



**NCDOR**

**NORTH  
CAROLINA  
DEPARTMENT  
OF REVENUE**

**Josh Stein  
Governor**

**McKinley Wooten Jr.  
Secretary**

December 17, 2025

**MEMORANDUM**

To: Setoff Program Agencies

From: Jackie McKoy, Chief Financial Officer  
Financial Services Division

Subject: Interest Rate for January 1, 2026 through June 30, 2026

General Statute 105-241.21(a) requires the Secretary of Revenue to establish interest rates to be in effect during a six month period beginning January and July 1 on overpayments and assessments of tax. G. S. 105-241.21(d) provides that the same interest rate will be applicable to overpayment of taxes.

General Statute's 105A-5 and 105A-8 state if a setoff agency must return a portion or the entire refund to the taxpayer, interest must be paid from the agency's funds in accordance with G. S. 105-241.21. Meaning, if the setoff overpays the debtor's account with the agency, the agency must use the interest rate that is noted on the Setoff Debt Collection Activity (SODCA) report and begin with the interest date for the debtor from the date specified until the check is written by the agency. The interest date is located in the column titled "Agency Interest Begin Date/Refund Interest."

The interest rate for the period January 1, 2026 through June 30, 2026 is **7% per annum**. If you have any questions, please call (919) 814-1119.