

CALIFORNIA FRANCHISE TAX BOARD

Legal Ruling No. 332

August 20, 1968

ESTIMATED TAX: NO INTEREST ON OVERPAYMENT

Syllabus:

Only overpayments which result from the remittance of a taxpayer's estimated tax as required by law shall bear interest.

In light of Section 19062.8 which provides:

A payment not made incident to a bona fide and orderly discharge of an actual liability or one reasonably assumed to be imposed by law, is not an overpayment for the purposes of Section 19062 and interest is not payable thereon and the decisions of the Board of Equalization in MCA Artists, Ltd. and Continental Can Company, Inc. [March 7, 1967], all payments of estimated tax other than those the taxpayer is required by law to make under Section 18556 are within the terms of Section 19062.8, and thus no interest shall be allowed thereon even if an excess results from the payments.