
NOTICE

Thursday, June 25, 2026

Revised Privilege License Interest Rate Factor Chart

Effective July 1, 2026, the underpayment rate for the fourth quarter of the fiscal year was increased to 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	0.0339	0.0390	0.0439	0.0499	0.0558	0.0616
2024/2025	0.0717	0.0774	0.0834	0.0893	0.0947	0.1006	0.1056	0.1107	0.1156	0.1215	0.1275	0.1332
2023/2024	0.1517	0.1574	0.1634	0.1693	0.1747	0.1806	0.1856	0.1907	0.1956	0.2016	0.2075	0.2133

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: 6/25/2026

Effective: 7/1/2026

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