



STATE OF MICHIGAN  
John Engler, Governor

DEPARTMENT OF TREASURY  
Douglas B. Roberts, State Treasurer



MICHIGAN  
DEPARTMENT OF  
TREASURY

## REVENUE ADMINISTRATIVE BULLETIN 2001 - 1

Approved: May 25, 2001

### INTEREST RATE

For period: July 1, 2001 - December 31, 2001

(Replaces Revenue Administrative Bulletin 2000-7)

**RAB-2001 - 1.** This bulletin establishes the annual rate of interest due on underpayments and overpayments for the period beginning on July 1, 2001, and ending on December 31, 2001.

A daily rate of interest of .0002767 based on an adjusted annual rate of 10.1% shall be added to a tax deficiency or an excessive claim for the period stated above. The effective annual rate of 10.1% was established pursuant to section 23(2) of the Revenue Act, MCL 205.23(2); MSA 7.657(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 bulletin also apply to overpayments as added under MCL 205.30(1); MSA 7.657(30)(1), for periods after March 31, 1993. The rate of interest for periods prior to April 1, 1993, remains at the annual rate of 9%.

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

<u>Period</u>	<u>Rate</u>
October 1, 1967 - June 30, 1986	9.0% (.0002466)
July 1, 1986 - December 31, 1986	10.4% (.0002849)
January 1, 1987 - June 30, 1987	9.2% (.0002521)
July 1, 1987 - December 31, 1987	8.5% (.0002329)
January 1, 1988 - June 30, 1988	9.2% (.0002514)
July 1, 1988 - December 31, 1988	9.7% (.0002650)
January 1, 1989 - June 30, 1989	10.2% (.0002795)
July 1, 1989 - December 31, 1989	11.6% (.0003178)
January 1, 1990 - June 30, 1990	12.0% (.0003288)
July 1, 1990 - December 31, 1990	11.3% (.0003096)
January 1, 1991 - June 30, 1991	11.0% (.0003014)
July 1, 1991 - December 31, 1991	10.6% (.0002904)
January 1, 1992 - June 30, 1992	9.5% (.0002596)
July 1, 1992 - December 31, 1992	8.1% (.0002213)
January 1, 1993 - June 30, 1993	7.3% (.0002000)
July 1, 1993 - December 31, 1993	7.0% (.0001918)
January 1, 1994 - June 30, 1994	7.0% (.0001918)
July 1, 1994 - December 31, 1994	7.0% (.0001918)
January 1, 1995 - June 30, 1995	8.2% (.0002247)
July 1, 1995 - December 31, 1995	9.5% (.0002603)
January 1, 1996 - June 30, 1996	9.9% (.0002705)

July 1, 1996	-	December 31, 1996	9.5%	(.0002596)
January 1, 1997	-	June 30, 1997	9.25%	(.0002534)
July 1, 1997	-	December 31, 1997	9.3%	(.0002548)
January 1, 1998	-	June 30, 1998	9.5%	(.0002603)
July 1, 1998	-	December 31, 1998	9.5%	(.0002603)
January 1, 1999	-	June 30, 1999	9.5%	(.0002603)
July 1, 1999	-	December 31, 1999	8.8%	(.0002411)
January 1, 2000	-	June 30, 2000	8.9%	(.0002432)
July 1, 2000	-	December 31, 2000	9.5%	(.0002596)
January 1, 2001	-	June 30, 2001	10.4%	(.0002849)
July 1, 2001	-	December 31, 2001	10.1%	(.0002767)

**Example:** Taxpayer A, who files on a calendar year basis, filed a MI-1040 return for 1998 showing tax due of \$1,500.00. If the tax is not paid until August 15, 2001, the amount of interest calculated due from April 16, 1999, to August 15, 2001, is as follows:

<u>Period</u>	<u>Calculation</u>	<u>Interest</u>
April 16, 1999 - June 30, 1999	76 days x .0002603 x \$1,500	29.67
July 1, 1999 - December 31, 1999	184 days x .0002411 x \$1,500	66.54
January 1, 2000 - June 30, 2000	182 days x .0002432 x \$1,500	66.39
July 1, 2000 - December 31, 2000	184 days x .0002596 x \$1,500	71.65
January 1, 2001 - June 30, 2001	181 days x .0002849 x \$1,500	77.35
July 1, 2001 - August 15, 2001	46 days x .0002767 x \$1,500	<u>19.09</u>
	Total Interest:	330.69
	Tax Due	<u>1,500.00</u>
	<b>Total Due:</b>	<b><u>\$1,830.69</u></b>