



CHAPTER 105
ARTICLE 9 - GENERAL ADMINISTRATION; PENALTIES AND REMEDIES

N.C.G.S. § 105-241.21.

Interest on taxes.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 04:24 UTC	SOURCE FINGERPRINT bef3cfbf4e5947493eca732c - 0502b54d44b9787814391908 - 231c181fe32f0946
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§ 105-241.21(a) Rate. - The interest rate set by the Secretary applies to interest that accrues on overpayments and assessments of tax. On or before June 1 and December 1 of each year, the Secretary must establish the interest rate to be in effect during the six-month period beginning on the next succeeding July 1 and January 1, respectively. In determining the interest rate, the Secretary must give due consideration to current market conditions and to the rate that will be in effect on that date pursuant to the Code. If no new rate is established, the rate in effect during the preceding six-month period continues in effect. The rate established by the Secretary may not be less than five percent (5%) per year and may not exceed sixteen percent (16%) per year.

§ 105-241.21(b) Accrual on Underpayments. - Interest accrues on an underpayment of tax from the date set by statute for payment of the tax until the tax is paid. Interest accrues only on the principal of the tax and does not accrue on any penalty.

§ 105-241.21(c) Accrual on Refund. - Interest accrues on an overpayment of tax from the time set in the following subdivisions until the refund is paid:

(1) Franchise, income, and gross premiums. - Interest on an overpayment of a tax levied under Article 3 of this Chapter and payable on an annual basis or of a tax levied under Article 4 or 8B of this Chapter accrues from a date 45 days after the latest of the following dates:

- a.The date the final return was filed.
- b.The date the final return was due to be filed, determined without regard to extensions.

c.The date of the overpayment. The date of an overpayment of a tax levied under Article 4 or Article 8B of this Chapter is determined in accordance with section 6611(d), (f), (g), and (h) of the Code.

(2) All other taxes. - Interest on an overpayment of a tax that is not included in subdivision (1) of this subsection accrues from a date that is 90 days after the date the tax was paid.

§ 105-241.21(d)

When Refund Is Paid. - A refund sent to a taxpayer is considered paid on a date determined by the Secretary that is no sooner than five days after a refund check is mailed. A refund set off against a debt pursuant to Chapter 105A of the General Statutes is considered paid five days after the Department mails the taxpayer a notice of the setoff, unless G.S. 105A-5 or G.S. 105A-8 requires the agency that requested the setoff to return the refund to the taxpayer. In this circumstance, the refund that was set off is not considered paid until five days after the agency that requested the refund mails the taxpayer a check for the refund. (2007-491, s. 1; 2022-13, s. 5.4(a).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
2 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105A-5	(d)	"a notice of the setoff, unless"
G.S. 105A-8	(d)	"the setoff, unless G.S. 105A-5 or"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-241.21 (2026).

PINPOINT

N.C. Gen. Stat. § 105-241.21(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

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