



Department of Taxation

Administrative Journal Entry

Date: OCT 15 2014

In the matter of the Determination )
of the Interest Rates Pursuant to )
Section 5703.47 of the Ohio Revised )
Code )

R.C. 5703.47 requires the Tax Commissioner to consider and do the following each year:

- (A) As used in this section, "federal short-term rate" means the rate of the average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of three years or less, as determined under section 1274 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1274, for July of the current year.
(B) On the fifteenth day of October of each year, the tax commissioner shall determine the federal short-term interest rate. For purposes of any section of the Revised Code requiring interest to be computed at the rate per annum required by this section, the rate determined by the commissioner under this section, rounded to the nearest whole number percent, plus three percent shall be the interest rate per annum used in making the computation for interest that accrues during the following calendar year. For purposes of sections 5719.041 and 5731.23 of the Revised Code, references to the "federal short-term rate" are references to the federal short-term rate as determined by the tax commissioner under this section rounded to the nearest whole percent.
(C) Within ten days after the interest rate per annum is determined under this section, the tax commissioner shall notify the auditor of each county in writing of that rate of interest.

The rounded federal short-term rate for July 2014 is zero percent (0%). The rounded short-term rate, plus three percent (3%), yields the applicable per annum interest rate used in making the computation for interest that accrues during calendar year 2015 pursuant to R.C. 5703.47. Therefore, the Tax Commissioner hereby determines that the interest rate prescribed by R.C. 5703.47 for calendar year 2015 is three percent (3%)

Solely for purposes of R.C. 5719.041 (personal property tax) and R.C. 5731.23 (estate tax), the interest rate for calendar year 2015 is zero percent (0%).

Pursuant to R.C. 5703.47(C), each county auditor will be provided a notice of this journal entry. Each county auditor is hereby advised that pursuant to R.C. 319.19 the county auditor should notify the clerk of the court of common pleas and the clerk of each municipal court and county court in the county of this interest rate determination.

[Handwritten signature of Joseph W. Testa]

Joseph W. Testa
Tax Commissioner

## Annual Certified Interest Rates

By Oct. 15 of each year, the Ohio Tax Commissioner certifies the interest rates that will apply to overdue taxes during the next calendar year. For most taxes, the interest rate is calculated by adding three percentage points to the federal short-term rate (rounded to the nearest percentage point) that was in effect during July of the current year.

Based on this formula, the Tax Commissioner has certified that the interest rate that will apply to most overdue taxes will be 3 percent. A table of interest rates that apply to previous years may be found below. Since July 1, 2005, a different rate of interest has applied to overdue estate taxes and tangible personal property taxes. This rate is calculated by simply rounding the federal short term rate to the nearest percentage point. Accordingly, the interest rate on overdue tangible personal property and estate taxes will be 0 percent. See Table 2 for the rate in effect in previous years.

An example of how to calculate interest using these tables is also listed below, as well as copies of recent journal entries certifying these rates.

<b>Calendar Year</b>	<b>Annual Rate</b>	<b>Monthly Accrual</b>
2015*	3.0%	0.25%
2014*	3.0%	0.25%
2013*	3.0%	0.25%
2012*	3.0%	0.25%
2011*	4.0%	0.33%
2010*	4.0%	0.33%
2009*	5.0%	0.42%
2008*	8.0%	0.67%
2007*	8.0%	0.67%
2006*	6.0%	0.50%
2005*	5.0%	0.42%
2004	4.0%	0.33%
2003	6.0%	0.50%
2002	7.0%	0.58%
2001	9.0%	0.75%
2000	8.0%	0.67%
1999	8.0%	0.67%
1998	9.0%	0.75%
1997	9.0%	0.75%
1996	9.0%	0.75%
1995	9.0%	0.75%
1994	7.0%	0.58%
1993	7.0%	0.58%
1992	10.0%	0.83%
1991	11.0%	0.92%
1990	11.0%	0.92%
1989	11.0%	0.92%
1988	10.0%	0.83%
1987	6.0%	0.50%
1986	8.0%	0.67%
1985	9.0%	0.75%

1984	9.0%	0.75%
1983	10.0%	0.83%
*See Table 2 for estate tax and tangible personal property tax interest rates.		

**Table 2: Interest rate for estate tax and tangible personal property tax**

	<b>Annual Rate</b>	<b>Monthly Accrual</b>
Calendar Year 2015	0.0%	0.0%
Calendar Year 2014	0.0%	0.0%
Calendar Year 2013	0.0%	0.0%
Calendar Year 2012	0.0%	0.0%
Calendar Year 2011	1.0%	0.08%
Calendar Year 2010	1.0%	0.08%
Calendar Year 2009	2.0%	0.17%
Calendar Year 2008	5.0%	0.42%
Calendar Year 2007	5.0%	0.42%
Calendar Year 2006	3.0%	0.25%
July - December 2005	2.0%	0.17%
January - June 2005	5.0%	0.42%