

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. BOX 13528 AUSTIN, TX 78711-3528

December 10, 2004

Dear Taxpayer:

The General Land Office has certified that the Coastal Protection Fund has fallen below the minimum balance allowed by law. Therefore, by law, the Coastal Protection Fee will be reinstated effective January 1, 2005. Crude oil transferred through a marine terminal on or after January 1, 2005, will be subject to the two cents per barrel fee.

Your January return (Form 66-100) will be due on February 28, 2005. Please note that a return must be filed for each month even if no money is due. Collection of the Coastal Protection Fee will be suspended again if the fund reaches the maximum balance allowed by law. You will be notified if the fee is suspended.

If you have any questions, please call toll free at 1-800-252-1384 or, in Austin, call 512/463-4600. Hearing impaired customers may call 1-800-248-4099 from a Telecommunications Device for the Deaf (TDD); the local TDD number is 463-4621.

Sincerely,

Bryant K. Lomax

Manager, Tax Policy Division