

GREEN SHEET REDIGEST

HB 566

2021 Regular Session

Jordan

FUNDS/FUNDING: Dedicates a portion of the taxes collected on certain surplus lines of insurance.

DIGEST

Present law requires the Commissioner of Insurance to collect a tax equal to 4.85% of the gross premium for each surplus line of insurance issued when La. is the home state of the policyholder.

Proposed law retains present law.

Present law requires 100% of the proceeds collected to be credited to the state general fund.

Proposed law decreases from 100% to 96% the amount of proceeds credited to the state general fund.

Proposed law further dedicates the remaining four percent of collected revenues as follows to the Louisiana Fire Marshal Fund (R.S. 22:835).

Effective July 1, 2021.

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

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Increases from 86% to 96% the amount of proceeds credited to the state general fund.
2. Reduces dedication to the Louisiana Fire Marshal Fund from 6% to 4%.
3. Deletes the amount credited to the Two Percent Fire Insurance Fund (R.S. 22:347).