



MAFT CALCULATION AND PROCEDURAL CHANGES FOR PENALTIES AND INTEREST

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In order to strengthen compliance with Title 75 statutory penalty and interest calculations for unpaid taxes, beginning January 28, 2019, the following changes will be implemented:

Liquid Fuels and Fuels

Per Title 75 § 9006, the Department of Revenue will begin calculating interest on any unpaid taxes at a rate of 1% per month or fractional part of a month from the date the taxes are due until paid. Currently, the Department calculates the interest due based on the annual interest rate published by the Department in accordance with sections 806 and 806.1 of The Fiscal Code (72 P.S. §§ 806 and 806.1) and used for most other taxes administered by the Department.

Motor Carrier Road Tax/International Fuel Tax Agreement (IFTA)

Per Title 75, § 9613, the Department will begin applying a penalty of 10% of tax on any amount that is not paid timely. In addition to the penalty, any unpaid tax will accrue interest at a rate of 1% per month or fraction thereof until the tax is paid in full. Currently, the Department only applies the penalty of \$50.00 or 10% of the tax due for failure to file timely if a return is not received on the prescribed due date.

The Pennsylvania interest rate of 1% per month or fraction thereof will be charged on any unpaid balances until the tax is paid in full. However, jurisdictional interest (interest amount computed on the tax due to each member jurisdiction) will remain as prescribed by the IFTA. For additional information please visit The Department's website www.revenue.pa.gov.