

HB 617

2007

1                                   A bill to be entitled  
 2           An act relating to insurance premium taxes; amending s.  
 3           624.509, F.S.; subjecting to taxation gross receipts of  
 4           certain title insurance; providing a limitation; amending  
 5           s. 627.7711, F.S.; revising the definition of "premium";  
 6           providing an effective date.

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

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

12           624.509 Premium tax; rate and computation.--

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

24           (a) An amount equal to 1.75 percent of the gross amount of  
 25   such receipts on account of life and health insurance policies  
 26   covering persons resident in this state and on account of all  
 27   other types of policies and contracts (except annuity policies  
 28   or contracts taxable under paragraph (b) and title insurance

29 policies taxable under paragraph (c) covering property,  
 30 subjects, or risks located, resident, or to be performed in this  
 31 state, omitting premiums on reinsurance accepted, and less  
 32 return premiums or assessments, but without deductions:

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

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

45 (c) An amount equal to 1.75 percent of the gross receipts  
 46 on title insurance written through affiliated and nonaffiliated  
 47 agencies, less the portion of the gross receipts retained by  
 48 title insurance agents of the affiliated and nonaffiliated  
 49 agencies.

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

52 627.7711 Definitions.--As used in this part, the term:

- 53 (2) "Premium" means the charge, as specified by rule of
- 54 the commission, that is made by a title insurer for a title
- 55 insurance policy, including the charge for performance of
- 56 primary title services by a title insurer or title insurance

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57 agent or agency, and incurring the risks incident to such  
58 policy, under the several classifications of title insurance  
59 contracts and forms, ~~and upon which charge a premium tax is paid~~  
60 ~~under s. 624.509~~. As used in this part or in any other law, with  
61 respect to title insurance, the word "premium" does not include  
62 a commission.

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