



**NCDOR**

**NORTH  
CAROLINA  
DEPARTMENT  
OF REVENUE**

**Roy Cooper**  
Governor

**Ronald G. Penny**  
Secretary

December 7, 2017

**MEMORANDUM**

To: Setoff Program Agencies

From: Tony Simpson   
Local Government Division

Subject: Interest Rate for January 1, 2018 through June 30, 2018

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, 2018 through June 30, 2018 is **5% per annum**. If you have any questions, please call (919) 814-1119.