
MEMORANDUM

TO: County Probate Judges
County License Commissioners
License Inspectors
Other License Issuing Officials

FROM: Alabama Department of Revenue
Business and License Tax Division
Severance and License Section

SUBJECT: Revised Interest Chart – *Effective January 1, 2023*

DATE: December 12, 2022

Attached is the updated interest rate chart as required by Section 40-1-44, Code of Alabama, 1975. The underpayment rate for the second quarter of this fiscal year established by the Secretary of the Treasury under the authority of 26 U.S.C. §6621 is 7 percent.

The updated interest chart will be posted at <https://www.revenue.alabama.gov/wp-content/uploads/2017/05/interestchart.pdf>. If you have any questions, contact our office at **334-353-7827, option 5**.

**Privilege License Interest Rate Factor Chart
Business & License Tax Division**

Fiscal Year 2022/2023

Interest Table	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2022/2023	-	0.0049	0.0100	0.0160	0.0213	0.0273	0.0330	0.0390	0.0447	0.0507	0.0566	0.0624
2021/2022	0.0401	0.0450	0.0501	0.0561	0.0614	0.0674	0.0731	0.0791	0.0848	0.0908	0.0967	0.1025
2020/2021	0.0701	0.0750	0.0801	0.0861	0.0914	0.0974	0.1031	0.1091	0.1148	0.1208	0.1267	0.1325

The above interest rates are based on the current annual rate provided for under Section 40-1-44, Code of Alabama, 1975.

Example: If a license is purchased in December 2022 for the current year (license year 2022/2023) and two prior years (2021/2022) and (2020/2021) the interest rate to be used is 0.01 for 2022/2023, 0.0501 for 2021/2022, and 0.0801 for 2020/2021.

This chart may be used through SEPTEMBER 2023, or until further notice.
If you have any questions regarding this information, please call (334) 353-7827, option 5.

Revised: 12/8/2022

Effective: 1/1/2023

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