

Alaska Division of Insurance
P.O. Box 110805
Juneau, AK 99811-0805

Instructions for completion of the premium tax report and the statement of insurance independently procured with an unauthorized insurer for policies effective starting 7/21/11

While placement of independently procured insurance with an unauthorized insurer is generally prohibited, some exceptions are noted in Alaska Statute (AS) 21.33. Independently procured insurance is any insurance procured directly from a nonadmitted insurer by an insured without the assistance of an agent, producer, or surplus lines broker. Insured(s) taking advantage of these exceptions are advised that by doing so, they remove themselves from most consumer protection found in the Alaska insurance statutes.

- Independent procurements are only required to be reported in Alaska when Alaska is the home state of the insured.
 - “**home state**,” for purposes of determining the home state of an insured in a multistate placement of nonadmitted insurance, is defined as follows:
 - (A) except as provided in (B) of this paragraph, “home state” means, with respect to an insured,
 - (i) the state in which an insured maintains its principal place of business or, in the case of an individual, the individual’s principal residence; or
 - (ii) if 100 percent of the insured risk is located out of the state referred to in (i) of this subparagraph, the state to which the greatest percentage of the insured’s taxable premium for that insurance contract is allocated;
 - (B) if two or more insured from an affiliated group are named insureds on a single policy, “home state” under (A) of this paragraph is based on the member of the affiliated group that has the largest percentage of premium attributed to it under the insurance contract.
- Alaska’s tax rate is 3.7% of gross premiums for insurance other than wet marine and transportation insurance, and 3/4 of 1% of gross premiums for wet marine and transportation insurance.
- The statement of independently procured insurance with an unauthorized insurer, Form 08-208, must be completed by the insured(s) and filed with the Director of Insurance **within 30 days** after the date the insurance was procured, continued, or renewed with an unauthorized insurer. This filing requirement does not apply to insurance procured through a licensed surplus lines broker pursuant to AS 21.34. This can be emailed to Rebecca.nesheim@alaska.gov
- The insured(s) must file the premium tax report **on or before March 1** showing the tax due, Form 08-278. Mail to the address above with any remittance made payable to the Alaska Division of Insurance.
- **NEW:** Payment may be made by credit card and emailing tax form. Please email form to Rebecca Nesheim at rebecca.nesheim@alaska.gov who will then send an email to the contact with a credit card payment request.

REMINDER: Pursuant to AS 21.33.061 if the tax is not paid by March 1, a penalty of \$1,000 or 10% of the tax due, whichever is greater may be assessed and interest of 1% a month or part of a month may be assessed on the amount of tax due. In addition, a penalty of \$100 a day or 25% of the tax due may be assessed.

Alaska Division of Insurance

Statement of Independently Procured Insurance with an Unauthorized Insurer.

The following is a statement of insurance coverage independently procured by the insured from an unauthorized insurer and is hereby submitted in accordance with Alaska Statute (AS) 21.33.061.

- 1. Name and address of insured(s): _____

- 2. Home State of the insured: _____
- 3. The subject of insurance: _____
- 4. General description of coverage and location or risk: _____

- 5. Date coverage was obtained or renewed: _____
- 6. Period of coverage: _____
- 7. Total amount of premium charges: _____
- 8. Name and address of unauthorized insurer: _____

I, _____ swear that the foregoing is a complete, true, and correct statement of insurance independently procured with an unauthorized insurer.

In testimony whereof, I hereunto set my hand this _____ day of _____, _____.

Firm: _____

Signature: _____

Title: _____

Phone Number: _____

SUBSCRIBED AND SWORN to before me this _____ day of _____, _____.

Notary Public
My Commission Expires: _____

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**PREMIUM TAX REPORT FOR INSURANCE
INDEPENDENTLY PROCURED WITH AN UNAUTHORIZED INSURER**

For the calendar year ending December 31, _____

Name of Insured(s): _____

Address of Insured(s): _____

Computation of tax due:

A. Gross premium other than wet marine and Transportation _____ X 3.7% = \$ _____

B. Gross premium wet marine and transportation _____ X .75% = \$ _____

C. Total premium tax due (A + B) = \$ _____

D. Penalties & interest assessments (only if assessed by the division)

Late payment fee (\$1,000 or 10% of tax due, whichever is greater) \$ _____

Interest assessment (1% per month of tax due)..... \$ _____

Late payment penalty (\$100 per day or 25% of tax due, whichever is greater) \$ _____

Independently procured insurance tax does not apply to insurance of risks of the state of Alaska, its political subdivisions, insurance of aircraft primarily engaged in interstate or foreign commerce, life insurance, health insurance, or annuity contracts.

The tax is payable on the full gross premium. In event of cancellation and rewriting of the insurance contract, the additional premium for premium receipts tax purposes is the premium in excess of the unearned premium of the cancelled insurance contract.

I, _____, swear that the foregoing is a complete, true and correct report of premiums paid for insurance independently procured with an unauthorized insurer for risks resident, located or to be performed in Alaska for the calendar year ending December 31, _____.

Signature: _____

SUBSCRIBED AND SWORN to before me this _____ day of _____, _____.

Notary Public
My commission expires: _____