

**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 2020 interest rate imposed on delinquent taxes remains the same as that imposed in 2019. The actual number of affected taxpayers is unknown.</i>

III. WORKSHEET

The proposed amendment establishes the rate of interest for 2020 at five percent (5%), the same as the rate in 2019.

This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate. Because the 2020 interest rate imposed on delinquent taxes remains at the same rate as that imposed in 2019, the interest rate remains 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

	Current Rule	Proposed Amendment
	5.00%	5.00%
Past due tax amount	\$100.00	\$100.00
Interest Amount (%)	x 5.00	x 5.00
Total Amount Due	\$105.00	\$105.00

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 2019 was 5.25 percent.