

STATE OF IDAHO
DEPARTMENT OF INSURANCE
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INSTRUCTIONS FOR COMPLETING AND FILING STATEMENT OF PREMIUM TAXES AND FEES TITLE INSURANCE COMPANIES

1. 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) 334-4282, (208) 334-4281 or premiumtax@doi.idaho.gov.
2. All Non-Idaho Exhibits, Schedules and Supplements referred to within the *Statement of Premium Taxes and Fees* and these instructions may be found in the *NAIC Annual Statement*.
3. The Idaho Department of Insurance has adopted a mandatory e-file policy. All tax and fee 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>

Payments must be submitted by one of the following methods:

- ❖ Electronic Fund Transfer (EFT). Idaho does NOT accept ACH Debit. ACH Credit or Wire Transfers are acceptable.
- ❖ Check (to be submitted with payment voucher).
- ❖ 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/Company/PremiumTax/Instructions>, and submit it to the Premium Tax Section at premiumtax@doi.idaho.gov.

4. Each authorized insurance company shall file a *Statement of Premium Taxes and Fees* regardless of whether any insurance business was transacted in Idaho during the year. Each formerly authorized insurer, with respect to insurance transacted while an authorized insurer, shall file a statement for any premiums received during the calendar year. Idaho Code § 41-402.
5. The tax statement and remittance are due on or before March 1st. Late filing of the statement and remittance will result in a penalty of \$25.00 for each day of delinquency, beginning with March 2nd, as determined by the submission date. Idaho Code §41-404. Late filing penalties will be assessed for the following:
 - Late filing (electronic submission date) of the *Statement of Taxes and Fees*.
 - Incomplete submission of the *Statement of Taxes and Fees* (missing signature).
 - Unpaid/underpaid tax.
 - Electronic Fund Transfer (EFT) payment is not in the correct bank account on the due date.

If paying by check only an official U.S. Postal Service cancellation postmark on the envelope, rather than private postage meter stamp, shall qualify as proof of timely mailing. If a carrier service is used, the mailing date will be determined by the package pick-up date, not the delivery date.

Any tax payment in the amount of \$100,000.00 or more must be made electronically. Idaho Code §67-2026.

6. **To avoid a lost payment, attach the check for the balance due to the voucher.** If payment is being processed by the Electronic Funds Transfer (EFT) method, indicate so under Line 6-Amount Enclosed. Make sure when transmitting payment by EFT, it 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. An EFT authorization approval should have been acquired prior to using this method. If you need an authorization form, contact this office at the telephone number indicated in Item # 3.
7. Requests for 30 day extensions or exemptions for filing the *Annual Statement* beyond the regular due date will not be required providing approval was granted by the domiciliary state and NAIC has been notified. Extensions beyond 30 days will require a written request for extension and domiciliary approval. However, the Annual Continuation Fee **MUST** be submitted with the *Statement of Premium Taxes and Fees* on or before March 1st, regardless of extensions. Idaho Code §41-402 (1), 41-324.
8. For all electronic filings, the typed name of the company officer submitting the return on the signature line under oath is acceptable. If you need additional instructions or forms, contact this office as listed in Item #1. Idaho Code § 41-402 (1).
9. Tax statements must be filed and continuation fees must be paid regardless of negative premiums or if no business was written.

10. **PAGE 1 – STATEMENT OF PREMIUM TAXES AND FEES**

RECAP OF TAXES AND FEES

- A. Enter the company Information. The Idaho Certificate of Authority Number (C/A No.) box must be completed. Enter your Company NAIC Identification Number in the box provided. The company name, address, and state of domicile must be completed as all tax forms, refunds, and correspondence will be sent to this address.
- B. Line 1. Tax due. Precalculated total. (Page 3, Schedule C, Line 4 either Column A or B).
- C. Line 2. Prepayments. Enter the amounts of quarterly prepayments.
- D. Line 3. Tax Due. Precalculated total of Line 1 less Line 2. If estimated quarterly prepayments paid toward your tax obligation exceed the total premium tax amount due for the calendar year end, **you must still submit payment of required Continuation Fee.** If the amount on Line 3 is an overpayment (negative amount), this same amount should be carried forward to Line 7-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 your company's statement has been audited. Tax overpayments cannot be applied toward fees or future quarterly tax payment obligations. Idaho Code § 41-402(10).
- E. Line 4. Annual Continuation Fee. Idaho Code § 41-324 and Idaho Insurance Rule 44 (IDAPA 18.01.02). To determine the correct fee amount, use the surplus as regards to policyholder amount reported in the Annual Statement, *Liabilities, Surplus and Other Funds*, Line 32, Column 1. Payment of required fee **MUST** be included. If required fee is not being paid you must attach a written explanation.

- F. Line 5. Penalty Due. Enter the number of days of delinquency commencing March 2nd, based on the electronic submission date. A late penalty is assessed if Electronic Fund Transfer (EFT) payment is not in the correct bank account on the due date. See also item #5 in these instructions.
- A. Line 6 - Amount Enclosed. Overpayment of tax may not be used to offset fees or penalties. **Do not apply tax overpayment to payment of fee. Payment of required continuation fees must be enclosed.**
 - a. If a refund of premium tax is due on line 7 (also negative amount of Line 3), enclose payment for Lines 4 and 5 (continuation fee and applicable penalties)
 - b. If there is premium tax due on Line 3 (positive amount on Line 3), enclose payment for the total of Lines 3, 4 and 5 (tax due, continuation fee and applicable penalties).
- G.
 - H. Line 7. Refund Due. This is the negative tax amount on Line 3. Per Idaho Code § 41-402A. Refunds. "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. The tax statement must be signed and dated by an Officer of the company. By the appropriate signature, being duly sworn upon 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 ending on insurance or property or risks resident or located in Idaho. Unsigned forms will be considered incomplete. See item #8.
 - J. All questions concerning the tax statement will be directed to the contact person as stated on page 1 of the tax statement; therefore, include a telephone number, extension and an E-mail address. If the contact person changes after the submission of the *Statement of Premium Taxes and Fees*, please contact the Premium Tax Section as indicated in item #1.

12. **PAGE 2 - SCHEDULE A - COMPUTATION OF PREMIUM TAX - IDAHO BASIS**

- A. Line 1. Direct Premiums Written. Enter Direct Premiums Written. A complete explanation of any differences between the NAIC Annual Statement Idaho *Exhibit of Premiums and Losses*, NAIC Annual Statement Schedule T and the tax statement must be submitted and signed by the person authorized by the company to prepare this statement.

13. **PAGE 2 - SCHEDULE B - COMPUTATION OF PREMIUM TAX - STATE OF DOMICILE BASIS**

- A. Line 1. Identify the specific basis for calculating the title premiums and risk portion. This may be a Statute, Regulation, Rule, Bulletin, etc.
- B. Line 2. Direct Premiums Written. Report premiums as if your company was an Idaho insurer writing an identical volume of business in your state of domicile.
- C. Line 3. Deductions Allowed by Domicile State. Enter deductions allowed by domicile state. Attach a complete explanation of any deductions from the premiums reported on Line 2, (i.e., agents' retention, national risk rate percentage, etc.) or not applicable if tax is based on total gross premiums.
- D. Line 4. Net Taxable Premiums. Precalculated Total. Subtract Line 3 from Line 2.
- E. Line 5. Tax Rate. Enter tax rate for domicile state.

F. Line 6. Premium Tax. Precalculated total. Multiply Line 4 by Line 5.

14. **PAGE 3 - SCHEDULE C - COMPUTATION OF RETALIATORY TAXES. A RETALIATORY TAX CALCULATION WORKSHEET MUST BE ATTACHED.**—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, the NAIC Retaliatory Guide or domiciliary code. Idaho Code § 41-340(2) and (3)

- A. Taxes 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 an explanation of calculations on taxes.**
- B. Column A is pre-calculated from other schedules.
- C. Column B, Line 1. Title Premiums. Enter the amount of taxable premium per domiciliary state. Attach an explanation of any difference between Column A and Column B.
- D. Column B, Line 1A. Title Tax Rate. Enter the premium tax rate of the domiciliary state.
- E. Column B, Line 1B. Premium Tax. Multiply Column B, Line 1 by the rate in Column B, Line 1A.
- F. Column B, Line 2. Municipal, City or County Premiums. Enter the municipal, city and county taxable premiums per the domiciliary state.
- G. Column B, Line 2A. Tax Rate. Enter the premium tax rate of the domiciliary state.
- H. Column B, Line 2B. Premium Tax. Multiply Column B Line 2 by the rate in Column B, Line 2A.
- I. Line 3, Column B. Other Taxes. Corporate/Income/Excise Tax MUST be stated, even if zero. All other taxes imposed by your state of domicile, including state imposed income/excise/corporate/minimum tax on foreign insurers must be reported **except**:
 - Ad valorem taxes on real or personal property.
 - Personal income, capital or surplus taxes.
 - Taxes imposed for a special purpose obligations or assessments on particular kinds of insurance.
- J. Line 4. Total Taxes. Precalculated total (Add Line 1B, 2B, and 3 for each Column A and B).

An explanation of retaliatory calculations will be requested for any discrepancies.