



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**REVENUE ADMINISTRATIVE BULLETIN 2019-18**

**Approved:** November 18, 2019

**INTEREST RATE**  
**For period: January 1, 2020 – June 30, 2020**

(Replaces Revenue Administrative Bulletin 2019-6)

**RAB 2019-18.** This Revenue Administrative Bulletin (RAB) establishes the annual rate of interest due on underpayments and overpayments for the period beginning January 1, 2020 and ending on June 30, 2020.

A daily rate of interest (0.0001749)<sup>1</sup> based on an adjusted annual rate of 6.4% will be added to a tax deficiency or an excessive claim for the period stated above. The effective annual rate of 6.4% 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, 2020	- June 30, 2020	6.4%	(.0001749)
July 1, 2019	- December 31, 2019	6.39%	(.0001751)
January 1, 2019	- June 30, 2019	5.9%	(.0001616)
July 1, 2018	- December 31, 2018	5.41%	(.0001482)
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)

<sup>1</sup> This rate is expressed in a seven-digit number format, rather than percent format. Because 2020 is a leap year, the annual rate is divided by 366 days.

	<u>Period</u>	<u>Annual Rate</u>	<u>Daily Rate</u>
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)
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 2017 showing tax due of \$1,500.00. If the tax is not paid until March 2, 2020, the amount of interest calculated due from April 18, 2018,<sup>2</sup> to March 2, 2020,<sup>3</sup> is as follows:

<sup>2</sup> 2017 Income Taxes were due April 17, 2018, due to the federally-recognized Emancipation Day holiday.

<sup>3</sup> Days are calculated from start date to end date, with end date included.

April 18, 2018	-	June 30, 2018	74 days	x	.0001411	x \$1,500	\$15.66
July 1, 2018	-	December 31, 2018	184 days	x	.0001482	x \$1,500	\$40.90
January 1, 2019	-	June 30, 2019	181 days	x	.0001616	x \$1,500	\$43.87
July 1, 2019	-	December 31, 2019	184 days	x	.0001751	x \$1,500	\$48.33
January 1, 2020	-	March 2, 2020	62 days	x	.0001749	x \$1,500	\$16.26

Total  
Interest: 165.02

Tax Due: \$1,500.00  
Total Due: \$1,665.02