



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
FINANCIAL AFFAIRS SECTION / ANALYTICAL UNIT 0576
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243
(615) 741-1670

TO: ALL INSURANCE COMPANIES TRANSACTING BUSINESS IN THE STATE OF TENNESSEE

RE: FILING STATEMENT OF PREMIUMS AND FEES FOR TAXATION

Following you will find a tax form for filing "Statement of Premiums and Fees for Taxation" for the period January 1 through December 31 of the prior year.

PLEASE NOTE: All such taxes shall not be considered as paid on or before March 1 unless the tax return and payment are actually received in the department on or before March 1, except that a tax return with payment will be considered "timely filed" provided such premium tax return and payment bears a **United States Post Office Cancellation Mark** stamped on the envelope of no later than March 1. A company meter date or postage stamp **will not** be acceptable as competent evidence that the tax return was timely filed if the tax return is received in the department after the due date, unless it is cancelled over by the U.S. Postal Service. If your company feels the tax return may be received in the department after March 1, it is advised that certified mail with a U.S. Postal Cancellation Stamp on the receipt be obtained, a certificate of mailing, or request that the U.S. Postal authorities cancel over the postage in your presence. Based upon past experience, the U.S. Post Office does not always cancel over company metered mail. **No grace period will be allowed for late filing of the premium tax return.**

Any other materials or forms which do not pertain to premium taxes should be sent separately. **DO NOT** include the Statement of Premiums and Fees for Taxation in the Annual Statement mailing.

The address for **PREMIUM TAX RETURNS** is as follows:

TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE
Division of Insurance
P.O. Box 198983
Nashville, TN 37219-8983

HOWEVER, PLEASE NOTE: If the tax return is mailed via overnight courier, the following address should be used:

TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE
FINANCIAL AFFAIRS SECTION / ANALYTICAL UNIT 0576
ATTENTION: PREMIUM TAX SECTION
500 James Robertson Parkway, 4th Floor
Nashville, TN 37243

Premium Tax Forms Website: <http://www.state.tn.us/commerce/insurance/propertycompanyRes.shtml>

Should you have any questions, please contact the Premium Tax Section at (615) 741-1670.



TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE
INSTRUCTIONS FOR FILING
"ANNUAL STATEMENT OF PREMIUMS AND FEES FOR TAXATION"

COMPANIES OTHER THAN LIFE

- 1. WHO MUST FILE - DUE DATE – CORRECT PROCEDURE FOR FILING** – Any Tennessee insurance company or foreign company licensed in Tennessee must file, on or before March 1 of each year, a STATEMENT OF PREMIUMS AND FEES FOR TAXATION based on the gross premiums written for the previous period, January 1 thru December 31. The fact that a company may be inactive or become inactive does not relieve it of the necessity to file the return. Tenn. Code Ann. § 56-4-216 defines what shall be considered as a “timely filing” of the Premium tax return. It states in pertinent part, “(c) Notwithstanding any other provisions of the statutes of this state, no grace period for the filing of returns and payments shall be allowed. A premium tax return and payment made to the Department of Commerce and Insurance shall not be considered as paid on or before March 1 of each year unless: (1) the premium tax return and payment is received in the office of the Department on or before March 1 of each year; (2) the premium tax return and payment bears a post office cancellation mark stamped by the United States Post Office on or before March 1 or is mailed by certified mail, registered mail, or has a certificate of mailing on or before March 1. **A premium tax return and payment received by the Department of Commerce and Insurance bearing a metered mail stamp and no post office cancellation mark stamped by the United States Post Office, shall be deemed filed and received on the date such premium tax return arrives at the Department of Commerce and Insurance;** (3) in the event a premium tax return and payment is mailed but not received by the Department of Commerce and Insurance, or received and the cancellation mark is illegible or omitted, such return and payment shall be deemed filed and received on the date they were mailed if the sender establishes that the premium tax return and payment were deposited in the United States mail. In order to establish proof of mailing under these circumstances, a record authenticated by the United States Post Office that the original mailing was sent registered mail, certified mail, or by certificate of mailing, shall be the only proof accepted by the Department of Commerce and Insurance. Any other materials or forms should be sent in a separate mailing. **PLEASE DO NOT SEND ANY TAX MATERIAL OR PAYMENTS WITH THE ANNUAL STATEMENT MAILING.**
- 2. CORRECT TAX RETURN** – In order to avoid the penalty and interest prescribed by Tenn. Code Ann. § 56-4-216, a tax return must be filled out correctly. All deficiencies shall be subject to the penalty and interest as provided in Tenn. Code Ann. § 56-4-216, which will apply to the tax unpaid as of March 1 of each year.
- 3. EXTENSION OF TIME** – The Commissioner may in the exercising of his/ her discretion, for good cause shown, upon application made in advance of delinquency date, grant an extension of time, but not to exceed sixty (60) days, to the company to file the premium tax return and pay the tax imposed, without penalty attached; however, the tax shall bear interest at the rate of ten percent (10%) per annum from the due date until paid. If any company who has received an extension of time fails to file the required form and pay the appropriate taxes and fees before the expiration of the extension granted, the penalty and interest will attach as though no extension has been granted, and the company is subject to debarment in this state until the taxes and penalties are fully paid.
- 4. EXPIRATION OF LICENSE – CONTINUATION TO PAY TAX** – All foreign insurance companies, which shall take out or renew a license to transact business in this state, shall upon expiration of their license for any cause, or upon their ceasing to transact new business in this state, continue to pay the same tax upon their business remaining in force in the same manner and time as other licensed insurance companies of the same class.
- 5. GROSS PREMIUMS** – For premium tax purposes, the words “gross premiums” or “taxable direct premiums” are defined to mean as follows: “Maximum gross premiums as provided in the policy contracts, new and renewal, including policy or membership fees, whether paid in part or in whole by cash, automatic premium loans, dividends applied in any manner whatsoever, and without deduction or exclusion of dividends in any manner; but excluding premiums returned on cancelled policies, or on account of reduction in rates, or reductions in the amount insured or experience rating refunds on life insurance policies and disability insurance policies.”

6. **TAX ON WORKMEN'S COMPENSATION INSURANCE** – Every insurance company writing Workmen's Compensation Insurance is subject to a four percent (4%) tax on Workmen's Comp Insurance. In addition, there is four-tenths of one percent (.4%) surcharge. The surcharge is not applicable to any employer who employs ten (10) or less employees, unless such employer is in the business of construction or manufacturing. The four percent (4%) tax on Workmen's Compensation premium is in lieu of the two and one-half percent (2-1/2%) tax on all other premiums. Therefore, all Workmen's Compensation premiums should be listed on line 2 of the tax return. Do not list any Workmen's Compensation premiums on line 1 of page 1.
7. **PROPER REMITTANCE** – All checks for payment of any premium tax or fees due should be made payable to the TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE; and in order to constitute proper payment, the check must be signed, drafted and dated correctly.
8. **PENALTY FOR LATE PAYMENT AND DEFICIENT TAXES DUE** – Any Company which fails and neglects to file the tax return and make payment promptly and correctly as defined by Tenn. Code Ann. § 56-4-216, shall pay to the state, in addition to the amount of taxes due, a penalty of five percent (5%) for the first two months or fractional parts thereof and thereafter at the rate of one-half of one percent (1/2%) per month with a maximum of ten thousand dollars for the first three days of any delinquency. In addition to the above penalty, all delinquencies shall bear interest at the rate of ten percent (10%) per annum from March 1 of each year until paid. The penalty also applies to any part of the tax unpaid by March 1 of each year and no such penalty or interest may be waived. **NO GRACE PERIOD WILL BE ALLOWED FOR COMPANIES FILING LATE PREMIUM TAX RETURNS.**
9. **MINIMUM TAX** – The minimum tax due by any company (except Fraternal and Societies) for the privilege of transacting business for any calendar year is one hundred and fifty dollars (\$150.00). This amount should be listed on line 5 if the sum of lines 1 and 2 is less than \$150.00. This minimum tax is in addition to any Fire Marshal or Workmen's Compensation Surcharge taxes listed on line 6 and 7.
10. **RETIALIATORY TAX** – Schedule D is for the computation of any retaliatory taxes, which may be due. There are two columns in the Schedule: the Tennessee Column and the State of Incorporation Column. List all fees, taxes, licenses or other obligations (except ad valorem taxes on real or personal property or personal income taxes) payable to Tennessee during the previous calendar year in the Tennessee Column. Similarly list the same fees, taxes, licenses and obligations that a similar Tennessee company with the same income and premium writings would have paid in your company's home state in the State of Incorporation Column. Simply because a particular tax or fee may not be listed in Schedule A does not relieve the company of the statutory responsibility to report this fee. **Examples of such fees include, but are not limited to, corporate income taxes, special maintenance fees for the operation of Insurance Departments, local or municipal taxes or fees, special purpose taxes i.e. fire marshal or police forces or workers' compensation assessments.** Any fees not listed in Schedule D should be itemized on line 9. Please attach an additional listing to the tax return if there is not enough room to itemize these fees on line 9. All companies when computing premium tax on line 6 must use the basic premium tax rate levied by the laws of their home state without reduction in the basic premium tax rate for investments that a like Tennessee Company may qualify for as a result of investing in securities of such other state.

MUNICIPAL TAXES AND FEES:

Companies domiciled in Alabama, Florida, Georgia, Kentucky, Louisiana, Missouri, South Carolina or West Virginia must include municipal taxes (on a **Tennessee** basis) on Schedule D Line 7 of the Statement of Premiums and Fees for Taxation. Any other states (not listed) that have municipal or local taxes must include these taxes on a retaliatory basis on the Statement of Premiums and Fees for Taxation.

MASSACHUSETTS DOMICILED COMPANIES:

Companies domiciled in Massachusetts must include agent licensing fees on Schedule D Line 4. According to M.G.L. Chapter 175 Section 162S(d) and (e) which states:

“(d) An insurer shall pay an appointment fee, in the amount prescribed by section 14, for each insurance producer appointed by the insurer.

(e) An insurer shall remit, in a manner prescribed by the commissioner, a renewal appointment fee in the amount prescribed by section 14.”

NEW YORK DOMICILED COMPANIES:

New York companies may want to ESTIMATE AND PAY a tentative retaliatory tax, based on estimated franchise tax information (forms must be appropriately marked “ESTIMATED”), with the Retaliatory Tax Report by March 1st in order to avoid penalties and interest associated with all payments made subsequent to March 1st. The New York Franchise Tax forms, CT-33, CT-33-NL and CT-33-M, prepared on the **Tennessee** basis, are to be filed in Tennessee immediately upon filing the franchise information in New York. If an extension has been

granted in New York, please staple a copy of Form CT-5 to the Retaliatory Tax Report. **Please see further instructions below.**

ILLINOIS DOMICILED COMPANIES:

Illinois companies must include the Illinois Income Tax (IL-1120 on the **Tennessee** basis) in the State of Incorporated Column of the Retaliatory Tax Schedule D. You may want to **ESTIMATE AND PAY** a tentative retaliatory tax, based on estimated Illinois Income Tax information, in order to avoid penalties and interest associated with all payments made subsequent to March 1st. A copy of the Illinois Income Tax (IL-1120) forms, prepared on the Tennessee basis, is to be filed in Tennessee immediately upon filing the income tax information in Illinois. **NOTE: Companies filing Unitary Business Group forms in IL must complete a separate IL-1120 for each company within the group that is licensed in TN, using apportioned figures. DO NOT submit a spreadsheet giving the information.** If an extension has been granted in Illinois, please staple a copy of the extension form to the Statement of Premiums and Fees for Taxation.

11. **ANNUAL STATEMENT FILING FEE** – With few exceptions, insurance companies must remit \$515.00 for the filing of its Company's Annual Statement. This fee is listed on line 17 of the tax return. Please be sure that this fee is not duplicated when the Company's Annual Statement is filed, since the Tax Return and the Annual Statement must be filed separately. There is no fee due for filing the Statement of Premiums and Fees for Taxation (tax return). The Annual Statement filing fee must be remitted even if a credit balance exists or a refund is due. It's a nonrefundable fee.
12. **FINANCE AND SERVICE CHARGE PREMIUMS** – All premium finance and service charge collections are to be included as a part of "gross premiums;" and are therefore subject to the premium tax. List all finance and service charge premiums on line 8 of the Statement of Premiums and Fees for Taxation and apply the appropriate tax thereon. The finance or service charge premiums should agree with those listed on your Company's Annual Statement.
13. **CLAIMING A REDUCTION IN TAX RATE FOR INVESTMENTS IN TENNESSEE** –

FORMS FOR FILING – The premium tax return designated as Statement of Premiums and Fees for Taxation for all companies other than life is to be filed. Schedule C of the Statement of Premiums and Fees for Taxation must be completed in both Columns 1 and 2. **Attach itemized spreadsheet** of Tennessee investments and **subtotaled** as to lines 1, 2, 3, 4, 5 and 6. Similarly, attach itemized spreadsheet of investments made in the jurisdiction in which the company had the **next highest** percentage of invested assets. Also, note the total dollar amount of **admitted assets** for the taxable period.

FILING DATES – Any insurance company writing the forms of insurance enumerated in Tenn. Code Ann. § 56-4-210, except life insurance companies, fraternal benefit associations, orders or societies, health and accident insurance companies, life and accident insurance companies and non-profit group hospital service plans desiring to qualify for a reduction in the premium tax rate must file the aforementioned form and attachments on or before the first day of March of each year. The form and attachments to be filed on March 1 shall exhibit the investments of the company for the preceding January 1 through June 30 on one attachment and July 1 through December 31 on another attachment.

DEFINITIONS OF TENNESSEE INVESTMENTS – Tennessee investments are defined as real estate owned in the State of Tennessee: bonds of the State of Tennessee; bonds or interest bearing warrants of any county, city, town, school district, municipality or subdivision thereof; notes or bonds secured by mortgage or deed of trust on property in Tennessee; cash deposits in regular established national or state banks in this state on the basis of average daily balances throughout the preceding taxable period; and any other property or security in Tennessee or issued by Tennessee corporations in which by law such insurance company may invest its funds.

VALUATION OF INVESTED ASSETS – The values of all investments listed on the form and attachments are to be extended at Annual Statement values for such investments.

LIMITATION OF INVESTMENT CREDIT RATE – All eligible companies desiring to qualify for a reduction in the premiums tax rate for investments in Tennessee shall have Tennessee securities equal to at least twenty-five percent (25%) of its total admitted assets (extended at Annual Statement value). The reduction or credit shall not be applicable with respect to the gross premium tax on premiums paid under policies of insurance directly or indirectly reinsured with any affiliate or affiliates of the company which is the direct writer of such policies, unless the affiliates which actually bear the risk of loss under the reinsurance arrangements would, if considered on a consolidated basis, qualify for such reduction or credit were such affiliates the direct writer. The term "affiliate" means any insurance company which controls, is controlled by, or is under common control with the insurer writing the policies and the term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a company; control is deemed to exist if any company, directly or indirectly, owns, controls, holds with power to vote, or holds proxies representing more than eighty percent (80%) of the voting securities of any other company.

14. **CREDIT FOR TN GUARANTY ASSOCIATION ASSESSMENT** – Assessments made by the Tennessee insurance guaranty association as provided in Tenn. Code Ann. § 56-12-107(a)(3) shall be allowed as a credit against premium taxes imposed on member insurers up to twenty-five percent (25%) of the net premium taxes due in any one (1) calendar year, until the aggregate of all assessments paid to the association have been offset by such premium tax credits. (Maximum Deduction Not to Exceed 25% of net Premium Taxes - Sum of Lines 1, 2 and 8 minus Line 10, Page 1). A spreadsheet showing amount of credit due is preferred instead of copies of the assessments.
15. **CREDIT FOR TENNESSEE LIFE AND HEALTH GUARANTY ASSOCIATION ASSESSMENT** –
- (a)(1) A member insurer may offset against any premium, franchise, excise, or income tax liability (or liabilities) to this state an assessment described in Tenn. Code Ann. § 56-12-208(h) to the extent of **the lesser of:**
- (A) Ten percent (10%) of the amount of such assessment for each of the ten (10) calendar years **following the year in which such assessment was paid;** or
- (B) One-tenth of one percent (.10%) of all premiums written in this state by the member insurer for each calendar year until recovery of the assessment(s) is made.
- (2) In the event a member insurer should cease doing business in this state, all uncredited assessments may be credited against any premium, franchise, excise, or income tax due for the year it ceases doing business.
- (b) A member insurer may transfer any offset right as described in this section to an affiliated member insurer. For the purposes of this section:
- (1) “Affiliated member insurer” means an insurance company licensed or holding a certificate of authority to do business in this state which controls, is controlled by, or is under common control with, another member insurer; and
- (2) “Control” means holding, directly or indirectly, the ownership of, or power to vote, one hundred percent (100%) of the voting stock of another member insurer.
- (c) Any sums which are acquired by refund, to Tenn. Code Ann. § 56-12-208(f), from the association by member insurers, and which have theretofore been offset against premium, franchise, excise, or income taxes as provided in subsection (a), shall be paid by such insurers to this state in such manner as the tax authorities may require. The association shall notify the commissioner that such refunds have been made.
- (d) “Class A” Assessments may not be credited against premium taxes according to Tenn. Code Ann. § 56-12-212(a).

Note : A spreadsheet showing amount of credit due is preferred instead of copies of the assessments.

New York Premium Taxes/Fees/Assessments Subject to Retaliation in Tennessee

(For use by New York Domiciled Companies doing business in Tennessee only)

Premium Tax Base: New York Workers' Compensation Law Article 8 - § 151 requires that assessments for the special disability fund, the fund for reopened cases and the fund for operations of the workers' compensation board to be considered as a component of premium subject to premium taxation. Other New York special assessments may be subject to the same requirement as the workers' compensation assessments, i.e., they must be added back into the gross taxable premium base. Please check each of the following New York taxes/fees/assessments to determine if they are to be added back into the gross taxable premium base. The following list of taxes/fees/assessments should not be considered to be all inclusive. Instead, it should be used a guide for New York insurers to follow when calculating their retaliatory tax burden due under the provisions set forth in Tenn. Code Ann. § 56-4-218, "Reciprocity of Treatment."

Insurance Agent Fees: Tennessee insurance law requires insurance companies to pay for agent **appointment fees** and **termination fees**. Tennessee law does not specify who is responsible for paying **agent renewal fees**. Insurers that report payment of the thirty dollar (\$30) **agent renewal fees** to Tennessee will be required to report the New York retaliatory fee of the eighty dollar (\$80) biennial **agent renewal fees** in the New York state of incorporation column on Schedule D, Retaliatory Tax Computation.

Tennessee's retaliatory tax law, Tenn. Code Ann. § 56-4-218, states that, "...Each foreign insurance company doing business in Tennessee shall furnish, over the signature and oath of its responsible officers, the necessary information for the computation of such taxes upon such forms as may be prescribed by the commissioner." The New York premium taxes/fees/assessments listed below are subject to retaliation. The listing is intended to be a guide for New York domiciled companies to use when calculating retaliatory taxes that may be payable to the Tennessee Dept. of Commerce and Insurance. It is not to be considered as an all-inclusive listing, and each company must make a full and detailed disclosure regarding how the amounts were calculated, or state why the New York taxes/fees/assessments would not apply to similar Tennessee company doing business in New York.

CT-33, CT-33-NL and CT-33-M

Vehicle and Traffic Law §317 Motor Vehicle Financial Security Act

Vehicle and Traffic Law §363 Motor Vehicle Safety Responsibility Act

Insurance Law §5106 Comprehensive Motor Vehicle Insurance Reparation

Insurance Law §9110 Motor Vehicle Law Enforcement Fee

Insurance Law §7604 Public Motor Vehicle Liability Security Fund

Insurance Law §332 Department Operating Fund

Insurance Law §5207 Accident Indemnification Corp

Insurance Law §9108 Fire Insurance Fee (possible credit to CT-33-NL)

***Insurance Law §§9104 and 9105 Fire Ins Premium Tax—2%**

Workers' Compensation Law, art. 6-A § 108 Workers' Compensation Security Fund

Workers' Compensation §151 Workers' Compensation Fund Administration

Workers' Compensation §228 Disability Benefits Law Administration

Workers' Compensation §214 Special Fund for Disability Benefits

Workers' Compensation §15(8)(h) Subsequent Injury Fund

Workers' Compensation §15(9) Rehabilitation of Injured Employees

Workers' Compensation §25-a Fund for Reopened Cases

*Insurance Law §5405 NY Property Insurance Underwriter (Fair Plan) is applicable to foreign company (member) writing fire premium in the State of New York. The taxable premiums under §5405 are based on the rate of participation assigned from the Fair Plan to its member at 2% rate. New York Domiciled companies do not receive the rate participation from the Fair Plan since §5405 does not apply to them. The taxable premiums under §5405 are exempted from the New York Foreign Insurers Fire Department Tax under 9104 which also has a 2% tax rate. Therefore, the tax due under §5405 is offset if the company does not take any §5405 exemption under §9104.



STATE OF TENNESSEE
 THE DEPARTMENT OF COMMERCE AND INSURANCE
 P.O. BOX 198983
 Nashville, TN 37219-8983
 (615) 741-1670

**STATEMENT OF PREMIUMS AND FEES FOR TAXATION
 (To Be Filed On Or Before March 1)
 OTHER THAN LIFE COMPANIES**

FOR DEPARTMENT USE ONLY

Ci374 121/972 _____
 Ci393 131 _____
 Ci359 880/300 _____
 Ci383 125 _____
 Ci735 122/981 _____
 Ci364 880/554 _____

Scanned

Amended

Company Name	Contact Person		
Address (No. & Street)	E-Mail Address	Calendar Year	NAIC CO.CODE <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
City, State & Zip	Phone Number/ Fax Number	Date Admitted to TN	Domiciliary State

	Premiums	Tax
1. Premium Tax – (2.5% On taxable direct Premiums other than Workmen’s Compensation)	\$	\$
2. Workmen’s Compensation Tax -- (4% on Workmen’s Compensation Premiums)	\$	\$
*3. Premiums, if any, required to balance with Schedule T	\$	
4. Total premiums reported on Schedule T (Tennessee Business)	\$	
5. Total Tax (Sum of Lines 1 and 2) If less than \$150.00, Enter \$150.00 MINIMUM TAX)		\$
6. Fire Marshal Tax -- (as Computed in Schedule B)		\$
7. Workmen’s Compensation Surcharge -- (as Computed in Schedule E)		\$
8. Premium finance or service charges not included in above tax @ 2.5%	\$	\$
9. Total premium, fire marshal, workmen's compensation surcharge and premium finance or service charge taxes (Sum of line 5 thru 8)		\$
Do Not list a negative Tax amounts on any of the above lines; if negative, enter zero (0)		
10. Reduction in premium tax for investment in TN Securities, for January 1-December 31 (Schedule C)		\$
11a. Amount Paid TN Insurance Dept. previous Three Quarters: Premium Tax		\$
11b. Amount Paid TN Insurance Dept. previous Three Quarters: Workmen’s Compensation Tax		\$
11c. Amount Paid TN Insurance Dept. previous Three Quarters: Fire Marshal Tax		\$
11d. Amount Paid TN Insurance Dept. previous Three Quarters: Workmen’s Comp Surcharge Tax		\$
12. Credit Due Company for TN Guaranty Association Assessment		\$
(Important: See Limitations set forth in Tenn. Code Ann. § 56-12-115)		
13. Credit Due Company for the TN Life and Health Insurance Guaranty Association Assessment		\$
(Important: See Limitations set forth in Tenn. Code Ann. § 56-12-212)		
14. Total Deductions (sum of lines 10 thru 13) Note: Do not take credit for prior year overpayments		\$
15. Total Tax Due (Line 9 Minus Line 14)		\$
16. Retaliatory Tax (As Computed in Schedule D)		\$
17. Annual Statement Filing Fee (Must be Remitted Even if Credit or Refund is Due)		\$ 515.00
18. TOTAL AMOUNT DUE (Sum of lines 15 thru 17)		\$
Please attach a copy of Tennessee business page from the Annual Statement.		

Make remittance payable to: TENNESSEE DEPT. OF COMMERCE & INSURANCE

* Explanation of Non-Taxable Premiums Required to Balance With Schedule T of Annual Statement.

FOR DEPARTMENT USE ONLY

Audited By _____ Date ____/____/____

**Schedule B – COMPUTATION OF FIRE MARSHAL TAX
(To Be Computed By Property Insurers Only)**

LINE OF BUSINESS	* DIRECT PREMIUMS	PERCENTAGE TO BE APPLIED	FIRE PORTION
Fire Lines	\$	100%	\$
Farm owners Multiple Peril	\$	55%	\$
Homeowners Multiple Peril	\$	55%	\$
Commercial Multiple Peril (non-liability portion & liability portion)	\$	50%	\$
Inland Marine	\$	20%	\$
Private Passenger Auto Physical Damage	\$	8%	\$
Commercial Auto Physical Damage	\$	8%	\$
Aircraft (All Perils)	\$	8%	\$
Industrial Fire	\$	100%	\$
Other	\$		\$
Fire Portion Subject to Fire Marshal Tax (Sum of the above fire portion lines)			\$
Apply ¾ of 1%			x 0.0075
FIRE MARSHAL TAX			\$
Do not list negative amounts on any of the above lines; if negative, enter zero (0)			
* Premiums to agree with respective lines on page 15 (Tennessee business page) from the Annual Statement.			ENTER THIS AMOUNT ON LINE 6, PAGE 1

Schedule C– INVESTMENT SCHEDULE

Attach itemized **spreadsheet** of Tennessee investments and next highest state
(SEE INSTRUCTIONS)

NOTE: Tennessee investments must equal at least 25% of admitted assets before Credit can be allowed. Tennessee Investments _____ X 100 = Total Admitted Assets	Column 1	Column 2	
	Tennessee	Next Highest state	List name of state in which company had next highest percentage of admitted assets invested.
1. Real Estate	\$		\$
2. State, county, municipal, or other political subdivision bonds	\$		\$
3. Mortgage Loans	\$		\$
4. Average daily bank balances throughout the current taxable period	\$		\$
5. Stocks	\$		\$
6. Any other property or security in which by law such insurance company may invest its funds	\$		\$
7. Totals	\$		\$
8. Ratio Column 1 to Column 2			
*9. Percentage reduction in Premium Tax			
(TENNESSEE INVESTMENTS MUST EQUAL 25% OF TOTAL ADMITTED ASSETS BEFORE ANY CREDITS ARE ALLOWABLE)			
10. Premium Tax for Full Calendar Year (Sum of Lines 1, 2, and 8 from page 1)			\$
*11. Subtract any premium tax on reinsurance premiums with a controlled affiliate(s) that does not qualify for investment credit (Tenn. Code Ann. §56-4-210(d))			(\$)
12. Amount of Premium Tax Subject to Reduction (Subtract Line 11 from Line 10)			\$
13. Tax Reduction for January 1 thru December 31 (Multiply Line 12 by Line 9)			\$
*List the affiliates the company is ceding reinsurance to.			ENTER THIS AMOUNT ON LINE 10, PAGE 1

* The percentage reduction in Premium Tax (Line 9)

If Line 8 is less than 70%, this schedule need not be completed in detail	0%
If Line 8 is not less than 70% or more than 80%	25%
If Line 8 is more than 80% but not more than 90%	50%
If Line 8 is more than 90%	75%

RETALIATORY TAX		TENNESSEE COLUMN	STATE OF INCORPORATION COLUMN
Schedule D (COMPUTATION OF RETALIATORY TAX) Please provide documentation of all assessments reported		Taxes and Fees Payable to Tennessee	Taxes and Fees which a TN Company, with identical Premium or other Income, would have paid in your State
1. Filing Annual Statement		\$515.00	
2. Certificate of Authority Renewal (Company)			
3. Department Licenses and Fees (Itemize) (a) _____ (b) _____			
4. Agents License Fees (Certificates of Authority) Show how figure was calculated on Schedule F Page 4			
5. Agents Examination Fees and Filing Fees (Itemize) (a) _____ (b) _____			
		Premiums	
6a. Tennessee Premium Tax @ 2.50%			
6b. Tennessee Workmen's Compensation Tax @ 4.00%			
6c. Tennessee Fire Marshal Tax @ 0.75%			
6d. Tennessee Workmen's Comp. Surcharge @ 0.40%			
*6e. State of Incorporation Premium Tax @ ____ %			
*6f. State of Incorporation Workmen's Comp Tax @ ____ %			
*6g. State of Incorporation Fire Tax @ ____ %			
*6h. State of Incorporation _____ @ ____ %			
*6i. State of Incorporation _____ @ ____ %			
7. Additional Premium Tax of ____% Account of Aggregate City, County, or Other Political Subdivisions (Municipal Taxes)			
8. Premium Finance, Service Charges, or Policy Fee Not Included in line 6a and 6e \$ _____ @ ____ % (TN/ TAX @ 2.5%)			
9. Any Additional Tax, Fee or Obligation Subject to Retaliatory Law (Itemize) _____ _____ _____			
10. TOTALS (TN Minimum-\$515.00 Annual Statement Filing Fee plus \$150.00 Premium Tax)		\$	\$
11. DEDUCT TAXES AND FEES PAYABLE TO TENNESSEE (From line 10)			(\$)
12. IF POSITIVE (PLUS) REMAINDER, ENTER ON PAGE 1, Line 16, RETALIATORY TAX (Line 10 Minus Line 11)			\$

* Explain any reduction of premiums from state of incorporation basis in line 6e thru 6i.

**Schedule E – WORKMEN'S COMPENSATION INSURANCE SURCHARGE
(To Be Completed By All Companies Writing Workmen's Compensation Insurance)**

If Company did not write any Workmen's Compensation premiums during prior calendar quarter, please indicate as "NONE" on Line 1 of this Schedule.

1. Gross Workmen's Compensation Premiums as listed on Line 2, Page 1	\$
*2. Subtract Premiums not subject to Surcharge (see note below)	(\$)
3. Premiums subject to Workmen's Compensation Surcharge	\$
4. Apply four-tenths of one percent (0.4%) rate to amount on line 3	x 0.004
5. WORKMEN'S COMPENSATION SURCHARGE (January 1 thru December 31)	\$
Do not list a negative Surcharge amount on line 5; if negative, enter zero (0)	ENTER THIS AMOUNT ON LINE 7, PAGE 1.

NOTE:

*The Surcharge of four-tenths of one percent (0.4%) on Workmen's Compensation Insurance shall not apply to any premiums written on or for an employer who employs ten (10) or less employees unless such employer is in the business of construction or manufacturing.

Explain in detail the method used in calculating any reduction of Workmen's Compensation Surcharge premiums which are not subject to the Surcharge tax in the space below:

**Schedule F
Agent Licensing Fees**

* Residential and non-residential renewal fees for an agent's license are \$60.00 for every two (2) years or \$30.00 per year. These fees are the responsibility of the individual agent(s) to pay. An insurance company may optionally pay the producer/agent renewal fees to Tennessee for the producer/agent; however, if the insurance company chooses to optionally pay the fee for its Tennessee producer/agents, then it must choose to report the domicile state's fee for renewal producer/agents in the domiciliary state box as listed below. This applies even if the domiciliary state does not require the insurance company to pay producer/agent renewal fees in the domiciliary state.

Appointment and termination fees are the responsibility of insurance companies to pay in Tennessee. List appointment fees and terminations fees in state of domicile box only if it is required of Tennessee insurance companies to pay to your domiciliary state."

Tennessee			
	# of Agents	\$ per Agent	Total Agent Fees
Residential Appointments		\$ 15.00	
Non-Residential Appointments		\$ 15.00	
*Residential Renewals			
*Non-Residential Renewals			
Terminations		\$ 15.00	
Total Agent Fees			
Report total agent fees on Page 3 Schedule D line 4 Tennessee Column			

Name of Domiciliary State: _____			
	# of Agents	\$ per Agent	Total Agent Fees
Residential Appointments			
Non-Residential Appointments			
Residential Renewals			
Non-Residential Renewals			
Terminations			
Total Agent Fees			
Report total agent fees on Page 3 Schedule D line 4 State of Incorporation Column			

STATEMENT OF PREMIUMS AND FEES FOR TAXATION MUST OBTAIN ORIGINAL SIGNATURE AND NOTARY

STATE OF _____ COUNTY OF _____

I, _____, do hereby make oath that I am _____
(Officer's Name) (Official Title)

of the _____
(Company Name)

and that the foregoing Statement of Premiums and Fees for Taxation is true to the best of my knowledge, information and belief.

 Signature of Officer

 Notary Public

(SEAL)

Subscribed and Sworn before me _____
Date

My commission expires _____
Date

TENNESSEE STATUTES APPLICABLE TO PREMIUM TAXES

LINE 1	Tax on Premiums _____	Tenn. Code Ann. § 56-4-204 Tenn. Code Ann. § 56-4-205
LINE 2	Tax on Workmen's Compensation Premiums _____	Tenn. Code Ann. § 56-4-206
LINE 5	Minimum Tax Stipulated _____	Tenn. Code Ann. § 56-4-205
LINE 6	Additional Tax on Fire Insurance _____	Tenn. Code Ann. § 56-4-208
LINE 7	Surcharge on Workmen's Comp. Premiums _____	Tenn. Code Ann. § 56-4-206
LINE 8	Tax on Finance and Service Charge Premiums _____	A.G. Opinion 5-9-83
LINE 10	Reduction in Tax for Investment in State _____	Tenn. Code Ann. § 56-4-210
LINE 12	Tennessee Guaranty Association Credit (Maximum Deduction Not to Exceed 25% of net Premium Taxes (Sum of Lines 1, 2 and 8 minus Line 10, Page 1). No Deductions Are Allowed For Assessments Made On Account of Insolvencies Occurring Prior to April 16, 1975 _____	Tenn. Code Ann. § 56-12-115
LINE 13	Tennessee Life and Health Insurance Guaranty Association Credit _____	Tenn. Code Ann. § 56-12-212
LINE 16	Reciprocity of Treatment (Retaliatory Tax) _____	Tenn. Code Ann. § 56-4-218
LINE 17	Fees Collected by Commissioner _____	Tenn. Code Ann. § 56-4-101
	FAILURE TO FILE TAX RETURN Within Time Prescribed _____	Tenn. Code Ann. § 56-4-216
	FAILURE TO FILE ANNUAL STATEMENT Within Time Prescribed _____	Tenn. Code Ann. § 56-1-502