

Interest Rate Increase

Interest Rate Increase Effective July 1, 2017

Beginning July 1, 2017, the applicable interest rate on all taxes collected or administered by the Department of Revenue is 8% (increased from 7.5%). Additionally, the applicable interest rate on all payments made under installment agreements with the Department of Revenue is 11% (increased from 10.5%).

Tennessee law requires the interest rate applied to late tax payments to be the same as the last formula rate of interest published in the Tennessee Administrative Register prior to July 1 of each year. The Commissioner of the Department of Financial Institutions determines the formula rate of interest.

Tennessee law allows the interest rate applied to payments made under installment agreements with

the Department to be any amount up to 24%. Historically, the Department has set this rate at three percentage points higher than the standard applicable interest rate.

For More Information

Visit www.tn.gov/revenue. Click on Revenue Help to search for answers or to submit an information request to one of our agents.

References

Tenn. Code Ann. § 67-1-801; Tenn. Code Ann. § 47-14-102(7)