

CHAPTER 736

(House Bill 1324)

AN ACT concerning

Unpaid Taxes and Refunds - Rate of Interest

FOR the purpose of altering the rate of interest charged for certain moneys due to the State; and altering the rate of interest paid on certain refunds.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes
Section 204 and 218
Annotated Code of Maryland
(1980 Replacement Volume and 1986 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 81 - Revenue and Taxes

204.

(a) For purposes of this article, Article 48A, § 61, Article 56, § 137, Article 62A, and § 9-119(d) of the State Government Article, the applicable rate of interest [per] FOR EACH month or [fraction] PART of a month [shall be as follows:

(1) For the 6 months beginning July 1, 1982, one-twelfth of the adjusted annual rate of interest established by the Secretary of the Treasury pursuant to § 6621 of the Internal Revenue Code of 1954, and in effect on July 1, 1982.

(2) For all months beginning January 1, 1983, one-twelfth of the adjusted annual rate of interest established by the Secretary of the Treasury pursuant to § 6621 of the Internal Revenue Code of 1954, and in effect on each respective January 1 for the succeeding 12 months.

(b) However, the applicable rate of interest may not be in excess of 1.25 percent nor be less than 1 percent.] IS ONE-TWELFTH OF THE ANNUAL INTEREST RATE ESTABLISHED BY THE COMPTROLLER FOR THE CALENDAR YEAR UNDER SUBSECTION (B) OF THIS SECTION.

(B) NOT LATER THAN OCTOBER 1 OF EACH YEAR, THE COMPTROLLER SHALL SET THE ANNUAL INTEREST RATE FOR THE FOLLOWING CALENDAR YEAR AS THE PERCENT, ROUNDED TO THE NEAREST WHOLE NUMBER, THAT IS