



SECTION: Annual Information Return
INDEX NO.: A500-210
TITLE: Interest on Late AIR Fees
APPROVED BY: The Superintendent of Pensions
PUBLISHED: Bulletin 3/2, (October 1992)
EFFECTIVE DATE: When Published [No longer applicable - replaced by A500-400]

Taken from the "Your Questions Answered" column published in the PCO Bulletin. Please see the disclaimer at the beginning of the directory.

What authority does the PCO have to charge interest on late AIR filing fees?

The authority to charge interest on overdue accounts is provided in section 9(a) of the *Financial Administration Act*.

The interest rate to be used is published by the Office of the Treasury at the Ministry of Finance. This rate is reviewed semi-annually and is adjusted as necessary. The interest charged is based on the AIR fees outstanding exclusive of the 20% late filing penalty and is calculated on a simple interest basis.

The interest penalty period is from the date the AIR is due (six months after the fiscal year end of the pension plan*) to the date of receipt of the AIR filing fees.

PCO Staff Comment: Since this article was written, the time period has changed to 6 months for plans providing only defined contribution benefits and 9 months for all other plans. See also A500-205 "Calculation of Interest on Overdue Filing Fee Payments" and A500-206 for the Interest Table.