



STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
Surplus Lines Division  
500 James Robertson Parkway, 4th Floor  
Nashville, TN 37243  
(615) 741-1756

**PROCEDURES FOR PAYING SURPLUS LINES TAXES**

**Note: Filings for zero or no business written not required**

**Form SL 3 Surplus Lines Statement of Premiums and Tax Payments (IN-0129) must be completed and mailed with all tax payments.** The agency that fills out and files the Form SL 2 Affidavit for Placing Surplus Lines Insurance is the agency that fills out and files the Form SL 3 Surplus Lines Statement of Premiums and Tax Payments and submits the taxes to Tennessee. If you're paying tax for another agency, indicate the name(s) of the agency on the SL 3 Form or in a cover letter.

The link for the form is located at <http://tennessee.gov/commerce/insurance/surpluslinescompanyRes.shtml>

**Effective immediately, on an annual basis, the gross premium tax is due on or before March 1 for transactions that occurred January 1 – December 31. Optional: you have the option of remitting the tax payment when the affidavit is filed or on a monthly basis. In addition, the amount of the check must match the total amount of gross premium tax due.** Make sure you account for rounding issues.

**For policies, audits, and additional premium endorsements with an effective date on or before June 10, 2011, the previous tax rates apply (2.50% for Other than Fire Premiums, 3.25% for Fire Premium or the Fire Portion of any Combination Premiums, and 4.40% for Excess Workers' Compensation Plus Surcharge).**

**For policies, audits, and additional premium endorsements with an effective date on or after June 11, 2011, the tax rate is a flat rate of 5% for all types of premiums.**

Fill in the amount of gross premiums (column 1) minus return premiums (column 2) to calculate the amount of net premiums (column 3) for the calendar year. Indicate the amount of tax that was due for the calendar year (column 4).

If you made tax payments during the calendar year or there's credit due from a prior tax period and you're reducing the amount of tax due in this tax period, please indicate on the Form SL 3 or in a cover letter the amount of tax previously paid (list the amount of each check and date of each check) or the amount of tax credit due and the prior tax period.

**Paper filings:** If you file paper affidavits, the reconciliation must be attached to the Form SL 3 when remitting the tax payment. Total premiums and tax amounts shown must agree with the sums of all affidavits filed with this Department for the same tax period. The reconciliation should include the name of the policyholder, policy number, effective date, amount of premium, amount of tax, and name of agency if different than yours. If you wish to receive information regarding filing electronically (Excel spreadsheet), send an email to [Surplus.Lines@tn.gov](mailto:Surplus.Lines@tn.gov) requesting the information.

**Electronic spreadsheet filings:** If you file electronic affidavits, indicate on the SL 3 the date(s) when the filings were emailed. If some of the filings during the tax period included paper affidavits, indicate on the SL 3 that there were paper affidavits filed also (attach a reconciliation to the Form SL 3 – see above for detailed instructions).

**Make check payable to: Tennessee Department of Commerce & Insurance**

**Mail check to: State of Tennessee  
The Department of Commerce & Insurance  
P.O. Box 198983  
Nashville, TN 37219-8983**



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Office Use Only  
Reviewed By (Initial/Date)

**SURPLUS LINES STATEMENT OF PREMIUMS AND TAX PAYMENT**

**Note: Filings for zero or no business written not required**

Payment is enclosed for the gross premium tax due from taxable premiums including all membership fees, assessments, dues, or any other consideration for surplus lines insurance, as provided in the policy or contract received by \_\_\_\_\_ (Surplus Lines Agent). I am associated with \_\_\_\_\_ (Agency).

	Gross Premiums (1)	Return Premiums (2)	Net Premiums = (1) Minus (2)	Tax	Office Use Only
Other than Fire Premium + Fees + Commission (2.50%)	\$	\$	\$	\$	121/996
Fire Premium or the Fire Portion of any Combination Premium + Fees + Commission (3.25%)	\$	\$	\$	\$	121/997
Excess Workers' Compensation Plus Surcharge Premium + Fees + Commission (4.40%)	\$	\$	\$	\$	121/998
Premium + Fees + Commission (5.0% - Effective 6/11/11 - see Procedures for Paying Surplus Lines Taxes)	\$	\$	\$	\$	121/973
<b>TOTALS:</b>	\$	\$	\$	\$	
<b>Tax Period (Calendar Year):</b>	January 1, 20 _____		December 31, 20 _____		

In accordance with Tenn. Code Ann. § 56-14-105(a), "No insurance coverage shall be eligible for surplus lines insurance unless the full amount of insurance required is not procurable, after a diligent effort has been made to do so, from among the authorized companies licensed to transact and actually writing such kind and class of insurance in this state, and the amount of insurance eligible for surplus lines shall be only the amount in excess of the amount procurable from licensed insurers."

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, do hereby make oath that the foregoing Surplus Lines Statement of Premiums and Tax Payment is in accordance with Tennessee Code Annotated § 56-14-106(a) and § 56-14-113, and is true to the best of my knowledge, information, and belief.

WITNESS MY SIGNATURE ON THE \_\_\_\_\_ day of \_\_\_\_\_  
MONTH YEAR

AFFIANT \_\_\_\_\_  
Signature of Agent

SUBSCRIBED AND SWORN TO BEFORE ME THIS \_\_\_\_\_ day of \_\_\_\_\_  
MONTH YEAR

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires on the \_\_\_\_\_ day of \_\_\_\_\_  
MONTH YEAR

NOTE: On an annual basis, the gross premium tax is due on or before March 1 for transactions that occurred January 1–December 31.

Refer to the Procedures for Paying Surplus Lines Taxes for more in-depth details. For paper filings, the reconciliation must be attached to this form. Total premiums and tax amounts shown above must agree with the sums of all affidavits filed with this Department for the same tax period. For electronic filings, indicate on this form or in a cover letter, the date(s) of when the filings were emailed. If you believe there's credit due from a prior tax period and you're reducing the amount of tax due in this tax period, please indicate on this form or in a cover letter the amount of tax credit due and the prior tax period. In addition, the amount of the check must match the total amount of gross premium tax due.

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