



General Assembly

January Session, 2005

**Raised Bill No. 1351**

LCO No. 4835

\*04835\_\_\_\_\_FIN\*

Referred to Committee on Finance, Revenue and Bonding

Introduced by:  
(FIN)

**AN ACT CONCERNING RETALIATORY LAWS AGAINST  
CONNECTICUT DOMICILED INSURERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-211 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) When by the laws of any other state or foreign country any  
4 premium or income or other taxes or any fees, fines, penalties, licenses,  
5 deposit requirements or other obligations, prohibitions or restrictions  
6 are imposed upon Connecticut insurance companies doing business in  
7 such other state or foreign country, or upon the authorized agents  
8 thereof, which are in excess of such taxes, fees, fines, penalties,  
9 licenses, deposit requirements or other obligations, prohibitions or  
10 restrictions directly imposed upon insurance companies, or upon the  
11 authorized agents thereof, of such other state or foreign country doing  
12 business in Connecticut, so long as such laws continue in force the  
13 same obligations, prohibitions and restrictions of whatever kind,  
14 computed by the Commissioner of Revenue Services on an aggregate  
15 state-wide or foreign-country-wide basis, shall be imposed upon  
16 insurance companies and authorized agents thereof of such other state

17 or foreign country doing business in Connecticut.

18 (b) Any tax obligation imposed by any city, county or other political  
19 subdivision of a state or foreign country on Connecticut insurance  
20 companies shall be deemed to be imposed by such state or foreign  
21 country within the meaning of this section. For the purposes of this  
22 section, the domicile of a foreign insurer shall be that state designated  
23 by the insurer in writing filed with said commissioner at the time of  
24 admission to this state or within six months after July 1, 1973,  
25 whichever date is later, and may be any one of the following states: (1)  
26 That in which the insurer was first authorized to engage in the  
27 insurance business; (2) that in which the principal place of business of  
28 such insurer in the United States is located; (3) that in which the largest  
29 deposit of trusted assets of the insurer for the protection of its  
30 policyholders and creditors in the United States is held. Any  
31 designation so made hereunder shall be irrevocable and, if the insurer  
32 makes no such designation at or within the time provided herein, its  
33 domicile shall irrevocably be deemed to be that state in which the  
34 insurer was first authorized to engage in the insurance business in the  
35 United States. The domicile of an insurer formed under the laws of  
36 Canada or a province thereof shall be deemed to be that province in  
37 which its head office is situated.

38 (c) The provisions of this section shall not apply to ad valorem taxes  
39 on real or personal property, personal income taxes, fees for agents'  
40 licenses, special purpose assessments imposed in connection with  
41 particular kinds of insurance including, but not limited to, workers'  
42 compensation assessments and Insurance Guaranty Association Fund  
43 assessments, or to premium taxes on special health care plans as  
44 defined in section 38a-564, except in the case where another state or  
45 foreign country imposes upon Connecticut domiciled insurers  
46 retaliatory charges for such taxes, fees or assessments.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2005	12-211
-----------	-----------------	--------

**Statement of Purpose:**

To equalize costs for insurers domiciled in Connecticut by allowing Connecticut to charge out-of-state insurers the same taxes, fees and assessments imposed by other states on Connecticut insurers.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*