




**Department of
Taxation**

Tax Equalization

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Equal Opportunity Employer

TO: All County Auditors

FROM: Shelley Wilson, Executive Administrator, Tax Equalization Division 

RE: Interest Rate Certification for Calendar year 2017

DATE: October 18, 2016

The attached Journal Entry certifies the interest rates as determined by the Tax Commissioner as required by Ohio Revised Code section 5703.47. For 2017, the general interest rate is 4%, and the interest rate for unpaid or overpaid general business personal property and estate taxes is 1%.

Please note that Revised Code section 319.19 was repealed by Sub. H.B. 166, effective September 8, 2016. Therefore there is no longer any requirement for the county auditor to notify the various courts of the change in the interest rate.

cmz

Enclosure

cc: County Treasurers

OCT 12 2016

STATE OF OHIO
DEPARTMENT OF TAXATION

In the matter of the Determination
of the Interest Rates Pursuant to
Section 5703.47 of the Ohio Revised
Code.

R.C. 5703.47 requires the Tax Commissioner to consider and do the following each year:

- (A) As used in this section, "federal short-term rate" means the rate of the average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of three years or less, as determined under section 1274 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1274, for July of the current year.
- (B) On the fifteenth day of October of each year, the tax commissioner shall determine the federal short-term interest rate. For purposes of any section of the Revised Code requiring interest to be computed at the rate per annum required by this section, the rate determined by the commissioner under this section, rounded to the nearest whole number percent, plus three percent shall be the interest rate per annum used in making the computation for interest that accrues during the following calendar year. For purposes of sections 5719.041 and 5731.23 of the Revised Code, references to the "federal short-term rate" are references to the federal short-term rate as determined by the tax commissioner under this section rounded to the nearest whole percent.
- (C) Within ten days after the interest rate per annum is determined under this section, the tax commissioner shall notify the auditor of each county in writing of that rate of interest.

The rounded federal short-term rate for July 2016 is one percent (1%). The rounded short-term rate, plus three percent (3%), yields the applicable per annum interest rate used in making the computation for interest that accrues during calendar year 2017 pursuant to R.C. 5703.47. **Therefore, the Tax Commissioner hereby determines that the interest rate prescribed by R.C. 5703.47 for calendar year 2017 is four percent (4%).**

Solely for purposes of R.C. 5719.041 (personal property tax) and R.C. 5731.23 (estate tax), the interest rate for calendar year 2017 is one percent (1%).

Pursuant to R.C. 5703.47(C), each county auditor will be provided a notice of this journal entry.