

**New York State Department of Taxation and Finance  
Taxpayer Services Division  
Technical Services Bureau**

TSB-M-83  
(23) Corporation Tax  
(3) Estate and Gift Tax  
(14) Income Tax  
(6) Miscellaneous Tax  
(1) Real Property  
Transfer Gains Tax  
(22) Sales Tax  
August 10, 1983

Interest Rates on Late Payments, Assessments  
and Refunds of Tax

The Commissioner of Taxation and Finance has determined that the Average One Year Constant Maturity Yield Index for United States Treasury Securities for the period April 1, 1983 through June 30, 1983 is 9.18%, and the average Prime Rate charged by banks for the same quarter is 10.50%. Therefore, the interest rates set by the Tax Commission effective March 1, 1983, as shown below, will remain in effect through February 29, 1984.

<u>Tax</u>	<u>Interest Rate Per Annum Compounded Daily*</u>
Corporation	12%
Real Property Transfer Gains	12%
Withholding	12%
Income	9.1%
Sales and Use	9.1%**
Gift	9.1%
Estate	9.1%

\* Daily compounding will apply to interest required to be paid by the Tax Commission on overpayments or by the taxpayer on deficiencies (as explained in TSB-M-83(21) Corporation Tax, (3) Gift Tax, (13) Income Tax, (5) Miscellaneous Tax, (15) Sales Tax) on and after September 1, 1983.

Daily compounding of interest became applicable to estate tax effective January 15, 1983 (see TSB-M-83(1) Estate and Gift Tax).

\*\* The rate of 1% per month is charged on late payments and assessments of tax, when the rate based on the Average One Year Constant Maturity Yield Index for United States Treasury Securities drops below 12%. If the Tax Commission determines that failure to pay is due to reasonable cause and not due to willful neglect, the Commission may waive the difference between the rate of 1% per month and 1/12 of 9.1% (see section 1145 of Article 28).