

## INSTRUCTIONS FOR COMPLETING AND FILING QUARTERLY PREPAYMENT OF ANNUAL PREMIUM TAXES

1. Idaho Code, § 41-402 (3) (a) requires prepayment of premium tax if the total tax obligation for the preceding calendar year is **\$400 or more**. Prepayments are based on the *preceding calendar year's net taxable premium* at the **current year's premium tax rate**. **Quarterly tax form filings are required for companies with zero taxes or no prepayments due. ZERO FILINGS ARE REQUIRED**
2. Read these instructions carefully before completing the *Statement of Premium Taxes and Fees*. If there are any questions regarding this filing, contact the Premium Tax Section at (208) 334-4281 or [premiumtax@doi.idaho.gov](mailto:premiumtax@doi.idaho.gov).
3. The Idaho Department of Insurance has adopted a mandatory e-file policy. All tax filings must be submitted electronically. Idaho Code §41-402. Electronic filings must be submitted by one of the following methods:
  - ❖ Directly through TriTech Premium Pro software, or
  - ❖ Idaho Department of Insurance Electronic Filing System located [here](#). Or visit <https://tritechsoft.com/efilenetid/efilenet/efiledefault.aspx>
4. Payments must be submitted by one of the following methods:
  - ❖ Check with TriTech payment voucher, or
  - ❖ Electronic Funds Transfer (EFT). **ACH Credit and Wire Transfers are acceptable**. Idaho does NOT accept ACH Debit OR OPTins. Payment CANNOT be made through TriTech. **MUST BE ENROLLED**. An EFT Enrollment Acceptance MUST be acquired prior to using this method.

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](https://doi.idaho.gov/wp-content/uploads/Company/EFT_Enrollment.pdf), and submit it to the Premium Tax Section at [premiumtax@doi.idaho.gov](mailto:premiumtax@doi.idaho.gov). Enrollments are not processed from February 14 to July 31 due to tax filing volume.

When transmitting payment by EFT, it is **CRITICAL** the addenda instructions are followed, and the payment is sent to the correct **premium tax type code (07170)** for the Department of Insurance. Late penalties will be assessed if payment is not in the correct bank account on the due date. If you need an EFT Enrollment Form, see Item #3 above. Unidentifiable payments will be returned.
5. **Excess prepayment amounts will only be credited to the March 1 filing for that tax year. Excess prepayment amounts WILL NOT be credited to other prepayment periods.**
6. Any insurer failing to submit the tax filing and pay the tax **on or before** the due date, shall be liable for a penalty of \$25 per day of delinquency commencing the day after the due date, through the date of submission of a complete filing (mandatory electronic tax filing AND payment). 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 *Quarterly Prepayment of Annual Premium Taxes*.
  - ❖ Incomplete submission of the *Quarterly Prepayment of Annual Premium Taxes*.
  - ❖ Unpaid/underpaid tax (electronic settlement date or official postmark).
  - ❖ **Electronic Fund Transfer (EFT) payment not in the correct bank account on the due date.**
7. The *Quarterly Prepayment of Annual Premium Taxes Statement* must be signed and dated by an authorized representative of the company. For all electronic filings, the typed name of the officer signing under oath is acceptable. **Unsigned statements will be considered incomplete.**

8. Companies who wrote dental premiums (not governed by chapter 34, Title 41, Idaho Code) need to take all dental premiums out of the net taxable premiums (B1). On July 1, 2007, Idaho Code 41-402(9) changed the tax on dental from premium based to \$.04 per number of insureds, certificate holders, or blanket policy participants per month for the full year. (See form sections, A1, A2 and A3)

9. **For prepayments without the dental premium adjustment**, use instructions listed below:

A. Enter net taxable premiums, not including fees, from the prior year's Statement of Premium Taxes and Fees.

B. (B1): **ROUND ALL NUMBERS TO THE NEAREST DOLLAR**

- a. Life & Health Insurers use Page 7, Schedule E, Column A, total of Line 1 **plus** Line 2.
- b. Property & Casualty Insurers use Page 8, Schedule E, Column A, total of Line 1 **plus** Line 2.
- c. Insurer's Using Health Blank use Page 9, Schedule E, Column A, Line 1 **plus** Lines 2 and 3.
- d. Risk Retention Groups use Page 3, Schedule B, Column A, Line 1.
- e. Title Companies use Page 3, Schedule C, Column A, Line 1.

**The Premium Tax rate is: 1.50%.**

C. Enter net Idaho taxable premiums in B1, not including fees, from prior year's Statement of Premium Taxes and Fees. B2 is an automated calculation of the estimated Idaho Basis premium tax.

D. Multiply the Estimated Tax shown in B2 by the appropriate percentage in B3:

- a. 60% - due June 15th
- b. 20% - due September 15th
- c. 15% - due December 15th

E. The total estimated prepayment is an automated calculation.

10. **Prepayments with dental premium adjustment:** Do not include written dental premium in B1. Use dental contract information reported on Schedule D of the preceding year's Statement of Premium Taxes and Fees to calculate dental prepayment in A1.

11. To avoid a lost payment, attach the check for the balance due to the TriTech payment voucher. Make check payable to:

REGULAR MAIL:

IDAHO DEPARTMENT OF INSURANCE  
PO Box 83720  
Boise, ID 83720-0043

OVERNIGHT:

IDAHO DEPARTMENT OF INSURANCE  
700 W State Street, 3<sup>rd</sup> FL  
Boise, ID 83702

Your canceled check is your receipt. There will be a \$20.00 charge on all returned checks - Idaho Code § 28-22-105.

12. **Prior tax overpayments cannot be deducted from the current year tax liability. Refund checks are issued for all prior year overpayments. Idaho Code §41-402(10).**

13. Changes in company status such as mergers, name, or addresses must be reported.

14. Companies in receivership must provide legal documentation that precludes prepayment of premium taxes.

#### **REQUIRED**

- ❖ Separate payments for each company
- ❖ Signature and title of officer may be typed for electronic filing.
- ❖ **Payments of \$100,000 or more MUST be paid by Electronic Funds Transfer.**