

810-3-79-.01. Overpayment of Tax.

(1) (a) If the income tax return of a taxpayer shows an overpayment of tax because of withholding from his wages and/or payments of declarations of estimated tax, the overpayment will first be applied against any income tax of earlier years owed by the taxpayer. The balance, at the election of the taxpayer, will be refunded to him or credited as a first payment on his declaration of estimated tax for the following year. See Reg. 810-3-82-.01 as to the irrevocability of the election.

(b) Refunds of less than one dollar are made only on written request of the taxpayer who has made the overpayment. Filing a declaration of estimated tax for the following year together with a request or election that the overpayment be credited thereon will be treated as such a written request. Alternatively, a refund claim may be filed on Form 40X.

(2) Through May 31, 1981, interest on overpayment of taxes was at the annual rate of 6%. Act 81-258, now codified at § 40-1-44, provided that effective June 1, 1981, interest would be equal to the rate set by the United States Secretary of the Treasury pursuant to Internal Revenue Code Section 6621.

(3) Interest on overpayment of tax shall not begin to accrue until 90 days after the due date for filing the return or the date the return is filed, whichever is later.

(Adopted September 30, 1982; amended February 8, 1989, filed with LRS March 20, 1989, effective April 24, 1989)

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