

**Florida Department of Revenue
Tax Information Publication**

TIP 03ADM-02

Date Issued: Nov 10, 2003

**Floating Rate of Interest for Certain Taxes and Fees,
Including Corporate Income/Franchise and Emergency Excise Taxes,
Increases from 4 to 8 Percent
For the Period November 1, 2003, Through December 31, 2003**

**Interest on Deficiencies that Arose on or after January 1, 2000,
and Remain Unpaid Is Recalculated Beginning November 1, 2003,
Using Higher Rates Retroactive to the Original Due Date**

Interest Rates

Florida law provides a floating rate of interest for tax returns and payments of taxes and fees. The floating rate of interest applies to:

- * Deficiencies (underpayments) [subject to a 12 percent cap];
- * Late payments [subject to a 12 percent cap]; and,
- * Overpayments (generally, interest begins to accrue on the 91st day after the Department receives a complete refund application and may not exceed 11 percent).

The rate applies to the taxes and fees listed in Section 213.05, Florida Statutes, including, but not limited to, the following:

- * Corporate income/franchise and emergency excise taxes
- * Diesel fuel and motor fuel taxes;
- * Intangible personal property taxes; and
- * Sales and use taxes (including discretionary sales surtaxes).

Other taxes and fees to which this provision applies are listed

at the end of this document.

Interest Rate Changes

The rate of interest on deficiencies (underpayments), late payments and overpayments for the period November 1, 2003, through December 31, 2003, increases to **8 percent**. The daily interest rate factor to be used for this period is **.000219178**.

This rate is subject to change effective January 1, 2004.

Interest Rate Changes on Deficiencies Retroactive

The rates of interest on deficiencies (underpayments) and late payments that remain unpaid as of November 1, 2003, and arose on or after January 1, 2000, increases by as much as 4 percent (rates are subject to a 12 percent cap) for prior periods (see table).

The floating rate of interest for deficiencies (underpayments) and late payments of tax due after December 31, 1999, are:

Interest Period	Rates on Deficiencies (Underpayments & Late Payments) Effective on November 1, 2003	Daily Factor
01/01/00 - 06/30/00	12 percent	.000327869
07/01/00 - 12/31/00	12 percent	.000327869
01/01/01 - 12/31/01	12 percent	.000328767
01/01/02 - 06/30/02	11 percent	.000301370
07/01/02 - 06/30/03	9 percent	.000246575
07/01/03 - 10/31/03	8 percent	.000219178
11/01/03 - 12/31/03	8 percent	.000219178

Note: For returns or payments due on or before December 31, 1999, the interest rate is 12% per annum, except for corporate income and emergency excise taxes (see TIP 03C01-02R for those rates).

The floating rate of interest for overpayments of tax made after December 31, 1999, are:

Interest Period	Rates on Overpayments	Daily Factor
01/01/00 - 06/30/00	8 percent	.000218579
07/01/00 - 12/31/00	9 percent	.000245902
01/01/01 - 12/31/01	9 percent	.000246575
01/01/02 - 06/30/02	7 percent	.000191781
07/01/02 - 06/30/03	5 percent	.000136986
07/01/03 - 10/31/03	4 percent	.000109589
11/01/03 - 12/31/03	8 percent	.000219178

For examples on calculating underpayments, late payments, or overpayments of tax due, see TIP 99ADM-03.

- * Additional taxes to which the interest provision applies:
- * Apalachicola Bay oyster surcharge
- * Documentary stamp taxes (including surtaxes)
- * Estate tax
- * Gross receipts taxes
- * Insurance premium tax and related taxes and levies
- * Lead-acid battery and waste tire fees
- * Local option convention development taxes
- * Local option tourist development and tourist impact taxes
- * Local option food and beverage tax
- * Miami-Dade Lake Belt Area mitigation fee
- * Motor vehicle warranty fee
- * Pollutants taxes
- * Severance taxes
- * Communications services tax

References: Sections 213.235 and 213.255, Florida Statutes (2003); Chapter 2003-395, Laws of Florida (Senate Bill 18A, 2003 Special Session A).

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our Internet site at www.myflorida.com/dor. Or call Taxpayer Services, 8:00 a.m., to

7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671, or 850-488-6800.

Hearing- or speech-impaired persons should call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 1379 Blountstown Highway, Tallahassee, FL 32304-2716.

To receive a fax copy of a form, call 850-922-3676 from your fax machine telephone.