

INSTRUCTIONS FOR COMPLETING AND FILING STATEMENT OF PREMIUM TAXES AND FEES LIFE, ACCIDENT AND HEALTH

1. Read these instructions carefully before completing this fee statement. If there are any questions regarding this filing, please contact the Premium Tax Section at (208) 334-4281, or premiumtax@doi.idaho.gov.
2. The Idaho Department of Insurance has adopted a mandatory e-file policy. All tax and fee filings must be submitted electronically. Electronic filings must be submitted by one of the following methods:
 - ❖ Premium Pro software, or
 - ❖ Directly through TriTech at <https://nonsub.tritechsoft.com/#/recaptcha> .
 - ❖ To access the correct form, make the following choices: IDAHO, 2024, LIFE.
3. Payments must be submitted by one of the following methods:
 - ❖ Check with TriTech payment voucher, or
 - ❖ Electronic Fund Transfer (EFT). **ACH Credit and Wire Transfers are acceptable. MUST BE ENROLLED TO USE EFT PAYMENT OPTION.** Idaho does NOT accept ACH Debit or OPTins. Payment CANNOT be made through TriTech.

To enroll in the Electronic Fund Transfer payment system, please complete the EFT Enrollment Form located on the Idaho Department of Insurance website at https://doi.idaho.gov/wp-content/uploads/Company/EFT_Enrollment.pdf , and submit it to the Premium Tax Section at premiumtax@doi.idaho.gov . Enrollments are not processed from February 14 to July 1 due to tax filing volume.
 - ❖ Unidentifiable payments will be returned.
 - ❖ Any tax payment in the amount of \$100,000.00 or more MUST be made electronically. Idaho Code §67-2026.
4. All licensed Life, Accident, and Health insurance companies are required to file an Annual Statement of Premium Taxes and Fees and pay the associated tax and fee **on or before** March 1st. The statement is due, and taxes and fees are payable, regardless of whether business was written in Idaho. **ZERO FILINGS ARE REQUIRED.** Each formerly authorized insurer, with respect to insurance transacted while an authorized insurer, shall file a statement for any renewal premiums received during the calendar year. Enclose a written notice if transferring policies from one insurer to another because it also transfers the tax obligation for those policies. Idaho Code § 41-335, Idaho Code §41-402(5), IDAPA 18.01.02.020.01, IDAPA 18.01.02.020.02, IDAPA 18.01.02.021.
5. **Penalties** - Failure to file or pay amounts due will result in penalties of \$25 per calendar day beginning March 2nd, up to and including the day the electronic filing is submitted, and the payment is postmarked or settled. Penalties will be assessed separately. **Please do NOT self-assess penalties.** Failure to pay the continuation fee will result in expiration of Certificate of Authority on March 31st. Idaho Code §41-404, 41-3427 (2), and 41-3922 (2).

Late filing penalties will be assessed for the following:

- Late filing (electronic submission date) of the Statement of Taxes and Fees or any required schedule or exhibit.
- Incomplete submission of the Statement of Taxes and Fees (missing signature or forms).
- Unpaid/underpaid taxes or fees (electronic settlement date or official postmark).
- **Electronic Fund Transfer (EFT) payment not in the correct bank account on the due date.**

6. All sections of the form must be completed, or the form will be rejected.

7. Any questions or correspondence concerning the fee statement will be directed to the contact person listed on the statement. Include a **direct** telephone number with extension and e-mail address. If the contact person changes after the submission of the statement, please contact the Premium Tax Section as indicated in item number 1.

8. PAGE 1 – RECAP OF TAXES AND FEES

Enter the company information. Enter your company's NAIC Number in the box provided. The company name, address, and state of domicile must be completed as refunds and correspondence will be sent to this address.

A. **Line 1. Total Tax.** Calculated total. (Schedule E, Line 6, greater of Columns A or B)

B. **Line 2. LESS Guaranty Association Tax Credit.** (Schedule 8 Total)

C. **Line 3. Total Tax Liability.** Calculated total. (Line 1 – Line 2) Total credits cannot exceed tax liability on Line 1. **If credits are greater than tax liability, enter ZERO.**

D. **Line 4. Prepayments.** Enter the amounts of quarterly prepayments. If the return is an AMENDED RETURN, enter the amount of **tax** paid with the original return on Line 4(4).

E. **Line 5. Tax Due.** Calculated total. (Line 3 - Line 4). If estimated quarterly prepayments paid toward the tax obligation exceed the total premium tax amount due for the calendar year, you must still submit payment of required Continuation Fee. If the amount on Line 5 is an overpayment (negative amount), this same amount should be carried forward to Line 8 - Refund Due for Tax Overpayment. Any refund due for the overpayment of premium taxes will be mailed to the company address on the tax statement after the company's statement has been audited. **Tax overpayments cannot be applied toward fees or future quarterly tax payment obligations.** Idaho Code § 41-402(10).

F. **Line 6. Annual Continuation Fee.** Idaho Code § 41-324 and IDAPA 18.01.02.

a. **Line 6a. Surplus.** Enter the amount of surplus as stated on the NAIC Annual Statement, Page 3, Line 37, Column 1.

b. **Amount of Continuation Fee** is auto calculated based on the amount of surplus entered on Line 6(a). Payment of the required fee **MUST** be included. **If the required fee is not being paid, you must attach a written explanation.**

G. **Line 7 - Amount Enclosed.** Calculated total. **Overpayment of tax may not be used to offset fees or penalties.** Payment of required continuation fee must be enclosed.

- If a refund of premium tax is due on line 5 (also negative amount on Line 8, enclose payment for Line 6. (continuation fee)

- If there is premium tax due on Line 5, enclose payment for the total of Lines 5 + 6 (tax due and continuation fee).

H. **Line 8. Refund Due.** This is a negative tax amount calculated on Line 5, Idaho Code 41-402A. "Where there has been an overpayment of any taxes, fines, or penalties due under this chapter, the director is

authorized to refund all such taxes, fines or penalties erroneously or illegally collected or paid. No such refund shall be paid after one (1) year from the due date of the statement required in section 41-402(4), Idaho Code, unless before the expiration of such period a written claim is filed therefore by the insurer on such forms and in such manner as is prescribed by the director.”

- I. **Signature.** For all electronic filings, the typed name of the company officer signing under oath is acceptable. By the appropriate signature, being duly sworn under oath, it is declared that the premium tax report is a complete, true, and correct statement of all premiums and fees on business written by said company for the reporting year on insurance, property, or risks resident, or located, in Idaho. Unsigned forms will be considered incomplete and rejected.

9. PAGE 2 - SCHEDULE A - COMPUTATION OF PREMIUM TAX - LIFE ONLY

- A. **Total Annuity Premiums.** Enter the amount of Annuity premiums written. Should match Annual Statement, Schedule T, Line 13, Column 3.
- B. **Line 1. Total Gross Life Premiums Written.** Should agree with premium as reported on the Annual Statement, Idaho Life State Page, Line 11, Columns 1 + 2 + Line 19, Columns 1 + 2. **A written explanation of any differences between the tax statement and NAIC Annual Statement schedules must be submitted.**
- C. **Line 1A. Dividends Allocated as Premium Payments.** Should match the Annual Statement, Idaho Life State Page, Line 11, Column 4 + Line 19, Column 4. **If dividends “applied to pay renewal premiums” (Column 4) are included in direct premiums written on Schedule T, and NOT included on line 1A, please check the box and attach an explanation.**
- D. **Line 1B. Dividends Allocated as Paid-Up Additions.** Should match the Annual Statement, Idaho Life State Page, Line 11, Column 5 + Line 19, Column 5.
- E. **Line 1C. Total Premiums Written Through Associations.** Report total premiums written through Associations, Trusts, or Groups located in a state other than Idaho but are for residents or risks located in Idaho and have been reported on the Annual Statement, Schedule T as premiums written in a state other than Idaho. Must enter an amount even if zero. **Idaho Tax Law does not allow the Rule of 500 to apply to tax obligation.**
- F. **Line 1D. Total premiums.** Calculated total (Line 1 + Line 1A +Line 1B +Line 1C).
- G. **Line 2. Idaho Domestic Insurers.** Must be completed by Idaho domestic insurers. Enter total premiums minus dividends for Life premiums written in jurisdictions where insurer is not licensed.
- H. **Line 3. Less Policy Dividends and Return Coupons.** Should match the Annual Statement, Idaho Life State Page, Line 11, Columns 3 + 4 + 5 + Line 19, Columns 3 + 4 + 5. Do not include dividends derived from exempt premiums. Attach a detailed explanation of any amounts derived from exempt premiums.
- I. **Line 4. Premiums Exempt and/or Preempted by Federal Law.** Itemize premiums exempt from state taxes under federal law and identify applicable preemption.
- J. **Line 5. Net Taxable Life Premiums.** Calculated Total. (Line 1C + Line 2 - Line 3 - Line 4).
- K. **Line 6. Premium Tax.** Calculated total. Multiply amount on Line 5 by 1.5% and enter total on Line 6. **If less than zero, enter zero.**

10. PAGE 3 - SCHEDULE B - COMPUTATION OF PREMIUM TAX - ACCIDENT AND HEALTH ONLY

- A. **Line 1. Total Gross Accident and Health Premiums Written.** Should agree with premium as reported on the Annual Statement, Schedule T, Line 13, Column 4. A written explanation of any differences between the tax statement and NAIC Annual Statement schedules must be submitted.

- B. Line 1A. Total Premiums Written Through Associations.** Report total premiums written through Associations, Trusts, or Groups located in a state other than Idaho but are for residents or risks located in Idaho and have been reported on the Annual Statement, Schedule T as premiums written in a state other than Idaho. Must enter an amount even if zero. **Idaho Tax Law does not allow the Rule of 500 to apply to tax obligation**
- C. Line 1B. Total premiums.** Calculated total. (Line 1 + Line 1A).
- D. Line 2. Idaho Domestic Insurers.** Must be completed by Idaho domestic insurers. Enter total premiums minus dividends for Accident and Health premiums written in jurisdictions where insurer is not licensed.
- E. Line 3. Less Policy Dividends and Return Coupons.** Should match the Annual Statement, Idaho Life State Page, Line 46, Columns 3 + 4. Do not include dividends derived from exempt premiums. **Attach a detailed explanation of any amounts derived from exempt premiums.**
- F. Line 4. Premiums Exempt and/or Preempted by Federal or Idaho State Law.** Itemize premiums exempt from state taxes under federal or state law and identify applicable preemption.
- G. Line 5. Net Taxable Accident and Health Premiums.** Calculated total. (Lines 1B + 2 - 3 - 4)
- H. Line 6. Premium Tax.** Calculated total. Multiply amount on Line 5 by 1.5% and enter total on Line 6. **If less than zero, enter zero.**

11. PAGE 4 - SCHEDULE C – SELF-FUNDED PLANS

Each self-funded plan that is **not preempted by ERISA and is not exempt from registration under Idaho Code § 41-4003(2)** is required to pay a four cent (\$.04) per month per beneficiary tax for all beneficiaries working or residing in this state Idaho Code § 41-4012(1).

If the administrator is collecting this tax on behalf of the employer plan, then the administrator should submit a separate Schedule C form for each administered self-funded plan, along with the correct tax payment. If the administrator is not collecting this tax, please forward the *Schedule C* form to each self-funded plan's Trustee.

Examples of self-funded plans not preempted by ERISA and that are required to pay the tax unless exempted by Idaho Code § 41-4003(2) are:

- A plan for a governmental entity (29 U.S.C. 1003(b)(1)).
- A church plan (29 U.S.C. 1003(b)(2)).
- An unfunded excess benefit plan (29 U.S.C. 1003(b)(5)).
- A self-funded Multiple Employer Welfare Arrangement.

Examples of self-funded plans exempt from registration pursuant to Idaho Code § 41-4003(2) and therefore not liable for the tax include:

- Any plan established and maintained for the purpose of complying with any workers' compensation law or unemployment compensation disability law.
- Plans administered by or for the federal government or any agency thereof, or by or for any county in this state.

- A.** File a separate Schedule C for each self-funded plan.
- B.** Enter the name of the Plan, complete address, contact name, **direct** telephone number, and email address.
- C. Monthly Beneficiaries.** Enter the number of beneficiaries covered each month.

- D. **Total Annual Beneficiaries.** Calculated total. (The total number of monthly beneficiaries for the calendar year)
- E. **Tax Rate.** The Self-Funded Plan tax rate is \$.04 per beneficiary, per month. Idaho Code §41-4012.
- F. **Total Tax Due.** Calculated total. Multiply total annual beneficiaries by \$0.04 and enter in Total Tax Due.

12. PAGE 5 - SCHEDULE D – DENTAL PLANS

- A. **Total Annual Dental Premiums.** Premium should agree with Annual Statement, Idaho Life State Page, Line 38, Columns 1 + 2.
- B. **Monthly Contracts.** Enter the number of contracts for each month for individual insured, group certificate holder, or blanket policy participant.
- C. **Total Annual Contracts.** Calculated total. (The number of monthly contracts for the calendar year).
- D. **Tax Rate.** The dental tax rate is \$.04 per subscriber, per month. Idaho Code §41-402(9).
- E. **Total Tax Due.** Calculated total. Multiply the total contracts by \$.04 to calculate the total tax due.

13. Page 6 – SCHEDULE 8 – GUARANTY ASSOCIATION TAX CREDIT

- The Guaranty Association has issued 2 Class B assessments in 2024.
- Beginning on the March 1st filing date for the calendar year the assessment was paid, the company may take 20% of the credit in each of the five subsequent years, If the company does not claim the 20% credit, they will lose it.
- Each credit must be itemized on its own line based on the year it was originally assessed. Do NOT claim multiple credits on one line...1 line = 1 credit per year.
- Enter the total of all credit received on Recap of Taxes and Fees, Line 2.

14. PAGE 7 - SCHEDULE E - COMPUTATION OF RETALIATORY TAXES

- A. This schedule determines the higher aggregate of taxes due. For audit verification, we may be contacting the various state insurance departments, using copies of the domicile state tax statements, retaliatory calculation worksheets, NAIC Retaliatory Guide, and domiciliary code. **Retaliatory Tax calculation worksheet is required. A copy of Schedule E is NOT adequate support.**
- B. **Column A – Idaho Basis** – Calculated from other schedules.
- C. **Column B – Domicile State Basis.** **All foreign insurers must complete Column B.** Entries should be calculated on the retaliatory basis of what an Idaho company, doing the identical volume of business, would be required to pay to your state of domicile. **Attach a retaliatory calculation worksheet. A copy of this schedule is not acceptable retaliatory support.**
 - a. **Line 1. Life Premiums.** Enter the net taxable life premium for domiciliary state. Attach an explanation if different from the Idaho basis.
 - b. **Line 1A. Premium Tax Rate.** Enter the domiciliary tax rate for Life premiums.

- c. **Line 1B. Premium Tax.** Calculated total (Multiply Column B, Line 1 by the rate reported on Line 1A).
- d. **Line 2. Accident and Health Premiums.** Enter the net taxable Accident and Health premium for the domiciliary state. Attach an explanation if different from the Idaho basis.
- e. **Line 2A. Premium Tax Rate.** Enter the domiciliary tax rate for Accident and Health premiums.
- f. **Line 2B. Premium Tax.** Calculated total. (Multiply Column B, Line 2 by the rate in Column B, Line 2A).
- g. **Line 3. Annuity Premiums.** Enter the net taxable Annuity premiums for the domiciliary state. Attach an explanation if different than the Idaho basis.
- h. **Line 3A. Premium Tax Rate.** Enter the domiciliary tax rate for Annuity premiums.
- i. **Line 3B. Premium Tax.** Calculated total. (Multiply Column B, Line 3 by the rate entered in Column B, Line 3A).
- j. **Line 4. Municipal, City or County Premiums.** Enter Municipal, City or County Premiums for the domiciliary state. **Attach an explanation.**
- k. **Line 4A. Premium Tax Rate.** Enter domiciliary taxes for municipal, city, and county premiums.
- l. **Line 4B. Premium Tax.** Calculated total. (Multiply Column B, Line 4 by the rate in Column B, Line 4A).
- m. **Line 5 - Other Taxes.** **Corporate/Income/Excise tax must be stated, even if zero.** All other taxes imposed by your state of domicile on foreign insurers, including state-imposed income/excise/corporate/minimum tax must be reported. **Attach an explanation of all "other" taxes imposed by your state of domicile on foreign insurers** except:
 - 1. Ad valorem taxes on real or personal property.
 - 2. Personal income, capital, or surplus taxes.
 - 3. Taxes imposed for a special purpose on a particular type of insurance.
- n. **Line 6. Total Taxes.** Calculated total. Lines 1B + 2B + 3B + 4B + 5. Carry the greater of Line 6, Column A or Column B to Recap of Taxes, line 1).