



COMPTROLLER OF PUBLIC ACCOUNTS

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

August 26, 2005

Dear Taxpayer:

The 79th Texas Legislature has reduced the coastal protection fee from 2 cents to 1.333 cents per barrel of crude oil or condensate transferred to or from vessels at a Texas marine terminal. The change is contained in Senate Bill 1863 (79th Regular Session), amending the Natural Resources Code.

The fee reduction is effective September 1, 2005. The September 2005 report will be the first to use the new rate.

If you have any questions concerning the fee, you can call one of our tax specialists toll free at 1-800-252-1384. The Austin number is 512/463-4600.

Sincerely,

Bryant K. Lomax
Manager
Tax Policy Division