

Historical Note: Subsequent to the issuance of this Revenue Information Bulletin, Act 900 of the 2004 Regular Legislative Session was enacted. The Act makes this Revenue Information Bulletin invalid for refunds claimed after December 31, 2004, or refunds for taxable periods beginning on or after January 1, 2004. See Revenue Information Bulletin No. 04-020 for refund interest calculations under the provisions of Act 900.

Revenue Information Bulletin

No. 04-008

March 30, 2004

Individual Income Tax

Calculation of Refund Interest

As of the date of this bulletin, the statutes governing the computation of interest on refunds of individual income tax in the absence of bankruptcy proceedings are La. Rev. Stat. Ann. § 47:115(A)(3) and La. Rev. Stat. Ann. § 47:1624. The statute that applies is determined by the individual's status as an employee for the year in which the overpayment was made.

Individuals Who Are Not Employees

If the individual (or both individuals in the case of a joint return) was *not* an employee subject to withholding at any time in the taxable period, all refunds of individual income tax are governed by La. Rev. Stat. Ann. § 47:1624.

Interest computed under the provisions of La. Rev. Stat. Ann. § 47:1624 is computed:

- *FROM* the date the return was due or from the date the tax was paid, whichever is later,
- *TO* the date the refund is paid,
- At the rate established pursuant to Civil Code Article 2924(B)(1) for each year. This rate is published by the Department each year as an Administrative Revenue Information Bulletin.

Individuals Who Are Employees

If the individual (or either individual in the case of a joint return) was an employee subject to withholding at any time in the taxable period, all refunds of individual income tax are governed by La. Rev. Stat. Ann. § 47:115(A)(3), except that La. Rev. Stat. Ann. § 47:1624 will govern refunds of:

- credit for ad valorem taxes paid on certain vessels (La. Rev. Stat. Ann. § 47:6006.1),
- credit for property taxes paid by telephone companies (La. Rev. Stat. Ann. § 47:6014), and
- refunds claimed on amended returns.

Interest computed under the provisions of La. Rev. Stat. Ann. § 47:115(A)(3) is computed:

- *FROM* the date the return was due or from ninety days after the filing date of the return showing the overpayment, whichever is later,
- *TO* the date the refund is paid,
- At the rate established pursuant to Civil Code Article 2924(B)(1) for each year. This rate is published by the Department each year as an Administrative Revenue Information Bulletin.

Cynthia Bridges
Secretary