
NOTICE

Thursday, September 4, 2025

Revised Privilege License Interest Rate Factor Chart

Effective October 1, 2025, the underpayment rate for the first quarter of the upcoming fiscal year will remain at 7 percent as established by the Secretary of the Treasury under the authority of 26 U.S.C. §6621.

Attached is the updated interest rate factor chart as required by §40-1-44, Code of Ala. 1975. The updated interest rate factor chart may be found at <https://www.revenue.alabama.gov/business-license/business-privilege-tax/>. If you have any questions, contact our office.

Contact

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

Fiscal Year 2025/2026

Interest Table	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2025/2026	-	0.0058	0.0117	0.0176	0.0230	0.0290	0.0347	0.0407	0.0464	0.0524	0.0583	0.0641
2024/2025	0.0717	0.0774	0.0834	0.0893	0.0947	0.1006	0.1064	0.1123	0.1181	0.1240	0.1300	0.1357
2023/2024	0.1517	0.1574	0.1634	0.1693	0.1747	0.1806	0.1864	0.1923	0.1981	0.2040	0.2100	0.2157

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 2025 for the current year (license year 2025/2026) and two prior years (2024/2025) and (2023/2024) the interest rate to be used is 0.0117 for 2025/2026, 0.0834 for 2024/2025, and 0.1634 for 2023/2024.

This chart may be used through SEPTEMBER 2026, or until further notice.
If you have any questions regarding this information, please call (334) 353-7827, option 5.

Revised: 9/4/2025

Effective: 10/1/2025

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