



General Assembly

January Session, 2013

Raised Bill No. 1046

LCO No. 3914



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING INSURANCE TAX PROVISIONS.

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

1 Section 1. Subsection (b) of section 38a-91nn of the general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2013*):

4 (b) Each captive insurance company shall pay to the Commissioner
5 of Revenue Services, [in the month of March] on or before March first
6 of each year, a tax at the rate of (1) two hundred fourteen thousandths
7 of one per cent on the first twenty million dollars, (2) one hundred
8 forty-three thousandths of one per cent on the next twenty million
9 dollars, (3) forty-eight thousandths of one per cent on the next twenty
10 million dollars, and (4) twenty-four thousandths of one per cent on
11 each dollar thereafter, on assumed reinsurance premiums collected or
12 contracted for on policies or contracts of insurance written by the
13 captive insurance company during the year ending December thirty-
14 first next preceding, provided no tax under this subsection shall apply
15 to premiums for risks or portions of risks that are subject to taxation on
16 a direct basis pursuant to subsection (a) of this section. No tax under

17 this subsection shall be payable in connection with the receipt of assets
18 in exchange for the assumption by a captive insurance company of loss
19 reserves and other liabilities of another insurer under common
20 ownership and control, if such transaction is part of a plan to
21 discontinue the operations of such other insurer and if the intent of the
22 parties to such transaction is to renew or maintain such business with
23 the captive insurance company.

24 Sec. 2. Section 12-204f of the general statutes is repealed and the
25 following is substituted in lieu thereof (*Effective July 1, 2013, and*
26 *applicable to estimated tax payments for calendar years commencing on and*
27 *after January 1, 2014*):

28 (a) If any domestic insurance company has paid as an installment of
29 estimated tax an amount in excess of the amount determined to be the
30 correct amount of such installment, such amount shall be credited
31 against any unpaid installment or against the tax. If the amount
32 already paid, whether or not on the basis of installments, exceeds the
33 amount determined to be the correct amount of the tax, such company
34 shall be paid by the State Treasurer, upon order of the Comptroller, the
35 amount of such overpayment. [The commissioner may prescribe
36 regulations providing for the crediting against the estimated tax for
37 any taxable year of the amount determined to be an overpayment of
38 the premium tax for a preceding taxable year.]

39 (b) If a domestic insurance company has filed its tax return under
40 this chapter for the calendar year on or before the due date of such
41 return or, if an extension of time to file has been requested and
42 granted, on or before the extended due date of such return, any
43 overpayment reported on such return, if the company has elected to
44 credit such overpayment against the company's estimated tax for the
45 succeeding calendar year, shall be treated as if paid on the due date of
46 the first required installment of estimated tax for such succeeding
47 calendar year. Such overpayment shall be credited against the
48 otherwise unpaid required installments in the order in which such
49 installments are required to be paid under section 12-204c.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013</i>	38a-91nn(b)
Sec. 2	<i>July 1, 2013, and applicable to estimated tax payments for calendar years commencing on and after January 1, 2014</i>	12-204f

FIN *Joint Favorable*