

SAMPLE LATE PAYMENT PENALTIES CALCULATIONS

	Facts	Payment Due Date Set forth In Contract as defined in SAM 8474.4 (c)	Payment Due Date Not Set Forth In Contract
A	Date agency receives invoice or notice of refund or other payment due	3/1/xx	3/1/xx
B	Payment due date per contract /1	4/1/xx	N/A
C	Payment issue date	4/6/xx	4/30/xx
S T E P	Completing Penalty Calculation form (STD.208) - Part A		
1	Required payment approval date or notice of refund or other payment /2	4/1/xx	3/31/xx
2	Maximum time to issue payment (45 calendar days) /3	N/A	4/15/xx
3	Amount subject to penalty (net of tax)	\$30,000	\$30,000
	Daily penalty rate /4		
	• Small Business	0.000363	0.000363
	• Other Business	0.0000419	0.0000419
	• Refunds/Other payments due	N/A	0.0000335
4	Penalty per day (multiply amount by daily penalty rate as shown in Step 2)		
	• Small Business	10.89	10.89
	• Other Business	1.26	1.26
	• Refunds/Other payments due	N/A	1.01
5	Number of days penalized /5	5	15
6	Penalty amount (multiply amount by the number of days as shown in Steps 3 and 4)		
	• Small Business	\$10.89 x 5 = \$54.45	\$10.89 x 15 = \$163.35
	• Other Business	\$1.26 x 5 = \$6.30 /6	\$1.26 x 15 = \$18.90 /6
	• Refunds/Other payments due	N/A	\$1.01 x 15 = \$15.15

PENALTY CALCULATION

STD. 208 (REV. 2/2011)

Prepare an original and two copies

STATE DEPARTMENT NAME			
CONTACT PERSON <i>(Print)</i>		TELEPHONE NUMBER	
CONTRACTOR/VENDOR		DATE RECEIVED	PAYMENT ISSUE DATE
INVOICE NUMBER	INVOICE DATE	REFERENCE NUMBER(S)	CLAIM SCHEDULE NUMBER

PART A: PENALTY CALCULATION

STEP 1:
Payment Due Date

STEP 2:
Amount Subject to Penalty *(Excluding Sales Tax)*

Daily Penalty Rate

STEP 3:
Penalty Amount Per Day *(Multiply Subject Amount by Daily Penalty Rate)*

STEP 4:
Number of Days Penalized

STEP 5:
Penalty Amount *(Multiply Penalty Amount per day by Step 4) Enter the result here* \$

Enter the Penalty amount below when the penalty is:

- Over \$10.00 for all other businesses, refunds, or other payments; or
- Over \$100.00 for all other businesses

PART B: TOTAL PAYMENT

PENALTY AMOUNT – Enter on Remittance Advice \$



Additional information to complete STD. 208 are in SAM Section 8474.3