

2025 Regular Session

HOUSE RESOLUTION NO. 336

BY REPRESENTATIVE HENRY

TAX/INSURANCE PREMIUM: Creates a study group to examine and make policy recommendations regarding insurance premium taxes and associated credits and exemptions

1 A RESOLUTION

2 To create a special study group to examine and make policy recommendations regarding
3 insurance premium taxes and associated credits, deductions, and exemptions, and to
4 report its findings and recommendations to the House of Representatives of the
5 Legislature of Louisiana.

6 WHEREAS, through legislation enacted in its 2024 Third Extraordinary Session, the
7 Legislature of Louisiana implemented historic, long-sought reforms in the tax system of this
8 state; and

9 WHEREAS, in that special session, the legislature successfully reformed nearly all
10 of Louisiana's major tax types with the intention of simplifying the state's tax structure,
11 lowering tax rates, and broadening the tax base by eliminating scores of credits, deductions,
12 exemptions, and other tax preferences that had proliferated in our tax code over many
13 decades; and

14 WHEREAS, while the recent tax reform session resulted in significant reforms to
15 most tax types, it did not address insurance premium taxes; and

16 WHEREAS, insurance premium taxes are imposed primarily by the provisions of
17 Part IV of Chapter 3 of the state's Insurance Code (Title 22 of the Louisiana Revised Statutes
18 of 1950) and collected by the Department of Insurance; and

1 WHEREAS, the annual total of all state taxes and fees imposed on the insurance
2 industry and collected by the Department of Insurance has grown to approximately one
3 billion five hundred million dollars; and

4 WHEREAS, differing amounts of premium taxes are levied, respectively, upon
5 property and casualty insurance policies and upon life, health, and accident insurance
6 policies; and

7 WHEREAS, most premium taxes are not computed according to simple rates, but
8 instead are calculated through formulas involving fixed amounts of tax imposed upon
9 different ranges of insurers' gross annual written premium amounts; and

10 WHEREAS, as was typical of Louisiana's tax system overall prior to the 2024 tax
11 reform session, insurance premium taxes are characterized by high nominal impositions
12 coupled with a complicated structure of credits, deductions, and exemptions, collectively
13 creating an environment of administrative complexity; and

14 WHEREAS, Louisiana's taxpayers, policymakers, and insurance industry all have
15 an interest in improving this state's insurance premium tax system; and

16 WHEREAS, the formation of a special study group represents a careful and
17 deliberate approach to developing responsible insurance premium tax reforms.

18 THEREFORE, BE IT RESOLVED that the House of Representatives of the
19 Legislature of Louisiana does hereby create a special study group to examine and make
20 policy recommendations regarding insurance premium taxes and associated credits,
21 deductions, and exemptions.

22 BE IT FURTHER RESOLVED that the study committee shall be composed of the
23 following members:

24 (1) A member of the House Committee on Insurance appointed by the speaker of the
25 House of Representatives.

26 (2) A member of the House Committee on Ways and Means appointed by the
27 speaker of the House of Representatives.

28 (3) The commissioner of insurance or his designee.

29 (4) The secretary of the Department of Revenue or his designee.

30 (5) The state fire marshal or his designee.

1 (6) The president of the Louisiana Municipal Association or his designee.

2 (7) The president of the board of directors of the Louisiana Insurers' Conference or
3 his designee.

4 (8) The president and chief executive officer of Independent Insurance Agents and
5 Brokers of Louisiana or his designee.

6 (9) A member representing the American Property Casualty Insurance Association
7 selected by the commissioner of insurance.

8 (10) The president of the board of directors of Professional Insurance Agents of
9 Louisiana or his designee.

10 (11) The chairperson of the board of directors of the Louisiana Life and Health
11 Insurance Guaranty Association or his designee.

12 (12) The chief executive officer of Leaders for a Better Louisiana or his designee.

13 (13) The president of PAR Louisiana or his designee.

14 BE IT FURTHER RESOLVED that the members of the study group shall serve
15 without compensation, except per diem or expense reimbursement to which they may be
16 individually entitled as members of the organizations they respectively represent.

17 BE IT FURTHER RESOLVED that the member representing the House Committee
18 on Ways and Means shall convene the initial meeting of the study group.

19 BE IT FURTHER RESOLVED that, at its initial meeting, the study group shall elect
20 a chairperson from among its members.

21 BE IT FURTHER RESOLVED that the study group shall evaluate the state's overall
22 insurance premium tax structure and develop recommendations for reforms to premium tax
23 impositions and for reforms to credits, deductions, and exemptions applicable to premium
24 taxes, including but not limited to credits for retaliatory taxes paid and tax reductions based
25 on qualifying Louisiana investments.

26 BE IT FURTHER RESOLVED that the study group shall submit a report of its
27 findings and recommendations to the House of Representatives of the Legislature of
28 Louisiana and to the David R. Poynter Legislative Research Library, as required by R.S.
29 24:772, on or before December 31, 2026.

1 BE IT FURTHER RESOLVED that legislative authority for the study group shall
2 terminate on January 1, 2027.

3 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
4 commissioner of insurance, the secretary of the Department of Revenue, the state fire
5 marshal, the president of the Louisiana Municipal Association, the president of the board of
6 directors of the Louisiana Insurers' Conference, the president and chief executive officer of
7 Independent Insurance Agents and Brokers of Louisiana, the president and chief executive
8 officer of the American Property Casualty Insurance Association, the president of the board
9 of directors of Professional Insurance Agents of Louisiana, the chairperson of the board of
10 directors of the Louisiana Life and Health Insurance Guaranty Association, the chief
11 executive officer of Leaders for a Better Louisiana, and the president of PAR Louisiana.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HR 336 Original

2025 Regular Session

Henry

Creates a special study group to examine and make policy recommendations regarding the insurance premium tax and associated credits, deductions, and exemptions.