

**§186. Interest**

A person who fails to pay any tax, other than a tax imposed pursuant to chapter 105, on or before the last date prescribed for payment is liable for interest on the tax, calculated from that date and compounded monthly. The rate of interest for any calendar year equals the highest prime rate as published in the Wall Street Journal on the first day of September of the preceding calendar year or, if the first day of September falls on a weekend or holiday, on the next succeeding business day, rounded up to the next whole percent plus 3 percentage points. The rate of interest for any calendar year beginning on or after January 1, 2018 equals the prime rate as published in the Wall Street Journal on the first day of September of the preceding calendar year or, if the first day of September falls on a weekend or holiday, on the next succeeding business day, rounded up to the next whole percent plus one percentage point. For purposes of this section, the last date prescribed for payment of tax must be determined without regard to any extension of time permitted for filing a return. A tax that is upheld on administrative or judicial review bears interest from the date on which payment would have been due in the absence of review. Any amount that has been erroneously refunded and is recoverable by the assessor bears interest at the rate determined pursuant to this section from the date of payment of the refund. A credit or reimbursement that has been allowed or paid pursuant to this Title and is recoverable by the assessor bears interest at the rate determined pursuant to this section from the date it was allowed or paid. Interest accrues automatically, without being assessed by the assessor, and is recoverable by the assessor in the same manner as if it were a tax assessed under this Title. If the failure to pay a tax when required is explained to the satisfaction of the assessor, the assessor may abate or waive the payment of all or any part of that interest. [PL 2017, c. 211, Pt. A, §6 (AMD).]

Except as otherwise provided in this Title, and except for taxes imposed pursuant to chapter 105, interest at the rate determined pursuant to this section must be paid on overpayments of tax from the date the return listing the overpayment was filed or the date payment was made, whichever is later. [PL 2009, c. 625, §3 (AMD).]

**SECTION HISTORY**

PL 1977, c. 679, §1 (NEW). PL 1981, c. 22, §§1,2 (AMD). PL 1981, c. 180, §1 (AMD). PL 1981, c. 364, §14 (AMD). PL 1981, c. 706, §§3,4 (AMD). PL 1985, c. 333, §§1,3 (AMD). PL 1987, c. 772, §7 (AMD). PL 1989, c. 502, §§A164,A165 (AMD). PL 1991, c. 846, §6 (AMD). PL 1997, c. 668, §13 (AMD). PL 1999, c. 414, §9 (AMD). PL 2001, c. 583, §9 (AMD). PL 2001, c. 583, §24 (AFF). PL 2003, c. 673, §KK1 (AMD). PL 2003, c. 673, §KK3 (AFF). PL 2009, c. 625, §3 (AMD). PL 2017, c. 211, Pt. A, §6 (AMD).

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