

APPROVED AND SIGNED BY THE GOVERNOR

Date 3-26-80

Time 5:30 p.m.

**WEST VIRGINIA LEGISLATURE**  
**REGULAR SESSION, 1980**

**ENROLLED**

**SENATE BILL NO. 450**

(By Mr. Susman)

PASSED March 8 1980

In Effect July 1, 1980 ~~Passage~~



No: 450

**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 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  
2 shall file with the commissioner, on or before the first day  
3 of March, each year, a financial statement made under  
4 oath of its president or secretary and on a form pre-  
5 scribed by the commissioner. Such insurer shall also, on  
6 or before the expiration of one month after the end of  
7 the calendar year, subject to the provisions of section

8 fourteen-c of this article, under the oath of its president  
9 or secretary, make a premium tax return for the previous  
10 calendar year, on a form prescribed by the commissioner  
11 showing the gross amount of direct premiums (whether  
12 designated as a premium or by some other name) col-  
13 lected and received by it during the previous calendar  
14 year on policies covering risks resident, located or to be  
15 performed in this state and compute the amount of  
16 premium tax chargeable to it in accordance with the  
17 provisions of this article, deducting the amount of quar-  
18 terly payments as required to be made pursuant to the  
19 provisions of section fourteen-c of this article, if any, less  
20 any adjustments to the gross amount of such direct  
21 premiums made during such calendar year, if any, and  
22 transmit with such return to the commissioner a remit-  
23 tance in full for the tax due. The tax shall be a sum equal  
24 to two percent of the gross direct premiums, including  
25 dividends (by whatever name called) on participating  
26 policies applied in reduction of premiums, less premiums  
27 returned to policyholders because of cancellation of  
28 policies, and shall also include any additional tax due  
29 under section fourteen-a of this section. All taxes received  
30 by the commissioner shall be paid by him into the state  
31 treasury for the benefit of the state fund.

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

1 The taxes levied hereunder shall be due and payable in  
2 quarterly installments on or before the expiration of one  
3 month from the end of the quarter in which they accrue.  
4 The insurer subject to making such payments shall,  
5 within one month from the expiration of each quarter,  
6 prepare an estimate of the tax based on the estimated  
7 amount of taxable premiums during the preceding calen-  
8 dar quarter, less adjustments to the gross amount of direct  
9 premiums from the preceding quarter, sign the same by  
10 its president or secretary, under oath, and mail the same  
11 together with a remittance of the amount of tax to the  
12 office of the commissioner.

13 Any insurer failing or refusing to pay estimated taxes  
14 for more than thirty days after the time specified is liable  
15 for a civil penalty of up to one hundred dollars for each

16 additional day of delinquency, to be assessed by the com-  
17 missioner. 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

Chauncey C. Christensen Jr.  
Chairman House Committee

Originated in the Senate.

To take effect July 1, 1980.

Arvid C. Willis  
Clerk of the Senate

Blankenship  
Clerk of the House of Delegates

W. B. Booth  
President of the Senate

Clayton D. Bell, Jr.  
Speaker House of Delegates

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

[Signature]  
Governor



RECEIVED  
MAR 19 4 22 PM '80  
OFFICE OF THE GOVERNOR