



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

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GOVERNOR

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REVENUE ADMINISTRATIVE BULLETIN 2017-22

Approved: October 19, 2017

INTEREST RATE

For period: January 1, 2018 – June 30, 2018

(Replaces Revenue Administrative Bulletin 2017-9)

RAB 2017-22. This Revenue Administrative Bulletin (RAB) establishes the annual rate of interest due on underpayments and overpayments for the period beginning on January 1, 2018, and ending on June 30, 2018.

A daily rate of interest (.0001411) based on an adjusted annual rate of 5.15% will be added to a tax deficiency or an excessive claim for the period stated above. The effective annual rate of 5.15% was established pursuant to section 23(2) of the Revenue Act, MCL 205.23(2), at one percentage point above the “adjusted prime rate” charged by three commercial banks to large businesses.

The rates of interest as announced in this RAB also apply to overpayments as added under MCL 205.30(1) for periods after March 31, 1993.

The following annual and corresponding daily rates of interest are in effect and will accrue during these periods:

	<u>Period</u>	<u>Annual Rate</u>	<u>Daily Rate</u>
January 1, 2018	- June 30, 2018	5.15%	(.0001411)
July 1, 2017	- December 31, 2017	4.7%	(.0001288)
January 1, 2017	- June 30, 2017	4.5%	(.0001233)
July 1, 2016	- December 31, 2016	4.4%	(.0001202)
January 1, 2016	- June 30, 2016	4.25%	(.0001161)
July 1, 2015	- December 31, 2015	4.25%	(.0001164)
January 1, 2015	- June 30, 2015	4.25%	(.0001164)
July 1, 2014	- December 31, 2014	4.25%	(.0001164)
January 1, 2014	- June 30, 2014	4.25%	(.0001164)
July 1, 2013	- December 31, 2013	4.25%	(.0001164)
January 1, 2013	- June 30, 2013	4.25%	(.0001164)
July 1, 2012	- December 31, 2012	4.25%	(.0001161)
January 1, 2012	- June 30, 2012	4.25%	(.0001161)
July 1, 2011	- December 31, 2011	4.25%	(.0001164)
January 1, 2011	- June 30, 2011	4.25%	(.0001164)

	<u>Period</u>	<u>Annual Rate</u>	<u>Daily Rate</u>
July 1, 2010	- December 31, 2010	4.25%	(.0001164)
January 1, 2010	- June 30, 2010	4.25%	(.0001164)
July 1, 2009	- December 31, 2009	4.7%	(.0001288)
January 1, 2009	- June 30, 2009	6.0%	(.0001644)
July 1, 2008	- December 31, 2008	7.9%	(.0002151)
January 1, 2008	- June 30, 2008	9.2%	(.0002514)
July 1, 2007	- December 31, 2007	9.25%	(.0002534)
January 1, 2007	- June 30, 2007	9.1%	(.0002493)
July 1, 2006	- December 31, 2006	8.2%	(.0002245)
January 1, 2006	- June 30, 2006	7.2%	(.0001973)
July 1, 2005	- December 31, 2005	6.2%	(.0001699)
January 1, 2005	- June 30, 2005	5.2%	(.0001428)
July 1, 2004	- December 31, 2004	5.0%	(.0001366)
January 1, 2004	- June 30, 2004	5.0%	(.0001366)
July 1, 2003	- December 31, 2003	5.4%	(.0001479)
January 1, 2003	- June 30, 2003	5.8%	(.0001589)
July 1, 2002	- December 31, 2002	6.0%	(.0001644)
January 1, 2002	- June 30, 2002	8.0%	(.0002192)
July 1, 2001	- December 31, 2001	10.1%	(.0002767)
January 1, 2001	- June 30, 2001	10.4%	(.0002849)
July 1, 2000	- December 31, 2000	9.5%	(.0002596)
January 1, 2000	- June 30, 2000	8.9%	(.0002432)
July 1, 1999	- December 31, 1999	8.8%	(.0002411)
January 1, 1999	- June 30, 1999	9.5%	(.0002603)
July 1, 1998	- December 31, 1998	9.5%	(.0002603)
January 1, 1998	- June 30, 1998	9.5%	(.0002603)
July 1, 1997	- December 31, 1997	9.3%	(.0002548)
January 1, 1997	- June 30, 1997	9.25%	(.0002534)
July 1, 1996	- December 31, 1996	9.5%	(.0002596)
January 1, 1996	- June 30, 1996	9.9%	(.0002705)
July 1, 1995	- December 31, 1995	9.5%	(.0002603)
January 1, 1995	- June 30, 1995	8.2%	(.0002247)
July 1, 1994	- December 31, 1994	7.0%	(.0001918)
January 1, 1994	- June 30, 1994	7.0%	(.0001918)

Example: Taxpayer A, who files on a calendar year basis, filed a MI-1040 return for 2016 showing tax due of \$1,500.00. If the tax is not paid until February 7, 2018, the amount of interest calculated due from April 19, 2017,¹ to February 7, 2018,² is as follows:

April 19, 2017	- June 30, 2017	73 days	x .0001233	x \$1,500	\$13.50
July 1, 2017	- December 31, 2017	184 days	x .0001288	x \$1,500	\$35.55
January 1, 2018	- February 7, 2018	38 days	x .0001411	x \$1,500	<u>\$ 8.04</u>
Total Interest:					\$57.09
Tax Due:					<u>\$1,500.00</u>
Total Amount Due:					<u>\$1,557.09</u>

¹ 2016 Income taxes were due April 18, 2017, due to the federally-recognized Emancipation Day holiday.

² Days are calculated from start date to end date, with end date included.