



REGULATORY ORDER NO. R 17-05

**ORDER REQUIRING USE OF NAIC OPTins FOR SUBMITTING INSURANCE
PREMIUM TAX REPORTS AND PAYMENTS UNDER AS 21.09.130, 21.09.200, 21.09.210
AND AS 21.66.110**

Background

Under Alaska Statute (AS) 21.09.210 and AS 21.66.110, authorized insurers and formerly authorized insurers are required to file premium tax reports with the director of the division of insurance and pay premium taxes to the state. Under AS 21.09.130, insurers are required to pay the annual fee for continuation of a certificate of authority to the state, and under AS 21.09.200, insurers are required to pay the annual statement filing fee to the state.

All of these statutes provide authority for the director to specify the method of payment.

Under 3 AAC 21.570, insurers are required to pay premium taxes by utilizing the Automated Clearing House (ACH) debit or credit payment system. Under 3 AAC 31.050, insurers are required to use the same method to pay the annual fee for continuation of a certificate of authority and the annual statement filing fee.

In 2008, the National Association of Insurance Commissioners (NAIC) released the *Online Premium Tax for Insurance* (OPTins), an electronic filing solution for facilitating premium tax, surplus lines tax, assessments, and other state-specific tax filings. OPTins utilizes the ACH debit or credit payment system. The state became one of the first jurisdictions to support the filing system when the director issued regulatory order R 08-08 providing insurers with the option to use the new system for filing premium tax reports, and paying premium taxes and fees.

OPTins offers a reliable and user friendly means for submissions. Other than infrequent maintenance, the web application system is available 24 hours a day, 7 days a week.

Findings

1. OPTins requires users to utilize the ACH debit or credit payment system for payments and, therefore, meets the requirements under Alaska law.
2. OPTins provides insurers with the ability to submit their premium tax forms and payments to the state securely and efficiently while also providing the division with the ability to receive and to audit the submissions electronically.

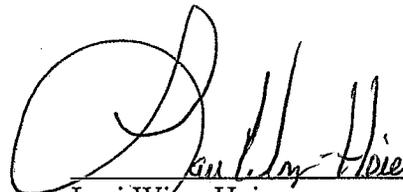
3. While OPT*ins* charges users a minimal service fee, currently at \$10 per original report and payment, the system is an inexpensive means for making these submissions. Moreover, the system does not charge any additional fees at this time for amending a report or submitting additional information requested by the division and users do not need to acquire special software or pay any software licensing fees.

Order

Consistent with the foregoing, the director orders:

- A. Under the authority of AS 21.09.130, 21.09.200, 21.09.210, and AS 21.66.110, authorized insurers and formerly authorized insurers required to file premium tax reports and pay premium taxes to the state, and insurers required to pay the annual fee for continuation of a certificate of authority and the annual statement filing fee to the state shall do so utilizing OPT*ins*. Registration to use the system is required and detailed registration information is available on the OPT*ins* website at www.optins.org.
- B. The division will consider submissions to be timely filed if they are received by OPT*ins* on or before the due date listed in the applicable statute or regulation. The first mandatory filing due date for utilizing OPT*ins* will be the 2017 annual premium tax report due on March 1, 2018. The division will not accept paper filings from insurers starting with the 2017 annual premium tax report.
- C. Effective December 31, 2017, R 08-08 is rescinded.

This order is effective ^{August}~~July~~ 3, 2017.


Lori Wing-Heier
Director