

By Senator Haridopolos

26-1527-07

See HB 617

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A bill to be entitled  
An act relating to insurance premium taxes;  
amending s. 624.509, F.S.; subjecting to  
taxation gross receipts of certain title  
insurance; providing a limitation; amending s.  
627.7711, F.S.; revising the definition of  
"premium"; providing an effective date.

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

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

624.509 Premium tax; rate and computation.--

(1) In addition to the license taxes provided for in  
this chapter, each insurer shall also annually, and on or  
before March 1 in each year, except as to wet marine and  
transportation insurance taxed under s. 624.510, pay to the  
Department of Revenue a tax on insurance premiums, premiums  
for title insurance, or assessments, including membership fees  
and policy fees and gross deposits received from subscribers  
to reciprocal or interinsurance agreements, and on annuity  
premiums or considerations, received during the preceding  
calendar year, the amounts thereof to be determined as set  
forth in this section, to wit:

(a) An amount equal to 1.75 percent of the gross  
amount of such receipts on account of life and health  
insurance policies covering persons resident in this state and  
on account of all other types of policies and contracts  
(except annuity policies or contracts taxable under paragraph  
(b) and title insurance policies taxable under paragraph (c))  
covering property, subjects, or risks located, resident, or to

1 be performed in this state, omitting premiums on reinsurance  
2 accepted, and less return premiums or assessments, but without  
3 deductions:

- 4 1. For reinsurance ceded to other insurers;
- 5 2. For moneys paid upon surrender of policies or  
6 certificates for cash surrender value;
- 7 3. For discounts or refunds for direct or prompt  
8 payment of premiums or assessments; and
- 9 4. On account of dividends of any nature or amount  
10 paid and credited or allowed to holders of insurance policies;  
11 certificates; or surety, indemnity, reciprocal, or  
12 interinsurance contracts or agreements. ~~;~~ ~~and~~

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

16 (c) An amount equal to 1.75 percent of the gross  
17 receipts on title insurance written through affiliated and  
18 nonaffiliated agencies, less the portion of the gross receipts  
19 retained by title insurance agents of the affiliated and  
20 nonaffiliated agencies.

21 Section 2. Subsection (2) of section 627.7711, Florida  
22 Statutes, is amended to read:

23 627.7711 Definitions.--As used in this part, the term:

24 (2) "Premium" means the charge, as specified by rule  
25 of the commission, that is made by a title insurer for a title  
26 insurance policy, including the charge for performance of  
27 primary title services by a title insurer or title insurance  
28 agent or agency, and incurring the risks incident to such  
29 policy, under the several classifications of title insurance  
30 contracts and forms, ~~and upon which charge a premium tax is~~  
31 ~~paid under s. 624.509.~~ As used in this part or in any other

1 law, with respect to title insurance, the word "premium" does  
2 not include a commission.

3 Section 3. This act shall take effect July 1, 2007.  
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