

Multi-State Surplus Lines Premium Tax (C) Working Group

Meeting Summary Report

The Multi-State Surplus Lines Premium Tax (C) Working Group of the Surplus Lines (C) Task Force conducted conference calls on August 25 and September 16, 2009. During the calls, the Working Group:

- Reported that the compilation of responses from a comprehensive Surplus Lines Survey was progressing, but that additional time would be required for completion. The chair will update the Working Group on the results at a later meeting.
- Introduced a prototype universal filing form as a starting point in discussions to research and develop a universal tax allocation reporting form. The filing form was created using Excel software that contained horizontal columns for states and lines of common categories for reporting data. The form will allow for state percentages in situations of multi-state exposures and provide for totals. The use of Excel software enables the form to be both adaptable and expandable, while leveraging the advantage of near universal familiarity of the software within the insurance industry by brokers, regulators and others. The prototype universal tax allocation filing form is currently being updated with suggested improvements and will be reviewed at the next Working Group conference call.
- Heard comments from regulators and industry supporting the goal of a universal reporting form and numerous suggestions for streamlining the prototype. Also heard comments on how states or surplus lines stamping offices could adapt to usage of the form and whether adoption of the form would require changes in state laws.
- Received a report on the application of model laws. The Working Group will continue discussions on the report during future calls.