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AMENDMENTS

1998—Pub. L. 105-206, title III, §3308(b), July 22, 1998, 112 Stat. 745, added item for subchapter D.  
 1982—Pub. L. 97-248, title III, §344(b)(3)(B), Sept. 3, 1982, 96 Stat. 636, inserted “; compounding of interest” after “rate” in item for subchapter C.  
 1975—Pub. L. 93-625, §7(d)(5), Jan. 3, 1975, 88 Stat. 2115, added item for subchapter C.

**Subchapter A—Interest on Underpayments**

Sec.  
 6601. Interest on underpayment, nonpayment, or extensions of time for payment, of tax.  
 6602. Interest on erroneous refund recoverable by suit.  
 6603. Deposits made to suspend running of interest on potential underpayments, etc.

AMENDMENTS

2004—Pub. L. 108-357, title VIII, §842(b), Oct. 22, 2004, 118 Stat. 1599, added item 6603.

**§ 6601. Interest on underpayment, nonpayment, or extensions of time for payment, of tax**

**(a) General rule**

If any amount of tax imposed by this title (whether required to be shown on a return, or to be paid by stamp or by some other method) is not paid on or before the last date prescribed for payment, interest on such amount at the underpayment rate established under section 6621 shall be paid for the period from such last date to the date paid.

**(b) Last date prescribed for payment**

For purposes of this section, the last date prescribed for payment of the tax shall be determined under chapter 62 with the application of the following rules:

**(1) Extensions of time disregarded**

The last date prescribed for payment shall be determined without regard to any extension of time for payment or any installment agreement entered into under section 6159.

**(2) Jeopardy**

The last date prescribed for payment shall be determined without regard to any notice and demand for payment issued, by reason of jeopardy (as provided in chapter 70), prior to the last date otherwise prescribed for such payment.

**(3) Accumulated earnings tax**

In the case of the tax imposed by section 531 for any taxable year, the last date prescribed for payment shall be deemed to be the due date (without regard to extensions) for the return of tax imposed by subtitle A for such taxable year.

**(4) Last date for payment not otherwise prescribed**

In the case of taxes payable by stamp and in all other cases in which the last date for payment is not otherwise prescribed, the last date for payment shall be deemed to be the date the liability for tax arises (and in no event shall

be later than the date notice and demand for the tax is made by the Secretary).

**(c) Suspension of interest in certain income, estate, gift, and certain excise tax cases**

In the case of a deficiency as defined in section 6211 (relating to income, estate, gift, and certain excise taxes), if a waiver of restrictions under section 6213(d) on the assessment of such deficiency has been filed, and if notice and demand by the Secretary for payment of such deficiency is not made within 30 days after the filing of such waiver, interest shall not be imposed on such deficiency for the period beginning immediately after such 30th day and ending with the date of notice and demand and interest shall not be imposed during such period on any interest with respect to such deficiency for any prior period.

**(d) Income tax reduced by carryback or adjustment for certain unused deductions**

**(1) Net operating loss or capital loss carryback**

If the amount of any tax imposed by subtitle A is reduced by reason of a carryback of a net operating loss or net capital loss, such reduction in tax shall not affect the computation of interest under this section for the period ending with the filing date for the taxable year in which the net operating loss or net capital loss arises.

**(2) Foreign tax credit carrybacks**

If any credit allowed for any taxable year is increased by reason of a carryback of tax paid or accrued to foreign countries or possessions of the United States, such increase shall not affect the computation of interest under this section for the period ending with the filing date for the taxable year in which such taxes were in fact paid or accrued, or, with respect to any portion of such credit carryback from a taxable year attributable to a net operating loss carryback or a capital loss carryback from a subsequent taxable year, such increase shall not affect the computation of interest under this section for the period ending with the filing date for such subsequent taxable year.

**(3) Certain credit carrybacks**

**(A) In general**

If any credit allowed for any taxable year is increased by reason of a credit carryback, such increase shall not affect the computation of interest under this section for the period ending with the filing date for the taxable year in which the credit carryback arises, or, with respect to any portion of a credit carryback from a taxable year attributable to a net operating loss carryback, capital loss carryback, or other credit carryback from a subsequent taxable year, such increase shall not affect the computation of interest under this section for the period ending with the filing date for such subsequent taxable year.

**(B) Credit carryback defined**

For purposes of this paragraph, the term “credit carryback” has the meaning given such term by section 6511(d)(4)(C).