
State of South Carolina
Department of Revenue
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Website Address: <http://www.sctax.org>

SC INFORMATION LETTER #04-26

SUBJECT: Interest Rate

DATE: December 6, 2004

REFERENCE: S.C. Code Ann. Section 12-54-25 (2000)
Act No. 248, Part IB, Section 56DD, Proviso 56DD.41 (2004)

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2000)
SC Revenue Procedure #03-1

SCOPE: An Information Letter is a written statement issued to the public by the Department to announce general information useful in complying with the laws administered by the Department. **An Information Letter has no precedential value, and is not binding on the public or the Department.**

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%		
4/1/92 – 9/30/92	8%		
10/1/92 – 6/30/94	7%		
7/1/94 – 9/30/94	8%		
10/1/94 – 3/31/95	9%		
4/1/95 – 6/30/95	10%		
7/1/95 – 3/31/96	9%		
4/1/96 – 6/30/96	8%		
7/1/96 – 3/31/98	9%		
4/1/98 – 12/31/98	8%		
1/1/99 – 3/31/99	7%		

* **Note reduction of interest rate on refunds.** Act No. 248, Part IB, Section 56DD, Proviso 56DD.41 directs the Department to reduce the rate of interest paid on eligible refunds by two percentage points from the above listed rates for refunds paid from July 1, 2004 through June 30, 2005.