HLS 19RS-890 ORIGINAL

2019 Regular Session

HOUSE BILL NO. 361

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BY REPRESENTATIVE JORDAN

TAX/INSURANCE PREMIUM: Provides for a premium tax on surplus lines coverage that includes fire loss or damage

AN ACT

2 To amend and reenact R.S. 22:345 and 835(A), relative to premium tax on insurance 3 coverage that includes fire loss or damage; to levy the two percent fire insurance 4 premium tax on surplus lines insurance coverage; to levy the fire marshal tax on 5 surplus lines insurance coverage; and to provide for related matters. 6 Be it enacted by the Legislature of Louisiana: 7 Section 1. R.S. 22:345 and 835(A) are hereby amended and reenacted to read as 8 follows: 9 §345. Tax on premiums 10 A foreign and alien insurer, including but not limited to surplus lines insurers, 11 other than a life insurer, shall, within sixty days after December thirty-first of each 12 year, pay to the commissioner of insurance a sum equal to two percent of the amount 13 of premiums received from any business which insures property of any nature or 14 description against loss or damage by fire shown by the insurer in the return required 15 by R.S. 22:343. If, however, the verified statement required of the insurer in R.S. 16 22:343 is filed subsequent to the time specified in that Section, the tax fixed in this 17 Section shall be paid within ninety days after the filing. 18

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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§835. Fire marshal tax; Louisiana Fire Marshal Fund

A. There is hereby levied an additional tax of one and one-fourth percent of the gross annual premium receipts from any business, including but not limited to surplus lines insurers, which insures property of any nature or description against loss or damage by fire, less return premiums on all insurers doing business in the state which insure property of any nature or description against loss or damage by fire. This tax shall be paid by all such insurers to the commissioner of insurance when paying their annual taxes under this Part, and the commissioner of insurance shall refuse to issue a license to any insurer failing or refusing to pay this additional tax.

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## **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)]

HB 361 Original

2019 Regular Session

Jordan

**Abstract:** Levies the two percent fire insurance premium tax and the fire marshal tax on surplus lines insurance coverage that includes fire loss or damage.

<u>Present law</u> requires a foreign and alien insurer, other than a life insurer, to pay to the commissioner of insurance a tax equal to 2% of the amount of premiums received from any business which insures property of any nature or description against loss or damage by fire within 60 days after Dec. 31st of each year.

<u>Proposed law</u> retains <u>present law</u> and extends the applicability to surplus lines insurers.

<u>Present law</u> provides for a fire marshal tax of 1.25% percent of the gross annual premium receipts from any business which insures property of any nature or description against loss or damage by fire, less return premiums on all insurers doing business in the state which insure property of any nature or description against loss or damage by fire.

Proposed law retains present law and extends the applicability to surplus lines insurers.

(Amends R.S. 22:345 and 835(A))