

**SB 33 -1 STAFF MEASURE SUMMARY**

**House Committee On Revenue**

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**Prepared By:** Christine Broniak, Economist

**Meeting Dates:** 4/25

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**WHAT THE MEASURE DOES:**

In computation by Department of Revenue of interest due on tax deficiency owed to department or refunds of tax owed by department, replaces rate based on month or partial month with annual percentage rate computed daily. Applies to tax deficiencies or refunds owing as of January 1, 2018.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

-1 Changes the date at which interest begins to accrue on excess payments for the transient lodging tax and 911 tax to a period 45 days after the later of the due date of the return or the date the excess was paid.

**BACKGROUND:**

The Department of Revenue currently calculates rates on a monthly basis. This can result in small irregularities in the calculation. The measure brings the accounting practices of the Department into alignment with generally accepted accounting practices in other industries.