



**ARKANSAS INSURANCE DEPARTMENT
LEGAL DIVISION**

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Little Rock, AR 72201-1904
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Bulletin 13-87

May 28, 1987

ACT 1033 OF 1987

Act 1033 of 1987, effective July 20, 1987, adds new premium taxes on domestic life and disability, domestic wet marine and foreign trade, and domestic legal insurers, and all health maintenance organizations. Act 1033 authorizes the Commissioner to prescribe the quarterly estimate basis for payment of taxes on premiums. In reference to health maintenance organizations, co-payment income shall be considered as taxable premium income. The provisions of Act 1033 as to premium taxes apply to all premiums which are written in calendar year 1987 upon which the premium tax is reported and paid in 1988.

Therefore payment of taxes on the total of 1987 direct written premiums shall be due no later than March 1, 1988, coincident with filing of the 1987 annual statement. Payment of taxes on 1988 direct written premiums shall be due no later than forty-five (45) days following the end of each of the first three (3) quarters in calendar year 1988, i.e. May 15, August 14, and November 14, 1988. Payment of taxes for the fourth quarter of 1988 shall be due no later than March 1, 1989, accompanying the annual reconciliation which also must be filed on March 1, 1989, coincident with the filing the 1988 annual statement. This quarterly schedule shall be observed for all subsequent calendar years. Credit memorandums will be issued for verified overpayments of premium taxes and may be used as credits against the premium taxes due on subsequent tax reports.

Department Rule and Regulation 25, Home Office Premium Tax, was superceded by Act 1033 of 1987. Therefore Department Form A.I.D.-H101, Application for Home Office Premium Tax Certification, is obsolete. Application forms for life and disability insurers and health maintenance organizations applying for premium tax credits or offsets pursuant to the provisions of Act 1033 are enclosed as exhibits to this Bulletin.

Life and disability insurers should utilize Form IC-PT for application for premium tax credits not to exceed seventy percent (70%) of the life premium taxes due and not exceed eighty percent (80%) of the disability premium taxes due. Health maintenance organizations should utilize Form HMO-PT for application for premium tax credits not to exceed eighty percent (80%) of the premium taxes due.

Forms IC-PT and HMO-PT must be filed no later than March 1, 1988, for credits against taxes owed for the total of 1987 direct written premiums. Thereafter, Forms IC-PT and HOM-PT must be filed no later than forty-five (45) days following the end of each quarter of calendar year 1988, for credits against quarterly taxes owed for 1988 direct written premiums.

Please be advised that under Act 1033 domestic life and disability insurers will be liability for payment of premium taxes on 1987 income and are now exempt from liability for payment of State income taxes thereon, and are no longer required to submit quarterly or annual payments of State income taxes to the Revenue Department of the Department of Finance and Administration.

Forms for computation of premium taxes and fees and resulting credits and offsets will be distributed at a later date. Inquiries are to be directed to Pam Davis, Fiscal Officer, Accounting division of this Department.

Robert M. Eubanks, III
INSURANCE COMMISSIONER

BULLETIN 13-87

FORM IC-PT

STATE OF ARKANSAS
DEPARTMENT OF INSURANCE
400 University Tower Building
Little Rock, Arkansas 72204

APPLICATION FOR PREMIUM TAX CERTIFICATION FOR
INSURERS' NON-COMMISSIONED ARKANSAS EMPLOYEES
FOR THE CALENDAR QUARTER ENDING _____

TO THE COMMISSIONER OF INSURANCE OF
THE STATE OF ARKANSAS

The _____
(Full and exact corporate name)

of _____
(Corporate office address)

is organized under the laws of _____ and commenced business pursuant to the requirements of the Arkansas Insurance Code (All addresses must include street and number, city, state and zip code).

1. Address of Home Office: _____

2. Address of Executive Office: _____

3. Total number of non-commissioned Arkansas employees of the insurer, employed for a minimum of six (6) months in this State, during the quarter to which this report applies: _____

4. Total amount of non-commissioned salaries and wages paid to Arkansas employees of the insurer listed in Item 3 above: _____

OATH

State of _____ County of _____

I, _____, the affiant herein, do hereby swear or affirm that the foregoing statement is true and correct to the best of my information, knowledge and belief.

Signature (President, Vice President, Secretary or Treasurer)

Subscribed and sworn to or affirmed before me this _____ day of
_____ 19 _____.

Notary Public

My Commission Expires:

FORM HMO-PT

STATE OF ARKANSAS
DEPARTMENT OF INSURANCE
400 University Tower Building
Little Rock, Arkansas 72204

APPLICATION FOR PREMIUM TAX CERTIFICATION FOR
INSURERS' NON-COMMISSIONED ARKANSAS EMPLOYEES OF HEALTH
MAINTENANCE ORGANIZATIONS
FOR THE CALENDAR QUARTER ENDING _____

TO THE COMMISSIONER OF INSURANCE OF
THE STATE OF ARKANSAS

The _____
(Full and exact organization name)

of _____
(Office address)

is organized under the laws of _____ and commenced business pursuant to the requirements of the Ark. Stat. Ann §§ 66-5201, et seq. (All addresses must include street and number, city, state and zip code).

1. Address of Home or Regional Office: _____

2. Total number of non-commissioned Arkansas employees of the organization, employed for a minimum of six (6) months in this State, during the quarter to which this report applies: _____

3. Total amount of non-commissioned salaries and wages paid to Arkansas employees of the organization listed in Item 3 above: _____

OATH

State of _____ County of _____

I, _____, the affiant herein, do hereby swear or affirm that the foregoing statement is true and correct to the best of my information, knowledge and belief.

Signature (President, Vice President, Secretary or Treasurer)

Subscribed and sworn to or affirmed before me this _____ day of _____ 19____.

Notary Public

My Commission Expires:
