



**State of Vermont**  
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**TO:** Craig Bolio, Commissioner of Taxes  
Vermont Department of Taxes

**CC:** Deputy Commissioner, Chief Operating Officer,  
General Counsel and Division Directors

**FROM:** Sharon Asay, Director of Finance

**DATE:** November 1, 2022

**SUBJECT:** 2023 Interest Rate

Title 32 V.S.A. § 3108 (Interest Rate) as most recently amended by Act 51 (2019) requires the Commissioner to set the interest rate no later than December 15th for the calculation of the interest on the underpayment and overpayment of tax liabilities for the upcoming calendar year. The annual rate for overpayments and underpayments is rounded up to the nearest quarter percent.

The average prime loan rate charged by banks (as determined by the Board of Governors of the Federal Reserve System) for the 12-month period beginning October 1, 2021 and ending September 30, 2022 was 3.96%. Rounding up to the nearest quarter of a percent, the annual rate for the overpayment and underpayment of tax for 2023 will be 4.0%.

This rate will be effective beginning January 1, 2023 and will apply to interest that accrues in calendar year 2023.

10/20/22

Date

APPROVED: 

Craig Bolio  
Commissioner of Taxes

