

2019 Regular Session

HOUSE BILL NO. 361

BY REPRESENTATIVE JORDAN

TAX/INSURANCE PREMIUM: Provides for the disposition of the taxes collected on certain surplus lines of insurance

1 AN ACT

2 To amend and reenact R.S. 22:439(A)(1), relative to premium tax on insurance coverage;to  
3 provide for the disposition of the avails of the premium tax on surplus lines  
4 insurance coverage; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:439(A)(1) is hereby amended and reenacted to read as follows:

7 §439. Tax on surplus line

8 A.(1) There shall be a tax of four and eighty-five one hundredths of one  
9 percent per annum on the gross premium for all surplus lines of insurance for which  
10 Louisiana is the home state of the policyholder as defined in R.S. 22:46(8.1). The  
11 commissioner shall collect the tax and deposit it with the state treasurer who shall  
12 credit it to the ~~state general fund~~; following funds:

13 (a) Three and eighty-five one hundredths of one percent to the state general  
14 fund;

15 (b) Sixty one hundredths of one percent to the Fire Marshal Fund as  
16 provided in R.S. 22:835;

1                   (c) Forty one hundredths of one percent to the Two Percent Fire Insurance

2                   Fund as provided in R.S. 22:835.

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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 Engrossed

2019 Regular Session

Jordan

**Abstract:** Provides for the disposition of the avails of the tax collected on the gross premium for certain surplus lines of insurance.

Present law requires a tax of 4.85% of the gross premium for all surplus lines of insurance when La. is the home state of the policy holder and requires the avails of the tax to be credited to the state general fund.

Proposed law changes present law by requiring the avails of the tax to be credited to the following funds:

1. 3.85% of the tax to the state general fund.
2. .6% of the tax to the Fire Marshal Fund.
3. .4% of the tax to the Two Percent Fire Insurance Fund.

(Amends R.S. 22:439(A)(1))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Remove the 2% fire insurance premium tax and the fire marshal tax on surplus lines insurance coverage that includes fire loss or damage from proposed law.
2. Change the disposition of the avails of the surplus line insurance tax from deposit into the state general fund to 3.85% of the avails of the tax to be deposited into the state general fund, .6% of the avails of the tax to be deposited into the Fire Marshal Fund, and .4% of the avails of the tax be deposited into the Two Percent Fire Insurance Fund.
3. Make technical changes.