



H.B. 31

123rd General Assembly
(As Introduced)

Reps. Jolivette, Olman

BILL SUMMARY

- Changes the rate at which interest accrues on refunds of overpaid estate taxes, from 3% above the average yield on short-term U.S. government obligations, to the rate earned on the fund from which the refund is paid.

CONTENT AND OPERATION

Interest on estate tax overpayments

(sec. 5731.23)

Currently, if estate taxes are found to have been overpaid, the overpayment is refunded to the taxpayer, along with interest. The interest accrues from the due date for the estate tax return (i.e., nine months after the decedent's death) or the day the tax was paid, whichever is later, until the overpayment is refunded. The interest accrues at the same rate that applies to most other unpaid and overpaid state taxes--3% above the average market yield on marketable obligations of the United States government having maturities of three years or less (determined annually by the Tax Commissioner). Under the bill, the rate of interest paid on estate tax overpayments would instead accrue at the annual rate earned on the fund or account from which the overpaid tax is refunded.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	01-21-99	p. 90

H0031-I.123/jc