



Rhode Island Department of Revenue

Division of Taxation

ADV 2021-37
TAX ADMINISTRATION

ADVISORY FOR TAXPAYERS AND TAX PROFESSIONALS
OCTOBER 8, 2021
REVISED: OCTOBER 20, 2021

Interest rates posted for 2022

Rates on underpayments and overpayments based on statutory formula

PROVIDENCE, R.I. – The Rhode Island Division of Taxation today announced the interest rates that will apply in 2022 to overpayments and underpayments. The rates are based on formulas set in statute.

Interest on overpayments for calendar year 2022 shall be at the rate of 3.25% per annum. For calendar year 2021, the rate was 3.25% per annum. Thus, there is no change for 2022.

Interest rate on overpayments (refunds)	
CALENDAR YEAR 2021	CALENDAR YEAR 2022
3.25%	3.25%

For calendar year 2022, the interest rate on delinquent tax payments shall be 18.00% per annum, the same as the rate for 2021.

Interest rate on underpayments (delinquencies)	
CALENDAR YEAR 2021	CALENDAR YEAR 2022
18.00%	18.00%

For historical data, please see the next page. (Note: The first table on the following page was revised on October 20, 2021.)

OVERPAYMENTS: Under [Rhode Island General Laws § 44-1-7.1](#), the interest rate on overpayments of Rhode Island State tax for a given calendar year is computed by reference to the prime rate which was in effect on October 1 of the preceding year. In the “Selected Interest Rates (H.15)” statistical release issued by the Board of Governors of the Federal Reserve System, the “bank prime loan” rate listed as being in effect on October 1, 2021, was 3.25%.¹ Thus, the Division’s interest rate on overpayments for calendar year 2022 is 3.25%.

DELINQUENCIES: Under [Rhode Island General Laws § 44-1-7](#), interest on delinquent payments is 2.00% above the prime rate. However, the statute also says that the interest rate on delinquencies cannot exceed 21.00% per annum, nor can it be less than 18.00% per annum. Thus, the Division’s interest on delinquencies for calendar year 2022 shall be at the rate of 18.00% percent per annum.

¹ See <https://www.federalreserve.gov/releases/h15/>.

Interest rate on overpayments (refunds)*

FROM:	TO:	RATE:
01/01/22	12/31/22	3.25%
01/01/21	12/31/21	3.25%
01/01/20	12/31/20	5.00%
01/01/19	12/31/19	5.25%
01/01/18	12/31/18	4.25%
01/01/17	12/31/17	3.50%
01/01/10	12/31/16	3.25%
01/01/09	12/31/09	5.00%
01/01/08	12/31/08	7.75%
01/01/07	12/31/07	8.25%
07/01/06	12/31/06	6.75%
01/01/94	06/30/06	12.00%

Rhode Island General Laws § 44-1-7.1

* This table was revised on October 20, 2021, to show that the 6.75% rate on overpayments (refunds) took effect July 1, 2006. The original Advisory incorrectly showed October 1, 2006, as the effective date.

Interest rate on underpayments (delinquent payments)

FROM:	TO:	RATE:
01/01/22	12/31/22	18.00%
01/01/21	12/31/21	18.00%
01/01/20	12/31/20	18.00%
01/01/19	12/31/19	18.00%
01/01/18	12/31/18	18.00%
01/01/17	12/31/17	18.00%
01/01/10	12/31/16	18.00%
01/01/09	12/31/09	18.00%
01/01/08	12/31/08	18.00%
01/01/07	12/31/07	18.00%
10/01/06	12/31/06	18.00%
01/01/94	09/30/06	12.00%

Rhode Island General Laws § 44-1-7

The Rhode Island Division of Taxation is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <http://www.tax.ri.gov/contact/>.
