

DEPARTMENT OF STATE REVENUE

Information Bulletin #101
General Tax
December 2019
(Replaces Commissioner's Directive #34 dated May 2016)
Effective Date: Upon Publication

SUBJECT: Excess Tax Payments Procedure for Refund and Payment of Interest

REFERENCES: [IC 6-8.1-9-2](#)

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SUMMARY OF CHANGES

Aside from technical, nonsubstantive changes, this bulletin effectively provides the same information as it had before when it was published under the title Commissioner's Directive #34.

I. INTRODUCTION

The purpose of this bulletin is to provide guidance regarding [IC 6-8.1-9-2](#) and the procedures for when interest begins to accrue on a claim for refund.

II. PROCEDURES

When it is determined that a person paid more tax than is legally due, the department shall apply the amount of the overpayment against any outstanding liability for a listed tax as listed in [IC 6-8.1-1-1](#). If any excess remains after the department has applied the overpayment against other outstanding liabilities, the department shall either refund the amount to the person, or at the person's request, credit the amount to the person's future tax liabilities.

If an excess tax payment is not refunded or credited against a current or future tax liability within 90 days after the date the refund claim is filed, the date the tax was due, or the date the tax was paid, whichever is latest, the excess payment accrues interest from the latest of:

- (1) the date the tax was due;
- (2) the date the tax payment was made;
- (3) July 1, 2015; or
- (4) the date the return was filed for the period and tax type for which the refund is sought.

For sales and use tax, the oil inspection fee, and the petroleum severance tax, the due date of the tax is December 31 of the year containing the taxable period for which the tax was paid.

In the case of refunds generated as the result of department audit or investigation, no interest will accrue unless the taxpayer files a refund claim, and then only to the extent otherwise provided above. This rule also applies to the extent the department issues a refund pursuant to [IC 6-8.1-9-1.5](#).

Adam J. Krupp
Commissioner

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