

## Tax Penalty Interest Rate

Interest shall be imposed on all unpaid income tax. The applicable rate is explained below.

### Interest rate for 2016

The interest rate used for income tax penalty calculations is the federal short-term rate, rounded to the nearest whole percent, plus five (5) percent. O.R.C 718.27

At July 2015, the rounded federal short-term rate was zero percent (0%).

The rounded federal short-term rate, plus five percent yields a penalty interest rate of five percent (5%).

This rate will be used from January through December, 2016 for tax years beginning after Jan 1, 2016.

### Interest rate for 2015 and prior years

The interest rate used for income tax penalty calculations is the federal short-term rate, rounded to the nearest whole percent, plus three (3) percent. O.R.C 718.27

At July 2014, the rounded federal short-term rate was zero percent (0%).

The rounded federal short-term rate, plus three percent yields a penalty interest rate of three percent (3%).

This rate will be used for all tax filings related to tax years ending through December, 2015.

This rate applies regardless of the actual date of filing or payment.