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LATE PAYMENT INTEREST FOR 2013

Late payment interest («juros de mora») is charged at the above rate when the taxpayer does not pay the tax owed by the due date.

Notice 17289/2012 from the Treasury and Public Debt Management Agency was published on 28 December 2012. This Notice sets the late payment interest («juros de mora») applicable to debts to the State and other public entities and came into force on 1 January 2013. The late payment interest rate changes from 7.007% to 6.112%.

Late payment interest is charged at the above rate when the taxpayer does not pay the tax owed by the due date. However, when a final judgment is made ordering the taxpayer to pay a tax debt, from the end of the period for voluntary payment of the judgment debt until actual payment, interest will be charged at 12.224% - double the standard rate referred to above.

Late payment interest is reduced to half the standard rate, in other words 3.056%, for debts covered by secured guarantees set up at the initiative of the creditor entity or accepted by it, as it is for debts covered by bank guarantees. For debts collected in tax enforcement proceedings, days included in the calendar month in which payment is made are not counted in the calculation of late payment interest.

Individuals with subsidiary liability for the tax debt are exempt from costs and late payment interest assessed in tax enforcement proceedings if, having been summonsed to pay the debt appearing in the enforcement instrument, they make the respective payment within the period allowed for presentation of a defence.

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