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**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, 2025*

**DATE:** December 11, 2024

Attached is the updated interest rate chart as required by §40-1-44, Code of Ala. 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 will decrease to 7 percent.

The updated interest chart will be posted at  
[https://www.revenue.alabama.gov/ultraviewer/viewer/basic\\_viewer/index.html?form=2024/12/Privilege-License-Interest-Chart-FY25-Eff-01012025.pdf](https://www.revenue.alabama.gov/ultraviewer/viewer/basic_viewer/index.html?form=2024/12/Privilege-License-Interest-Chart-FY25-Eff-01012025.pdf).

If you have any questions, contact our office at **334-353-7827, option 5**.

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

**Fiscal Year 2024/2025**

Interest Table	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2024/2025	-	0.0066	0.0134	0.0193	0.0247	0.0306	0.0364	0.0423	0.0481	0.0540	0.0600	0.0657
2023/2024	0.0800	0.0866	0.0934	0.0993	0.1047	0.1106	0.1164	0.1223	0.1281	0.1340	0.1400	0.1457
2022/2023	0.1492	0.1558	0.1625	0.1685	0.1739	0.1798	0.1856	0.1915	0.1973	0.2032	0.2092	0.2149

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

Example: If a license is purchased in December 2024 for the current year (license year 2024/2025) and two prior years (2023/2024) and (2022/2023), the interest rate to be used is 0.0134 for 2024/2025, 0.0934 for 2023/2024, and 0.1625 for 2022/2023.

**This chart may be used through SEPTEMBER 2025, or until further notice.**  
If you have any questions regarding this information, please call 334-353-7827, option 5.

Revised: 12/11/2024

Effective: 1/1/2025

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