases, etc. where it specifically allows for taxation.

F. FAILURE TO FILE.

Failure to file this form will subject the taxpayer to penalties under UTAS. Copies of the forms are available through the Office of the Executive Director, Navajo Tax Commission and on our website www.tax.navajo-nsn.gov .

G. FORM 200 INSTRUCTIONS BY ITEM

In the upper right corner of the form there is a space provided for the Assessment Year. The current year must be entered. If you are submitting a form for a prior year(s), then it must indicate the year for which you are filing.

- 1) Enter taxpayer's Federal/TIN/EIN/SS: Identification Number for the business.
- 2) Enter the legal name of the taxpayer, i.e., the individual who owns an interest in lease. The name of the business goes on line #5 below.
- 3) The taxpayer's full business address with city, state, zip and telephone number. If you have an email address, please enter here. We can email most PIT forms upon request, but our office will need the original signed hard copies with a post mark to determine timely filing. All forms are available through our website www.tax.navajo-nns.gov .
- 4) **a.** Check the type of operation being conducted on the lease for which you have an interest. If your business is not listed, please specify in "other". IF you are operating your business in your personal residence, check "RESIDENTIAL".
b. Type of land operating on. Circle one of the options given; Tribal Trust, Private, State, or Allotment.
- 5) Name of the Business or Operator, this is different from the Taxpayer in #2 above. For example, taxpayer John Smith owns and/or operates a business named "Smith's Grocery".
- 6) Enter your Lease/Permit number assigned to this lease. If this is an oil and gas property, enter the name of the well and/or the unit name. If filing for a unit, attach a list of all wells in the unit.
- 7) Your percent interest in this lease/well/permit. IF there are more than one interest owners, each owner must submit a Form 200 for his/her own percentage in the lease/unit/well.
- 8) **a.** Indicate whether the taxpayer owns interests in more than one lease or wells. If yes, a separate Form 200 and 245 must be completed for each interest in other leases/wells.
b. Effective date of assignment of interest in lease. Enter the date when the assignment of interest was given to you. Copy of the assignment can be attached.
- 9) **a.** Are you related to any other lease owner/lessee or sublessee? Indicate whether the taxpayer is related to any other person or company, that owns an interest in other leases by checking the box yes or no.
b. If the answer is yes, please provide the name and address of the related person(s) or company.
c. Enter the name of the lessor, also known as the base lease owner, if applicable. The base lease owner must also submit Form 200 and Form 245.

- 10) Location of lease. Provide the physical location of your lease or place of business. The NN Land Administration or the operator can provide you with a map with this type of information, the township, range and section, state, county, agency and chapter.
- 11) Changes to the Status of Lease: Check the appropriate status.
If the lease and/or interest has been sold, transferred or assigned (in whole or partial) to another person, company, etc. please type in the new owner's name, address and telephone number to the left. If the change of ownership is not provided, the next assessment date, January 1, you will be presented with the tax bill for the current year. Provide the date it was sold, the date lease expired and the dollar (\$) amount it was sold for. This information will be kept confidential as provided for in the statutes. Also attach copies of the approved documents/assignments with the effective date of transfer or sale.
Emergency Operating agreements. Please provide an explanation on a separate cover letter, the circumstances under which this agreement has been placed on your lease. It should contain how long this agreement will be in effect.
Check pending approval if your lease is still in the process of approval by the Navajo Nation. If your lease is Non-Profit, please attach your IRS documents assigning your business as a non-profit status.

VERIFICATION AND SIGNATURE.

Under a declaration made pursuant to penalties provided, the form must be verified, signed, and dated by the taxpayer or an officer, employee, or other duly authorized representative of the taxpayer.