WEST VIRGINIA CODE: §33-31-14

§33-31-14. Tax on premiums collected.

(a) Each pure captive insurance company which maintains its principal office and principal place of business in this state shall pay to the commissioner, in the month of February of each year, a tax at the rate of five tenths of one percent on the gross amount of all premiums collected or contracted for on policies or contracts of insurance written by the pure captive insurance company during the year ending December thirty-first, next preceding, after deducting from the direct premiums, subject to the tax, the amounts paid to policyholders as return premiums which shall include dividends on unabsorbed premiums or premium deposits returned or credited to policyholders: Provided, That no tax shall be due or payable as to considerations received for annuity contracts.

(b) Except as otherwise provided in subsection (a) of this section, each captive insurance company shall pay to the commissioner in the month of February of each year, a tax at the rate of two percent on the gross amount of all premiums collected on or contracted for on policies or contracts of insurance written by the captive insurance company during the year ending December thirty-first, next preceding, after deducting from the direct premiums, subject to the tax, the amounts paid to policyholders as return premiums which shall include dividends on unabsorbed premiums or premium deposits returned or credited to policyholders. Each captive insurance company shall also be subject to the additional premium taxes levied by sections fourteen-a and fourteen-d, article three of this chapter and the surcharge levied by section thirty-three, article three of this chapter.

(c) The tax provided for in this section shall constitute all taxes collectible under the laws of this state from any captive insurance company, and no other occupation tax or other taxes shall be levied or collected from any captive insurance company by the state or any county, city or municipality within this state, except ad valorem taxes.

(d) The tax provided for in this section shall be calculated on an annual basis, notwithstanding policies or contracts of insurance or contracts of reinsurance issued on a multiyear basis. In the case of multiyear policies or contracts, the premium shall be prorated for purposes of determining the tax under this section.

WV Legislature