

Interest Rate Assessed on State Taxes

Issue

What rate of interest will be assessed on delinquent payments of taxes owing to the State of Nebraska?

Conclusion

For the two-year period beginning January 1, 2017, the rate of interest on delinquent payments of any taxes or special assessments owing to the State of Nebraska will remain 3% per year, through December 31, 2018.

Analysis

[Neb. Rev. Stat. § 45-104.02](#) requires the Tax Commissioner to redetermine the interest rate assessed on delinquent payments of any taxes or special assessments owing to the State of Nebraska, or paid on credits or refunds of taxes, every two years based upon the average short-term borrowing rate for the federal government.

Simple interest on taxes and special assessments should be calculated by using each rate set out below for the portion of the period of the delinquency that the rate is in effect.

Period	Interest Rate
1-1-2013 and after	3%
1-1-2009 through 12-31-2012	5%
1-1-2007 through 12-31-2008	8%
1-1-2003 through 12-31-2006	6%
1-1-1995 through 12-31-2002	9%
1-1-1993 through 12-31-1994	7%
Through 12-31-1992*	14%

*On or before December 31, 1992, interest on any **credit or refund** of taxes or special assessments is calculated at a rate of 7%, and interest on **delinquent payments** is calculated at a rate of 14%. On and after January 1, 1993, the same interest rates apply to any credit or refund of taxes, delinquent payment, or special assessment.

APPROVED:



Tony Fulton
Tax Commissioner

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