

**FISCAL NOTE
PUBLIC COST**

I. RULE NUMBER

Rule Number and Name:	12 CSR 10-41.010 Annual Adjusted Rate of Interest
Type of Rulemaking:	Proposed Amendment

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Counties	Because the 2016 interest rate imposed on delinquent taxes will be at the same rate imposed in 2015, the aggregate impact on public entities will be less than \$500.
Cities	
Special Taxing Districts	

III. WORKSHEET

The proposed amendment sets the rate of interest for 2016 at 3%, the same rate as 2015.

The future amount of past due taxes is unknown. Because the 2016 interest rate imposed on delinquent taxes will be the same rate imposed in 2015, there will be no additional fiscal impact for public entities.

	Current Rule – 3%	Proposed Amendment – 3%
Past due tax amount	\$100.00	\$100.00
Interest amount	3.00%	3.00%
Total Amount Due	\$103.00	\$103.00

IV. ASSUMPTIONS

Pursuant to Section 32.065, RSMo, the director of revenue is mandated to establish an annual adjusted rate of interest based upon the adjusted prime rate charged by banks during September of that year as set by the Board of Governors of the Federal Reserve rounded to the nearest full percentage. The actual bank prime loan rate noted by the Federal Reserve in 2015 was 3.25 percent. Rounded to the nearest whole percentage results in a 3 percent interest rate.