

**FISCAL NOTE  
PRIVATE 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**

Estimate of the number of entities by class which would likely be affected by adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
Any taxpayer with delinquent tax.	Any taxpayer with delinquent tax.	<i>This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate. The 2021 interest rate imposed on delinquent taxes is equal to that imposed in 2020. The actual number of affected taxpayers is unknown.</i>

**III. WORKSHEET**

The proposed amendment establishes the rate of interest for 2022 at three percent (3%), which is equal to the rate in 2021.

This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate. Because the 2022 interest rate imposed on delinquent taxes is equal to the rate imposed in 2021, the interest rate will be the same on each \$100 of delinquent taxes to private entities. The actual number of affected taxpayers is unknown.

**Interest on Delinquent Taxes Paid to Department of Revenue**

	<b>Current Rule 3.00%</b>	<b>Proposed Amendment 3.00%</b>
<b>Example:</b>		
Past due tax amount	\$100.00	\$100.00
Interest Amount (%)	\$3.00	\$3.00
<b>Total Amount Due</b>	<b>\$103.00</b>	<b>\$103.00</b>

**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 2021 was three point two five percent (3.25%). The actual bank prime loan rate noted by the Federal Reserve in 2020 was five point two five percent (5.25%).