
State of South Carolina
Department of Revenue
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214
Website Address: <http://www.sctax.org>

SC INFORMATION LETTER #10-5 (REVISED)¹

SUBJECT: Interest Rate

DATE: July 22, 2010

REFERENCE: S.C. Code Ann. Section 12-54-25 (Supp. 2009)
House Bill 4657, Part IB, Provisos 72.17 and 89.142 (2010)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2000)
SC Revenue Procedure #09-3

SCOPE: An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

The interest rate to be applied to underpayments and overpayments is listed below.* The rate is compounded daily except simple interest applies to the underpayment of declaration of estimated tax.

| <u>Period</u> | <u>Rate*</u> | <u>Period</u> | <u>Rate*</u> |
|--------------------|--------------|--------------------|--------------|
| 9/1/85 – 12/31/85 | 11% | 4/1/99 – 3/31/00 | 8% |
| 1/1/86 – 6/30/86 | 10% | 4/1/00 – 3/31/01 | 9% |
| 7/1/86 – 9/30/87 | 9% | 4/1/01 – 6/30/01 | 8% |
| 10/1/87 – 12/31/87 | 10% | 7/1/01 – 12/31/01 | 7% |
| 1/1/88 – 3/31/88 | 11% | 1/1/02 – 12/31/02 | 6% |
| 4/1/88 – 9/30/88 | 10% | 1/1/03 – 9/30/03 | 5% |
| 10/1/88 – 3/31/89 | 11% | 10/1/03 – 3/31/04 | 4% |
| 4/1/89 – 9/30/89 | 12% | 4/1/04 – 6/30/04 | 5% |
| 10/1/89 – 3/31/91 | 11% | 7/1/04 – 9/30/04 | 4% |
| 4/1/91 – 12/31/91 | 10% | 10/1/04 – 3/31/05 | 5% |
| 1/1/92 – 3/31/92 | 9% | 4/1/05 – 9/30/05 | 6% |
| 4/1/92 – 9/30/92 | 8% | 10/1/05 – 6/30/06 | 7% |
| 10/1/92 – 6/30/94 | 7% | 7/1/06 – 12/31/07 | 8% |
| 7/1/94 – 9/30/94 | 8% | 1/1/08 – 3/31/08 | 7% |
| 10/1/94 – 3/31/95 | 9% | 4/1/08 – 6/30/08 | 6% |
| 4/1/95 – 6/30/95 | 10% | 7/1/08 – 9/30/08 | 5% |
| 7/1/95 – 3/31/96 | 9% | 10/1/08 – 12/31/08 | 6% |
| 4/1/96 – 6/30/96 | 8% | 1/1/09 – 3/31/09 | 5% |
| 7/1/96 – 3/31/98 | 9% | 4/1/09 – 9/30/10 | 4% |
| 4/1/98 – 12/31/98 | 8% | | |
| 1/1/99 – 3/31/99 | 7% | | |

*** Note reduction of interest rate on refunds. Section 72, Proviso 72.17 and Section 89, Proviso 89.142 of 2010 House Bill 4657, Part IB direct the Department to reduce the rate of interest paid on eligible refunds by a total of three percentage points from the above listed rates for refunds paid from July 1, 2010 through June 30, 2011.**

¹ This information letter is revised to reflect the additional one percentage point reduction of the interest rate on refunds provided in Proviso 89.142 of 2010 House Bill 4657, Part IB, Section 89.