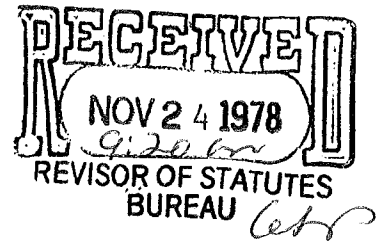


Tax 2.88, 11.96

CERTIFICATE OF RULE ADOPTION

STATE OF WISCONSIN)
DEPARTMENT OF REVENUE)



TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Dennis J. Conta, Secretary of the Department of Revenue and custodian of the official records of said Department, do hereby certify that the annexed rules were duly approved and adopted by this Department on November 22, 1978. These rules relate to the following:

- 1) Interest rates (income/franchise tax).
- 2) Interest rates (sales and use tax).

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand at 201 East Washington Avenue in the city of Madison, this 22nd day of November, 1978.

A large, stylized handwritten signature in dark ink, appearing to be "D. J. Conta".

Dennis J. Conta

ORDER OF THE DEPARTMENT OF REVENUE ADOPTING RULES

Pursuant to the authority vested in the Department of Revenue by ss. 71.11(24)(a) and 227.014(2), Wis. Stats., the Department hereby adopts the following 2 rules as shown on the attached copy:

- 1) Section Tax 2.88, "Interest rates".
- 2) Section Tax 11.96, "Interest rates".

The rules contained herein shall take effect on February 1, 1979.

Dated this 22nd day of November, 1978.

DEPARTMENT OF REVENUE
BY:



Dennis J. Conta
Secretary of Revenue

INTEREST RATES

Section Tax 2.88 of the Wis. Adm. Code is adopted to read:

Tax 2.88 Interest rates. (Section 71.09(5), 71.10(5) and 71.13(1)(a), Wis. Stats.) (1) INTEREST ON UNPAID TAXES WHICH ARE NOT DELINQUENT. Unpaid individual income or corporate franchise or income taxes which are not delinquent shall bear interest as follows:

(a) For taxes due on or after November 1, 1975, interest shall be computed at the rate of 9% per year from the due date of the taxes to the date paid or delinquent.

(b) For taxes due prior to November 1, 1975, interest shall be computed at the rate of 6% per year from the due date of the taxes to October 31, 1975, and at the rate of 9% per year from November 1, 1975 to the date paid or delinquent. (Example: An assessment is issued adjusting an item on a 1974 income tax return, the due date of such return being April 15, 1975. Interest will be applied at 6% per year from April 16, 1975 to October 31, 1975, and at 9% per year from November 1, 1975 to the due date for payment of the assessment notice.)

(2) INTEREST ON REFUNDS. (a) Any refund of individual income or corporate franchise or income taxes shall include interest as follows:

1. If the tax being refunded is from a return which has a filing due date on or after November 1, 1975 interest shall be computed at the rate of 9% per year from the due date of the return to the date paid by the department.

2. If the tax being refunded is from a return which has a filing due date prior to November 1, 1975 interest shall be computed at the rate of 6% per year from the due date of the return to October 31, 1975, and at the rate of 9% per year from November 1, 1975 to the date paid by the department.

(b) However, for income and franchise taxes no interest shall be allowed if the refund is paid within 90 days of the due date of the return or the date the return was filed, whichever occurs later. This shall apply to a refund of taxes resulting from an overpayment by declaration of estimated tax as well as from withheld taxes.

(3) DELINQUENT INTEREST. Any individual income or corporate franchise or income tax delinquencies shall include interest at the rate of 1% per month from the date on which the tax became delinquent to October 31, 1975 and at 1.5% per month from November 1, 1975 until such taxes are paid. (Example: A 1974 Wisconsin income tax return, which was due April 15, 1975, is filed with the Department in 1978 showing taxes due of \$200. Such delinquent taxes of \$200 shall bear interest at 1% per month from April 16, 1975, the date taxes became delinquent, to October 31, 1975, and at 1.5% per month from November 1, 1975 until such delinquency is paid.)

(4) EXTENSION PERIODS. If an extension of time is granted for filing an individual income or a corporate franchise or income tax return, any taxes owing with the return are subject to interest during the extension period at the rate of 6% per year during any extension period occurring prior to October 31, 1975 and at the rate of 9% per year during any extension period on or after November 1,

1975. However, if the return is not filed or the taxpayer files but fails to pay the tax by the end of the extension period, the taxes owing become delinquent and shall be subject to delinquent interest under sub. (3) from the end of the extension period until paid.

NOTE: This rule reflects the interpretation of the applicable statutes consistent with the November 30, 1977 decision of the Wisconsin Tax Appeals Commission in Alan Marcuyitz et al. vs. Department of Revenue.

INTEREST RATES

Section Tax 11.96 of the Wis. Adm. Code is adopted to read:

Tax 11.96 Interest rates. (Sections 77.58(7) and 77.60(1) and (2), Wis. Stats.) (1) INTEREST ON UNPAID TAXES WHICH ARE NOT DELINQUENT. Unpaid sales or use taxes which are not delinquent shall bear interest as follows:

(a) For taxes due on or after November 1, 1975, interest shall be computed at the rate of 9% per year from the due date of the taxes to the date paid or delinquent.

(b) For taxes due prior to November 1, 1975, interest shall be computed at the rate of 6% per year from the due date of the taxes to October 31, 1975, and at the rate of 9% per year from November 1, 1975 to the date paid or delinquent.

(2) INTEREST ON REFUNDS. Any refund of sales or use taxes shall include interest as follows:

(a) If the tax being refunded is from a return which has a filing due date on or after November 1, 1975 interest shall be computed at the rate of 9% per year from the due date of the return to the first day of the month following the month in which the taxes are refunded by the department.

(b) If the tax being refunded is from a return which has a filing due date prior to November 1, 1975 interest shall be computed at the rate of 6% per year from the due date of the return to October 31, 1975, and at the rate of 9% per year from November 1, 1975 to the first day of the month following the month in which the taxes are refunded by the department.

(3) DELINQUENT INTEREST. Delinquent sales or use taxes shall accrue interest at the rate of 1% per month from the date on which the tax became delinquent to October 31, 1975 and at 1.5% per month from November 1, 1975 until such taxes are paid.

(4) EXTENSION PERIODS. If an extension of time is granted for filing a sales or use tax return, any taxes owing with the return are subject to interest during the extension period at the rate of 6% per year during any extension period occurring prior to October 31, 1975 and at the rate of 9% per year during any extension period on or after November 1, 1975. However, if the return is not filed or the taxpayer files but fails to pay the tax by the end of the extension period, the taxes owing become delinquent and shall be subject to delinquent interest under sub. (3) from the end of the extension period until paid.

NOTE: This rule reflects the interpretation of the applicable statutes consistent with the November 30, 1977 decision of the Wisconsin Tax Appeals Commission in Alan Marcuvitz et al. vs. Department of Revenue.