

By the Committees on Finance and Taxation; Banking and Insurance; and Senator Holzendorf

314-1870-02

1 A bill to be entitled
 2 An act relating to insurance; amending s.
 3 624.4072, F.S.; extending the term of the
 4 exemption from taxes and assessments on
 5 minority-owned property and casualty insurers;
 6 postponing the scheduled repeal of the law;
 7 providing an effective date.

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9 Be It Enacted by the Legislature of the State of Florida:

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11 Section 1. Section 624.4072, Florida Statutes, is
12 amended to read:

13 624.4072 Minority-owned property and casualty
14 insurers; limited exemption for taxation and assessments.--

15 (1) A minority business that is at least 51 percent
16 owned by minority persons, as defined in s. 288.703(3),
17 initially issued a certificate of authority in this state as
18 an authorized insurer after May 1, 1998, and before January 1,
19 2002, to write property and casualty insurance shall be
20 exempt, for a period not to exceed 10 5 years from the date of
21 receiving its certificate of authority, from the following
22 taxes and assessments:

23 (a) Taxes imposed under ss. 175.101, 185.08, and
24 624.509;

25 (b) Assessments by the Florida Residential Property
26 and Casualty Joint Underwriting Association or by the Florida
27 Windstorm Underwriting Association, as provided under s.
28 627.351, except for emergency assessments collected from
29 policyholders pursuant to s. 627.351(2)(b)2.d.(III) and
30 (6)(b)3.d. Any such insurer shall be a member insurer of the
31 Florida Windstorm Underwriting Association and the Florida

1 Residential Property and Casualty Joint Underwriting
2 Association. The premiums of such insurer shall be included in
3 determining, for the Florida Windstorm Underwriting
4 Association, the aggregate statewide direct written premium
5 for property insurance and in determining, for the Florida
6 Residential Property and Casualty Joint Underwriting
7 Association, the aggregate statewide direct written premium
8 for the subject lines of business for all member insurers.

9 (2) Subsection (1) applies only to personal lines and
10 commercial lines residential property insurance policies as
11 defined in s. 627.4025, and applies only to an insurer that
12 has employees in this state and has a home office or a
13 regional office in this state. With respect to any tax year
14 or assessment year, the exemptions provided by subsection (1)
15 apply only if during the year an average of at least 10
16 percent of the insurer's Florida residential property policies
17 in force covered properties located in enterprise zones
18 designated pursuant to s. 290.0065.

19 (3) The provision of the definition of "minority
20 person" in s. 288.703(3) that requires residency in Florida
21 shall not apply to the term "minority person" as used in this
22 section or s. 627.3511.

23 (4) This section is repealed effective December 31,
24 2010 ~~July 1, 2003~~, and the tax and assessment exemptions
25 authorized by this section shall terminate on such date.

26 Section 2. This act shall take effect July 1, 2002.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
CS/SB 320

Limits the 5-year extension of the insurance premium tax exemption to a minority-owned insurer initially issued a certificate of authority as an authorized insurer after May 1, 1998, and before January 1, 2002.