

13-604.

(a) [(1)] The rate of interest for each month or fraction of a month is the percent equal to one-twelfth of the annual interest rate that the Comptroller sets for the calendar year under [paragraph (2)] SUBSECTION (B) of this [subsection] SECTION.

[(2)] (B) On or before October 1 of each year, the Comptroller shall set the annual interest rate for the next calendar year as the percent, rounded to the nearest whole number, that is at the percent that equals:

[(i)] (1) for moneys owed to the State, the greater of:

[1.] (I) 12%; or

[2.] (II) 2 percentage points above the average prime rate of interest quoted by commercial banks to large businesses during the State's previous fiscal year, based on determination by the Board of Governors of the federal reserve bank; and

[(ii)] (2) for refunds, 2 percentage points above the average investment yield on State money for the State's previous fiscal year, as published in the Treasurer's Annual Report.

[(b) The rate of interest on a motor fuel tax refund is 6% a year.]

13-701.

(b) (1) If a person fails to pay financial institution franchise tax [or], income tax, OR TOBACCO TAX when required under this article, the tax collector shall assess a penalty not exceeding 25% of the unpaid tax.

(2) If a person fails to file a [return and pay] motor carrier tax RETURN or motor fuel tax RETURN when required under this article, the Comptroller shall assess [the greater of:

(i) the] A penalty [under subsection (a) of this section; and

(ii) \$10] NOT EXCEEDING \$25.

[(3) If a person willfully fails to pay tobacco tax when required under this article, the Comptroller may assess a penalty not exceeding 25% of the unpaid tax.]