Ohio Department of
TAXATION
Office of the Tax Commissioner
30 E. Broad St., 22nd Floor • Columbus, OH 43215

Administrative Journal Entry

Date: OCT 16 2006

In the Matter of Determination)
of the Interest Rates Pursuant to)
R.C. 5703.47.)

R.C. 5703.47 requires the Tax Commissioner to consider and do the following each year:

> (A) As used in this section, "federal short-term rate" means the rate of the average market yield on outstanding marketable obligations of the United States with remaining periods to maturity of three years or less, as determined under section 1274 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C. 1274, for July of the current year.
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> (B) On the fifteenth day of October of each year, the tax commissioner shall determine the federal short-term rate. For purposes of any section of the Revised Code requiring interest to be computed at the rate per annum required by this section, the rate determined by the commissioner under this section, rounded to the nearest whole number per cent, plus three per cent shall be the interest rate per annum used in making the computation for interest that accrues during the following calendar year. For purposes of sections 5719.041 and 5731.23 of the Revised Code, references to the "federal short-term rate" are references to the federal short-term rate as determined by the tax commissioner under this section rounded to the nearest whole number per cent.
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> (C) Within ten days after the interest rate per annum is determined under this section, the tax commissioner shall notify the auditor of each county in writing of that rate of interest.

The rounded federal short-term rate for July 2006 is five per cent (5%). This rounded short-term rate, plus three per cent (3%), yields the applicable per annum interest rate used in making the computation for interest that accrues during calendar year 2007 pursuant to R.C. 5703.47. **Therefore, the Tax Commissioner hereby determines that the interest rate prescribed by R.C. 5703.47 for calendar year 2007 is eight per cent (8%).** Solely for purposes of R.C. 5719.041 (personal property tax) and R.C. 5731.23 (estate tax), the interest rate for calendar year 2007 is five per cent (5%).

Pursuant to R.C. 5703.47(C), notice of this journal entry will be mailed to each county auditor by regular mail. Each county auditor is hereby advised that pursuant to R.C. 319.19 the county auditor should notify the clerk or court of common pleas and the clerk of each municipal court and county court that the interest rate under R.C. 5703.47 is eight per cent (8%).

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE AND CORRECT COPY OF THE ACTION OF THE TAX COMMISSIONER TAKEN THIS DAY WITH RESPECT TO THE ABOVE MATTER.

William W. Wilkins
TAX COMMISSIONER

/S/ WILLIAM W. WILKINS

William W. Wilkins
Tax Commissioner