

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-15 of the Code of Virginia, relating to the rate of interest on*
3 *taxes.*

4
5 Approved

[H 1678]

6 **Be it enacted by the General Assembly of Virginia:**

7 **1. That § 58.1-15 of the Code of Virginia is amended and reenacted as follows:**

8 § 58.1-15. Rate of interest.

9 A. Unless otherwise specifically provided, interest on omitted taxes, assessments and refunds under
10 this title shall be computed at the rates equal to the rates of interest established pursuant to § 6621 of
11 the Internal Revenue Code. The rate of interest on omitted taxes and assessments under this title shall be
12 the "Underpayment Rate" established pursuant to § 6621 (a) (2) of the Internal Revenue Code plus two
13 percent. The rate of interest on refunds under this title shall be the "Overpayment Rate" *for*
14 *noncorporate taxpayers* established pursuant to § 6621 (a) (1) of the Internal Revenue Code *plus two*
15 *percent*. Separate computations shall be made by multiplying the deficiency or overpayment for each
16 period by the rate of interest applicable to that period.

17 B. In determining the addition to tax under § 58.1-492 for failure by individuals to pay estimated tax,
18 the "Underpayment Rate" plus two percent which applies during the third month following such taxable
19 year shall also apply during the first fifteen days of the fourth month following such taxable year in the
20 case of individuals filing on a basis other than a calendar year. In the case of all other individuals, the
21 "Underpayment Rate" plus two percent which applies during the third month following such taxable year
22 shall also be applicable through May 1.

23 C. In determining the addition to tax under § 58.1-504 for failure by corporations to pay estimated
24 tax, the "Underpayment Rate" plus two percent which applies during the third month following such
25 taxable year shall also apply during the first fifteen days of the fourth month following such taxable
26 year.

27 **2. That the provisions of this act shall become effective on January 1, 2000.**

ENROLLED

HB1678ER