

# SB 1531 A-Engrossed Testimony



To: House Committee on Revenue  
From: Deanna Mack, Government Relations Manager  
Date: February 26, 2020

## Interest Scenario:

May 18<sup>th</sup>, taxpayer makes a \$2,000 payment with the extension form because they believe they will owe when they file their return in the fall.

October 1<sup>st</sup>, taxpayer ends up filing a return claiming a refund of \$1,000.

DOR processes the return October 10<sup>th</sup> and issues the \$1,000 refund.

## Interest start date under old law:

45 days from the due date April 15<sup>th</sup> .....May 30<sup>th</sup>

45 day from the date of payment May 18<sup>th</sup> .....**July 2<sup>nd</sup>**

Interest is paid on \$1,000 from July 2<sup>nd</sup> through October 10<sup>th</sup>.

The later of the two dates is July 2<sup>nd</sup>.

## Interest start date under 2017 SB 33

45 days from the due date April 15<sup>th</sup> .....**May 30<sup>th</sup>**

Beginning the date of payment May 18<sup>th</sup> .....May 18<sup>th</sup>

Interest is paid on \$1,000 from May 30<sup>th</sup> through October 10<sup>th</sup>.

The later of the two dates is May 30<sup>th</sup>.

## Delta between old law and new law

Interest is paid on 34 more days under 2017 SB 33 than it would have been under the law prior to 2017 SB 33—the difference between May 30<sup>th</sup> and July 2<sup>nd</sup> in this example.