

HB 857

2006
CS

CHAMBER ACTION

1 The Fiscal Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the insurance premium tax; amending s.
7 624.509, F.S.; providing for separate taxation of certain
8 title insurance premiums; providing a definition;
9 providing an effective date.

10
11 Be It Enacted by the Legislature of the State of Florida:

12
13 Section 1. Subsection (1) of section 624.509, Florida
14 Statutes, is amended to read:

15 624.509 Premium tax; rate and computation.--

16 (1) In addition to the license taxes provided for in this
17 chapter, each insurer shall also annually, and on or before
18 March 1 in each year, except as to wet marine and transportation
19 insurance taxed under s. 624.510, pay to the Department of
20 Revenue a tax on insurance premiums, premiums for title
21 insurance, or assessments, including membership fees and policy
22 fees and gross deposits received from subscribers to reciprocal
23 or interinsurance agreements, and on annuity premiums or

HB 857

2006
CS

24 | considerations, received during the preceding calendar year, the
 25 | amounts thereof to be determined as set forth in this section,
 26 | to wit:

27 | (a) An amount equal to 1.75 percent of the gross amount of
 28 | such receipts on account of life and health insurance policies
 29 | covering persons resident in this state and on account of all
 30 | other types of policies and contracts, ~~except annuity policies~~
 31 | ~~or contracts taxable under paragraph (b) and title insurance~~
 32 | policy premiums taxable under paragraph (c), covering property,
 33 | subjects, or risks located, resident, or to be performed in this
 34 | state, omitting premiums on reinsurance accepted, and less
 35 | return premiums or assessments, but without deductions:

- 36 | 1. For reinsurance ceded to other insurers;
- 37 | 2. For moneys paid upon surrender of policies or
 38 | certificates for cash surrender value;
- 39 | 3. For discounts or refunds for direct or prompt payment
 40 | of premiums or assessments; and
- 41 | 4. On account of dividends of any nature or amount paid
 42 | and credited or allowed to holders of insurance policies;
 43 | certificates; or surety, indemnity, reciprocal, or
 44 | interinsurance contracts or agreements. ~~and~~

45 | (b) An amount equal to 1 percent of the gross receipts on
 46 | annuity policies or contracts paid by holders thereof in this
 47 | state.

48 | (c) An amount equal to 0.6 percent of the premiums for
 49 | title insurance policies on property located in this state. For
 50 | purposes of this paragraph, the term "premium" has the same
 51 | meaning as provided in s. 627.7711(2).

HB 857

2006
CS

52 | Section 2. This act shall take effect January 1, 2007.