

2015 Regular Session

HOUSE BILL NO. 221

BY REPRESENTATIVE HALL

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/SURPLUS LINE: Provides relative to reporting requirements for the surplus lines insurance tax

1 AN ACT

2 To amend and reenact R.S. 22:439(A) and (B), relative to reporting requirements for the  
3 surplus lines insurance tax; to specify which surplus lines brokers shall file which  
4 type of report with the commissioner of insurance; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

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

8 §439. Tax on surplus lines

9 A.(1) ~~On~~ Except as otherwise provided in Paragraph (3) of this Subsection,  
10 on or before March first, June first, September first, and December first of each year,  
11 each surplus lines broker shall transmit to the commissioner of insurance a surplus  
12 lines tax report for the prior calendar quarter for single-state, Louisiana properties,  
13 risks, or exposures. This report shall be in a manner and format prescribed by the  
14 commissioner of insurance and include any additional information as required by the  
15 The commissioner The reporting of transactions shall prescribe the manner and form  
16 of the report that shall be as follows: include:

17 (a) All new and renewal policies ~~will be included in the report~~ for the  
18 calendar quarter in which the effective date of the policy falls.

19 (b) All other premium transactions ~~will be included in the report~~ for the  
20 calendar quarter in which the invoice falls.

1           (c) Any additional information required by the commissioner.

2           (2) ~~Along with~~ With the report required ~~to be filed on the due dates provided~~  
3 in Paragraph (1) of this Subsection, each surplus lines broker shall remit to the  
4 commissioner of insurance a tax on the premiums on surplus lines insurance reported  
5 in the quarterly surplus lines tax report, at the rate of five percent per annum. Such  
6 tax when collected by the commissioner of insurance shall be paid to the state  
7 treasurer and be credited to the general fund.

8           (3) The commissioner shall not require a quarterly report for any quarter for  
9 which a surplus lines broker has no surplus lines premium to report; however, the  
10 commissioner shall require the filing of an annual report due on or before March first  
11 of each year to certify the reporting of all surplus lines business conducted during the  
12 prior calendar year or to certify the absence of any business during the prior calendar  
13 year.

14           B. Every person placing insurance for single-state, Louisiana properties,  
15 risks, or exposures with an unauthorized insurer without going through a licensed  
16 Louisiana producer or surplus lines broker, ~~except as provided in R.S. 22:432,~~ shall  
17 remit to the commissioner of insurance a tax of five percent of the gross premium,  
18 such tax to be paid at the same time and under the same conditions as that levied on  
19 surplus lines brokers under the provisions of Subsection A of this Section. Such tax  
20 when collected by the commissioner of insurance shall be paid to the state treasurer  
21 and be credited to the general fund.

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23           Section 2. This Act shall become effective on January 1, 2016.

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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)]

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HB 221 Engrossed

2015 Regular Session

Hall

**Abstract:** Provides that those surplus lines brokers not placing La. business during a calendar quarter need not file a quarterly surplus lines tax report. Further requires that those not placing La. business only file one surplus lines tax report due on or before the first day of March of the following year.

Present law requires that each surplus lines broker submit to the insurance commissioner a quarterly surplus lines tax report for La. business.

Proposed law provides that the commissioner shall not require a quarterly report for any quarter for which a surplus lines broker has no surplus lines premium to report; however, requires the commissioner to require the filing of an annual report due on or before March first of each year to certify the reporting of all surplus lines business conducted during the prior calendar year or to certify the absence of any business during the prior calendar year.

Effective Jan. 1, 2016.

(Amends R.S. 22:439(A) and (B))