



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

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**REVENUE ADMINISTRATIVE BULLETIN 2018-23**

**Approved:** November 13, 2018

**INTEREST RATE**

**For period: January 1, 2019 – June 30, 2019**

(Replaces Revenue Administrative Bulletin 2018-13)

**RAB 2018-23.** This Revenue Administrative Bulletin (RAB) establishes the annual rate of interest due on underpayments and overpayments for the period beginning January 1, 2019 and ending on June 30, 2019.

A daily rate of interest (.0001616)<sup>1</sup> based on an adjusted annual rate of 5.9% will be added to a tax deficiency or an excessive claim for the period stated above. The effective annual rate of 5.9% 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, 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)
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)

<sup>1</sup> This rate is expressed in a seven-digit number format, rather than percent format.

	<u>Period</u>	<u>Annual Rate</u>	<u>Daily Rate</u>
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 May 9, 2019, the amount of interest calculated due from April 18, 2018<sup>2</sup>, to May 9, 2019,<sup>3</sup> is as follows:

<sup>2</sup> 2017 Income Taxes were due April 18, 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	73 days	x	.0001411	x \$1,500	\$15.45
July 1, 2018	-	December 31, 2018	184 days	x	.0001482	x \$1,500	\$40.90
January 1, 2019	-	May 9, 2019	129 days	x	.0001616	x \$1,500	\$31.27
Total Interest:							87.62
Tax Due:							<u>\$1,500.00</u>
Total Due:							<u>\$1,587.62</u>