WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1980

ENROLLED
SENATE BILL NO. 450
(By Mr. Susan)

PASSED March 8, 1980
In Effect July 1, 1980
ENROLLED
Senate Bill No. 450
(By Mr. Susman)

[Passed March 8, 1980; in effect July 1, 1980.]

AN ACT to amend and reenact section fourteen, article three, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to further amend said article by adding thereto a new section, designated section fourteen-c, relating to annual financial statement and premium tax return of certain insurers transacting insurance in this state; payment of premium taxes by insurers; providing that insurers who were liable for more than five thousand dollars in premium taxes in the preceding year shall pay estimated taxes on a quarterly basis.

Be it enacted by the Legislature of West Virginia:

That section fourteen, article three, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended, be amended and reenacted; and that said article be further amended by adding thereto a new section, designated section fourteen-c, to read as follows:

ARTICLE 3. LICENSING, FEES AND TAXATION OF INSURERS.

§33-3-14. Annual financial statement and premium tax return; remittance by insurer of premium tax, less certain deductions.

1. Every insurer transacting insurance in West Virginia shall file with the commissioner, on or before the first day of March, each year, a financial statement made under oath of its president or secretary and on a form prescribed by the commissioner. Such insurer shall also, on or before the expiration of one month after the end of the calendar year, subject to the provisions of section
fourteen-c of this article, under the oath of its president or secretary, make a premium tax return for the previous calendar year, on a form prescribed by the commissioner showing the gross amount of direct premiums (whether designated as a premium or by some other name) collected and received by it during the previous calendar year on policies covering risks resident, located or to be performed in this state and compute the amount of premium tax chargeable to it in accordance with the provisions of this article, deducting the amount of quarterly payments as required to be made pursuant to the provisions of section fourteen-c of this article, if any, less any adjustments to the gross amount of such direct premiums made during such calendar year, if any, and transmit with such return to the commissioner a remittance in full for the tax due. The tax shall be a sum equal to two percent of the gross direct premiums, including dividends (by whatever name called) on participating policies applied in reduction of premiums, less premiums returned to policyholders because of cancellation of policies, and shall also include any additional tax due under section fourteen-a of this section. All taxes received by the commissioner shall be paid by him into the state treasury for the benefit of the state fund.

§33-3-14c. Computation of tax; payment.

The taxes levied hereunder shall be due and payable in quarterly installments on or before the expiration of one month from the end of the quarter in which they accrue. The insurer subject to making such payments shall, within one month from the expiration of each quarter, prepare an estimate of the tax based on the estimated amount of taxable premiums during the preceding calendar quarter, less adjustments to the gross amount of direct premiums from the preceding quarter, sign the same by its president or secretary, under oath, and mail the same together with a remittance of the amount of tax to the office of the commissioner. Any insurer failing or refusing to pay estimated taxes for more than thirty days after the time specified is liable for a civil penalty of up to one hundred dollars for each
16 additional day of delinquency, to be assessed by the com-
17 sioner. Failure of an insurer to make quarterly payments,
18 if required, of at least one fourth of either the total tax
19 paid during the preceding calendar year or eighty percent
20 of the actual tax for the current calendar year is con-
21 sidered the same as a failure or refusal to pay the esti-
22 mated taxes and subjects the insurer to the penalties pro-
23 vided in this section. The amount of estimated taxes
24 and the penalties collected shall be paid to the commis-
25 sioner and he may suspend the insurer until estimated
26 taxes and penalty, should any penalty be imposed, are
27 fully paid.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

James L. Davis
Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect July 1, 1980.

J. O. Willis
Clerk of the Senate

V.A. Blankenship
Clerk of the House of Delegates

W. Boothby
President of the Senate

Clay W. Lee, Jr.
Speaker House of Delegates

The within is approved this the 26th day of March, 1980.

Governor