

No: 1664

APPROVED AND SIGNED BY THE GOVERNOR

Date 3-15-83

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1983



# ENROLLED

HOUSE BILL No. 1664

(By Mr. Fanley.....)



Passed March 3,..... 1983

In Effect From..... Passage



ENROLLED

# H. B. 1664

(By MR. FARLEY)

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[Passed March 3, 1983; in effect from passage.]

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AN ACT to amend and reenact sections fourteen and fourteen-c, article three, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to preparation and filing of premium tax returns by insurance companies; payment of tax; annual financial statements.

*Be it enacted by the Legislature of West Virginia:*

That sections fourteen and fourteen-c, article three, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted 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  
2 file with the commissioner, on or before the first day of March,  
3 each year, a financial statement made under oath of its  
4 president or secretary and on a form prescribed by the  
5 commissioner. Such insurer shall also, on or before the  
6 first day of March of each year subject to the provisions of  
7 section fourteen-c of this article, under the oath of its pre-  
8 sident or secretary, make a premium tax return for the pre-  
9 vious calendar year, on a form prescribed by the com-  
10 missioner showing the gross amount of direct premiums  
11 (whether designated as a premium or by some other name)

12 collected and received by it during the previous calendar year  
13 on policies covering risks resident, located or to be per-  
14 formed in this state and compute the amount of premium  
15 tax chargeable to it in accordance with the provisions of  
16 this article, deducting the amount of quarterly payments as  
17 required to be made pursuant to the provisions of section  
18 fourteen-c of this article, if any, less any adjustments to  
19 the gross amount of such direct premiums made during such  
20 calendar year, if any, and transmit with such return to the  
21 commissioner a remittance in full for the tax due. The tax  
22 shall be a sum equal to two percent of the gross direct  
23 premiums, including dividends (by whatever name called) on  
24 participating policies applied in reduction of premiums, less  
25 premiums returned to policyholders because of cancellation  
26 of policies, and shall also include any additional tax due under  
27 section fourteen-a of this section. All taxes received by the  
28 commissioner shall be paid by him into the state treasury  
29 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 twenty-fifth day of the  
3 month succeeding the end of the quarter in which they accrue,  
4 except for the fourth quarter, for which taxes shall be due  
5 and payable on or before the first day of March of the  
6 succeeding year. The insurer subject to making such pay-  
7 ments shall, by the twenty-fifth day of the month succeeding the  
8 close of the quarter except the fourth quarter as provided above  
9 prepare an estimate of the tax based on the estimated amount of  
10 taxable premiums during the preceding calendar quarter, less  
11 adjustments to the gross amount of direct premiums from the  
12 preceding quarter, sign the same by its president or secre-  
13 tary, under oath, and mail the same together with a re-  
14 mittance of the amount of tax to the office of the commis-  
15 sioner.

16 Any insurer failing or refusing to pay estimated taxes  
17 for more than thirty days after the time specified is liable  
18 for a civil penalty of up to one hundred dollars for each  
19 additional day of delinquency, to be assessed by the com-

20 missioner. Failure of an insurer to make quarterly payments,  
21 if required, of at least one fourth of either the total tax  
22 paid during the preceding calendar year or eighty percent  
23 of the actual tax for the current calendar year is considered  
24 the same as a failure or refusal to pay the estimated taxes and  
25 subjects the insurer to the penalties provided in this section.  
26 The amount of estimated taxes and the penalties collected shall  
27 be paid to the commissioner and he may suspend the insurer  
28 until estimated taxes and penalty, should any penalty be im-  
29 posed, are fully paid.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

*James L. Davis*  
Chairman Senate Committee

*James C. [unclear]*  
Chairman House Committee

Originating in the House.

Takes effect from passage.

*Todd C. Wilks*  
Clerk of the Senate

*Donald L. Jopp*  
Clerk of the House of Delegates

*Urbent P. [unclear]*  
President of the Senate

*W. M. Lee, Jr.*  
Speaker House of Delegates

The within *is approved* this the *15*  
day of *March*, 1983.

*J. B. [unclear]*  
Governor

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