

State of Idaho
DEPARTMENT OF INSURANCE

BRAD LITTLE
Governor

700 West State Street, 3rd Floor
P.O. Box 83720
Boise, Idaho 83720-0043
Phone 208-334-4250
Fax 208-334-4398
Website: <https://doi.idaho.gov>

DEAN L. CAMERON
Director

BULLETIN NO. 23-03

DATE: February 23, 2023
TO: All Property and Casualty Insurance Carriers
FROM: Dean L. Cameron, Director
SUBJECT: Guaranty Association Assessment Offset Exception for 2021 Payments

The Idaho Insurance Guaranty Association levied assessments of property and casualty carriers on November 17, 2021 and November 1, 2022, using its authority granted by Idaho Code § 41-3608(1)(d). Idaho carriers may offset guaranty association assessments against their premium tax liability. This offset is allowable in the amount of twenty percent of the assessment for each year over the course of five years, with the first offset available for the year the assessment was paid. *See* Idaho Code § 41-3616(1).

The Department finds that assessed carriers, acting in reasonable reliance upon the Idaho Insurance Guaranty Association's interpretation of this statute, may not have offset portions of a 2021 guaranty assessment in their premium tax return for 2021.

Therefore, the Department, acting pursuant to its authority under Idaho Code § 41-402A, announces its intent to allow a refund of any amount overpaid on the carrier's 2021 premium taxes due to not offsetting up to twenty percent of the guaranty association assessment paid in 2021.

This refund will be conducted by allowing a carrier to include the 2021 premium tax offset they were eligible for but did not take, on Schedule 8 of its 2022 premium tax form in addition to the 2022 allowable offsets. This refund is a one-time exception to the statutory prohibition against carrying such an allowable offset over or back to any other year.

Schedule 8 of the 2022 premium tax form has been updated as of February 22, 2023, to facilitate this 2021 one-time exception offset as well as the 2022 allowable offsets.

This Bulletin is not new law but is an agency interpretation of existing law, except as authorized by law or as incorporated into a contract. Requests for additional information or other inquiries regarding this Bulletin can be directed to Deputy Director Wes Trexler at 208-334-4214 or weston.trexler@doi.idaho.gov.