

**Florida Department of Revenue
Tax Information Publication**

**TIP 05ADM-02
Date: May 26, 2005**

**Floating Rate of Interest for Most Taxes and Fees
Will Increase to 9 Percent
For the Period July 1, 2005,
Through December 31, 2005**

Florida law provides a floating rate of interest for tax returns and payments of taxes and fees due on or after January 1, 2000. The floating rate of interest applies to:

- * Deficiencies (underpayments);
- * Late payments; and,
- * Overpayments (generally, interest begins to accrue on the 91st day after the Department receives a complete refund application and may not exceed 11 percent).

The rate applies to the taxes and fees listed in Section 213.05, Florida Statutes, including, but not limited to, the following:

- * Communications services tax
- * Corporate income/franchise and emergency excise taxes
- * Diesel fuel and motor fuel taxes
- * Documentary stamp taxes (including surtaxes)
- * Intangible personal property taxes
- * Sales and use taxes (including discretionary sales surtaxes)

Other taxes and fees to which this provision applies are listed at the end of this document.

Interest Rates

The rate of interest for the period July 1, 2005, through December 31, 2005, is **9 percent**. The daily interest rate factor to be used for this period is .000246575. This rate is subject to change effective January 1, 2006.

The floating rates of interest for deficiencies (underpayments) and late payments of tax due after December 31, 1999, are:

Interest period	Rates on Deficiencies (Underpayments & Late payments)*	Daily Factor
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01/01/00 - 12/31/00	12 percent	.000327869
01/01/01 - 12/31/01	12 percent	.000328767
01/01/02 - 06/30/02	11 percent	.000301370
07/01/02 - 06/30/03	9 percent	.000246575
07/01/03 - 12/31/03	8 percent	.000219178
01/01/04 - 12/31/04	8 percent	.000218579
01/01/05 - 06/30/05	8 percent	.000219178
07/01/05 - 12/31/05	9 percent	.000246575

***Note: Rates are capped at 12 percent.**

The floating rates of interest for overpayments of tax made after December 31, 1999, are:

Interest Period	Rates on Overpayments	Daily Factor
01/01/00 - 06/30/00	8 percent	.000218579
07/01/00 - 12/31/00	9 percent	.000245902
01/01/01 - 12/31/01	9 percent	.000246575
01/01/02 - 06/30/02	7 percent	.000191781
07/01/02 - 06/30/03	5 percent	.000136986
07/01/03 - 10/31/03	4 percent	.000109589
11/01/03 - 12/31/03	8 percent	.000219178
01/01/04 - 12/31/04	8 percent	.000218579
01/01/05 - 06/30/05	8 percent	.000219178
07/01/05 - 12/31/05	9 percent	.000246575

Notes:

The rates of interest on deficiencies (underpayments) and late payments arising after January 1, 2000, and paid before November 1, 2003, are the same as the rates for overpayments in the above table. See also TIP 03ADM-02.

For returns or payments due on or before December 31, 1999, the interest rate is 12% per annum, except for corporate income and emergency excise taxes.

The floating rate of interest on corporate income tax and emergency excise tax was effective for taxable years ending on or after December 31, 1986. The following table is applicable for corporate income tax and emergency excise tax due on or before December 31, 1999.

**Corporate Income Tax
Rates for Taxable Years**

Interest Periods Ending on or after December Daily

31, 1986, and Deficiencies Factor

due on or before

December 31, 1999*

01/01/87 - 12/31/87	8 percent	.000219178
01/01/88 - 06/30/88	8 percent	.000218579
07/01/88 - 12/31/88	9 percent	.000245902
01/01/89 - 06/30/89	9 percent	.000246575
07/01/89 - 06/30/90	11 percent	.000301370
07/01/90 - 12/31/91	10 percent	.000273973
01/01/92 - 06/30/92	9 percent	.000245902
07/01/92 - 12/31/92	7 percent	.000191257
01/01/93 - 12/31/94	6 percent	.000164384
01/01/95 - 06/30/95	7 percent	.000191781
07/01/95 - 12/31/95	8 percent	.000219178
01/01/96 - 12/31/96	9 percent	.000245902
01/01/97 - 12/31/97	8 percent	.000219178
01/01/98 - 06/30/99	9 percent	.000246575
07/01/99 - 12/31/99	8 percent	.000219178
01/01/00 - 06/30/00	8 percent	.000218579
07/01/00 - 12/31/00	9 percent	.000245902
01/01/01 - 12/31/01	9 percent	.000246575
01/01/02 - 06/30/02	7 percent	.000191781
07/01/02 - 06/30/03	5 percent	.000136986
07/01/03 - 12/31/03	4 percent	.000109589
01/01/04 - 12/31/04	4 percent	.000109290
01/01/05 - 06/30/05	4 percent	.000109589
07/01/05 - 12/31/05	5 percent	.000136986

*NOTE: See TIP 03C01-02R for earlier years.

For examples on calculating underpayments, late payments, or overpayments of tax due, see TIP 99ADM-03.

To obtain the referenced TIPs:

* Visit the Department's Internet site at www.myflorida.com/dor or

* Call Taxpayer Services, Monday through Friday, 8:00 a.m. to 7:00 p.m., ET, at 800-352-3671 or 850-488-6800.

Hearing- or speech-impaired persons should call our TDD at 800-367-8331 or 850-922-1115.

Additional taxes to which the interest provision applies:

* Apalachicola Bay oyster surcharge

- * Estate tax
- * Gross receipts taxes
- * Insurance premium tax and related taxes and levies
- * Lead-acid battery and waste tire fees
- * Local option convention development taxes
- * Local option tourist development and tourist impact taxes
- * Local option food and beverage tax
- * Miami-Dade Lake Belt Area mitigation fee
- * Motor vehicle warranty fee
- * Pollutants taxes
- * Registration of secondhand dealers and secondary metals recyclers
- * Rental car surcharge fees
- * Severance taxes

References: Sections 213.235, 213.255, and 220.807, Florida Statutes (2004); Chapter 2003-395, Laws of Florida; (CS for Senate Bill 18A, 2003 Special Session A); Rules 12C-1.343 and 12-3.0015, Florida Administrative Code

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our Internet site at www.myflorida.com/dor. Or call Taxpayer Services, 8:00 a.m., to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671 or 850-488-6800.

Hearing- or speech-impaired persons should call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 1379 Blountstown Highway, Tallahassee, FL 32304-2716.