



SENATE BILL 105: 2021 Appropriations Act, Sec. 42.11: Graduate Late Payment Penalties

2021-2022 General Assembly

Committee:		Date:	January 26, 2022
Introduced by:		Prepared by:	Cindy Avrette Staff Attorney
Analysis of:	Sec. 42.11 of S.L. 2021-180		

OVERVIEW: Section 42.11 of S.L. 2021-180 (2021 Appropriations Act) replaces the flat penalty amount assessed for failure to pay a tax when due to a graduated amount that is 2% of the tax for the first month and is increased by 2% for each succeeding month or fraction thereof, not to exceed 10%.

This section becomes effective July 1, 2022, and applies to tax assessed on or after that date.

CURRENT LAW & BILL ANALYSIS: The current flat penalty amount is equal to 10% of the tax. This section reduces the penalty amount to 2% of the tax for the first month, increased by 2% for each succeeding month or fraction thereof, not to exceed 10%.

EFFECTIVE DATE: This section becomes effective July 1, 2022, and applies to tax assessed on or after that date.

Jeffrey Hudson
Director



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Legislative Analysis
Division
919-733-2578