



## News Release

**CONTACT** Lisa Erickson  
**PHONE** 651-556-6397  
**E-MAIL** [lisa.erickson@state.mn.us](mailto:lisa.erickson@state.mn.us)

***FOR IMMEDIATE RELEASE:***

October 28, 2013

Contact: Lisa Erickson  
Phone: 651-556-6397  
[Lisa.erickson@state.mn.us](mailto:lisa.erickson@state.mn.us)

### **Interest rate on unpaid state taxes and overdue refunds stays the same for 2014**

**Saint Paul** – Minnesota Department of Revenue Commissioner Myron Frans announced today that in 2014, taxpayers will pay a 3 percent interest rate on delinquent state tax payments. This rate has remained the same since 2010.

The department calculates interest from the date the tax is due until it is paid in full. By law, a person or business with delinquent taxes must pay interest on the amount of the penalty owed, as well as on the amount of tax owed.

Likewise, the state must pay taxpayers the same 3 percent rate on tax refunds not issued within the allotted time frame.

As specified by statute, to determine the 2014 interest rate, the department used the average short-term interest rate commercial banks charged large-business customers between April 1 and September 30, 2013, rounded to the nearest full percentage. The Federal Reserve Board determines the average prime rate banks charged. The interest rate has been based on the adjusted prime rate since 1983.

Follow the latest news and updates from the Minnesota Department of Revenue on [Twitter](#), [Facebook](#) and sign-up for our [email subscription list](#).

###