

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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1 Representative(s) Mahon offered the following:

2
3 **Amendment (with title amendment)**

4 Remove line 276, insert:

5 Section 6. Effective January 1, 2007, subsection (1) of
6 section 624.509, Florida Statutes, is amended to read:

7 624.509 Premium tax; rate and computation.--

8 (1) In addition to the license taxes provided for in this
9 chapter, each insurer shall also annually, and on or before
10 March 1 in each year, except as to wet marine and transportation
11 insurance taxed under s. 624.510, pay to the Department of
12 Revenue a tax on insurance premiums, premiums for title
13 insurance, or assessments, including membership fees and policy
14 fees and gross deposits received from subscribers to reciprocal
15 or interinsurance agreements, and on annuity premiums or
16 considerations, received during the preceding calendar year, the

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17 amounts thereof to be determined as set forth in this section,
18 to wit:

19 (a) An amount equal to 1.75 percent of the gross amount of
20 such receipts on account of life and health insurance policies
21 covering persons resident in this state and on account of all
22 other types of policies and contracts, ~~except annuity policies~~
23 ~~or contracts taxable under paragraph (b) and title insurance~~
24 policies or contracts written through affiliated and
25 nonaffiliated agencies taxable under paragraph (c), ~~+~~ covering
26 property, subjects, or risks located, resident, or to be
27 performed in this state, omitting premiums on reinsurance
28 accepted, and less return premiums or assessments, but without
29 deductions:

- 30 1. For reinsurance ceded to other insurers;
- 31 2. For moneys paid upon surrender of policies or
32 certificates for cash surrender value;
- 33 3. For discounts or refunds for direct or prompt payment
34 of premiums or assessments; and
- 35 4. On account of dividends of any nature or amount paid
36 and credited or allowed to holders of insurance policies;
37 certificates; or surety, indemnity, reciprocal, or
38 interinsurance contracts or agreements. ~~+~~ ~~and~~

39 (b) An amount equal to 1 percent of the gross receipts on
40 annuity policies or contracts paid by holders thereof in this
41 state.

42 (c) An amount equal to 1.75 percent of the gross receipts
43 on title insurance written through affiliated and nonaffiliated
44 agencies, less the portion of the gross receipts retained by or
45 paid under contract to the affiliated and nonaffiliated title

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46 insurance agents. The reduction in the insurer's total amount of
47 title insurance premium gross receipts received through
48 affiliated and nonaffiliated agencies may not exceed the
49 following percentages of the total title insurance premium gross
50 receipts received by the insurer through affiliated and
51 nonaffiliated agencies:

- 52 1. For 2007, 20 percent.
- 53 2. For 2008, 45 percent.
- 54 3. For 2009 and subsequent years, 70 percent.

55 Section 7. Effective January 1, 2007, subsection (2) of
56 section 627.7711, Florida Statutes, is amended to read:

57 627.7711 Definitions.--As used in this part, the term:

58 (2) "Premium" means the charge, as specified by rule of
59 the commission, that is made by a title insurer for a title
60 insurance policy, including the charge for performance of
61 primary title services by a title insurer or title insurance
62 agent or agency, and incurring the risks incident to such
63 policy, under the several classifications of title insurance
64 contracts and forms, ~~and upon which charge a premium tax is paid~~
65 ~~under s. 624.509.~~ As used in this part or in any other law, with
66 respect to title insurance, the word "premium" does not include
67 a commission.

68 Section 8. Except as otherwise expressly provided in this
69 act, this act shall take effect July 1, 2006.

70

71 ===== T I T L E A M E N D M E N T =====

72 Remove line(s) 6-25 and insert:

73 An act relating to state taxes; providing a short title;
74 providing legislative findings and purpose; amending s.

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75 212.08, F.S.; deleting an annual limitation on an
76 exemption from the sales tax for certain machinery and
77 equipment used to increase productive output; deleting an
78 exemption for machinery and equipment used to expand
79 certain printing manufacturing facilities or plant units;
80 deleting a limitation on application of the exemption for
81 machinery and equipment purchased for use in phosphate or
82 other solid minerals severance, mining, or processing
83 operations by way of a prospective credit; deleting an
84 annual limitation on an exemption from the sales tax for
85 certain machinery and equipment purchased under a federal
86 procurement contract; repealing s. 212.0805, F.S.,
87 relating to qualifications for the exemption and credit
88 for machinery and equipment purchased by an expanding
89 business for use in phosphate or other solid minerals
90 severance, mining, or processing operations; providing an
91 appropriation; amending s. 624.509, F.S.; providing for
92 separate taxation of certain title insurance gross
93 receipts; providing limitations; amending s. 627.7711,
94 F.S.; revising the definition of the term "premium";
95 providing effective dates.