

**INSTRUCTIONS FOR COMPLETING AND FILING
STATEMENTS OF PREMIUM TAXES
RISK RETENTION GROUPS**

1. Read these instructions carefully before completing the Statement of Premium Taxes. If there are any questions regarding this filing, contact the Premium Tax Section at (208) 334-4282 or (208) 334-4281.
2. Each authorized insurance company shall file a Statement of Premium Taxes even if no 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 renewal premiums received during the calendar year. Enclose a written notice if transferring policies from one insurer to another insurer because it also transfers the tax obligation with respect to those policies. Idaho Code § 41-402.
3. The Tax Statement and remittance are due on or before March 1. The required state documents and Tax Statement can all be submitted in one package either by groups or individual company. When the due date falls on a Saturday, Sunday or a legal holiday, the postmark on the next business day is considered filed on time. However, any postmark after the next business day will be penalized from the original due date. Idaho Code § 41-404 and § 63-217

Late filing of the statement and remittance will result in a penalty of \$25.00 for each day of delinquency as determined by an official postmark.

Electronic Fund Transfer (EFT) payments that are not in the correct bank account on the due date, will be assessed a late penalty.

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.

4. To avoid a lost payment, attach the check for balance due to the front of Page 1. If payment is being processed by the Electronic Funds Transfer (EFT) method, indicate so under Line 5-Amount Enclosed. Make sure when transmitting payment by EFT, it is sent to the correct **premium tax type code (07170)** and to the **assigned KEY BANK bank account (129681000326) and ABA (124101555)** 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 a telephone number in Item 1 above.
5. A request for a thirty (30) day extension can only be for the required state documents. Extensions must be requested in writing and received in this department **prior** to March 1.

6. **Original signed tax forms must be submitted.** If you need additional instructions or forms, contact this office at a telephone number listed in Item 1. Idaho Code § 41-402 (1).
7. **Attach a legible copy of the Annual Statement Schedule T and Idaho Business Page to the Premium Tax Statement**, regardless of negative premiums or if no business was written.
8. PAGE 1 - RECAP OF TAXES
 - A. The Registration Number box located on Page 1 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. Carry forward only the higher aggregate retaliatory tax amount calculated on Page 3, Schedule B, Line 4 either Column A or B.
 - C. Line 2 - The amount of quarterly prepayments must agree with actual prepayment amounts paid each quarter. **DO NOT ROUND AMOUNTS** unless you did so when paid.
 - D. Line 3 - Total of Line 1 less Line 2. If the amount on Line 3 is negative, carry amount forward to Line 6 - Refund Due for Tax Overpayment. Any refund due for the overpayment of premium taxes will be mailed to the company address indicated above after your company's statement has been completely audited. Idaho Code § 41-402(10).
 - E. Line 4 - Calculate if a penalty will be due based on the official postmark date. Late penalty is assessed if Electronic Fund Transfer (EFT) payment is not in the correct bank account on the due date.
 - F. Line 5 - Amount Enclosed. Add Lines 3 and 4.
 - G. Line 6 - Refund Due. This is the negative tax amount calculated on Line 3.
 - H. The Tax Statement must be signed and dated by an officer of the company. This signature certifies under penalty of perjury that the statement is accurate and complete. Unsigned forms will be considered incomplete.
 - I. All questions concerning this Tax Statement will be directed to the contact person; therefore, include a direct telephone number and extension.
9. PAGE 2 - SCHEDULE A - COMPUTATION OF PREMIUM TAX
 - A. A complete explanation of any differences between the Tax Statement and **attached** Annual Statement schedules must be submitted and signed by the person authorized by the company to prepare this Tax Statement. Report all premiums resident, located or performed in Idaho, including those who belong to a group or association based in another state. Idaho law does not permit an exemption based on the Rule of 500 or any other allocation method. Idaho Code § 41-402 1 (b).

10. PAGE 3 - SCHEDULE B - COMPUTATION OF RETALIATORY TAXES
Idaho Code § 41-340(2) and (3)
- A. 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's tax statements or the NAIC Retaliatory Guide.
 - B. 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.
 - C. Line 3, Column B - Other Taxes. All other taxes imposed by your state of domicile on foreign insurers must be reported **except**:
 - 1. Ad valorem taxes on real or personal property;
 - 2. Personal income, capital or surplus taxes, and
 - 3. Taxes imposed for a special purpose on a particular kind of insurance.
 - D. An explanation of retaliatory calculations will be requested for any discrepancies.