



North Carolina Department of Revenue

Pat McCrory
Governor

November 24, 2014

Lyons Gray
Secretary

Memorandum

To: Setoff Program Agencies

From: David B. Baker, Director *DBB*
Local Government Division

Subject: Interest Rate for January 1, 2015 through June 30, 2015

General Statute 105-241.21(a) requires the Secretary of Revenue to establish interest rates to be in effect during a six-month period beginning January and July 1 on overpayments and assessments of tax. G.S. 105-241.21(d) provides that the same interest rate will be applicable to overpayment of taxes.

General Statutes 105A-5 and 105A-8 state if a setoff agency must return a portion or the entire refund to the taxpayer, interest must be paid from the agency's funds in accordance with G.S. 105-241.21. Meaning, if the setoff overpays the debtor's account with the agency, the agency must use the interest rate that is noted on the SODCA report and begin with the interest date for the debtor from the date specified until the check is written by the agency. The interest date is located in the column titled "Agency Interest Begin Date/Refund Interest."

The interest rate for the period January 1, 2015 through June 30, 2015 is **5% per annum**. If you have any questions, please call (919) 814-1119.