

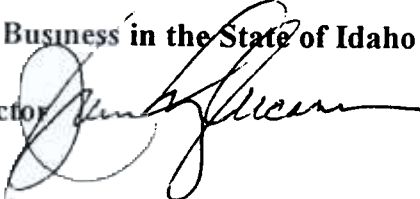
State of Idaho
DEPARTMENT OF INSURANCE

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JAMES M ALCORN
Acting Director

B U L L E T I N NO. 94-5

DATE: December 1, 1994
TO: All Insurers Authorized to Do Business in the State of Idaho
FROM: James M. Alcorn, Acting Director 
SUBJECT: Premium Tax Forms

Idaho Code §41-402 requires each authorized insurer to file tax statements "on forms as prescribed" by the director. Last year some insurers elected to file on computerized tax forms purchased from various computer service companies; many of these forms were not as prescribed by the director. This resulted in a major increase in the audit function within the department and in penalties being assessed.

To avoid a recurrence of this situation, department personnel will be available to review all computerized packages being offered for sale as to conformity with forms as prescribed by the director. Each year a letter will be issued to a company after submission of their product and our review and approval of the forms. We strongly recommend that companies request a copy of this letter of approval before using any computerized forms.

The department is committed to automation and efficiency, and will work diligently with insurance companies and any service offering computerized forms to enhance tax preparation. Please note that under Idaho Code §41-402 the insurer bears the ultimate responsibility of filing their tax statements on forms as prescribed by the director; any failure to file appropriately may result in penalties to the insurer.

If there is any question as to forms being approved, please call the Premium Tax Section, Idaho Department of Insurance, at (208) 334-4280 for clarification.