

**ALASKA DIVISION OF INSURANCE
INSTRUCTIONS FOR ANNUAL STATEMENT AND PREMIUM TAX REPORT
MULTIPLE EMPLOYER WELFARE ARRANGEMENT**

Use the Tab key to navigate through the document to complete the annual premium tax report.

Annual Statement Address

Alaska Division of Insurance
550 West 7th Ave. Suite 1560
Anchorage, AK 99501-3567

Premium Tax Report Address

<u>First Class Delivery</u>	<u>Express Delivery</u>
Alaska Division of Insurance	
PO Box 110805	333 Willoughby Avenue, 9th Floor
Juneau, AK 99811	Juneau, AK 99801

- A. The Alaska Annual Statement located on web at:
<http://commerce.alaska.gov/dnn/ins/Companies/InformationForCompanies.aspx>, supplements, exhibits and schedules must be postmarked to the Anchorage address by March 1, 2016 or per Alaska Statute (AS) 21.09.200(e) the Multiple Employer Welfare Arrangement (MEWA) shall pay to the Division of Insurance \$100 for each day the MEWA fails to file and may be suspended from entering into new obligations of insurance in Alaska.
- B. The Annual Premium Tax Report Form 08-202 and one copy of the annual statement page 7 for the State of Alaska must be mailed to the Juneau address and postmarked on or before March 1, 2016 or may be filed through OPTins.

The Premium Tax and Fees payment must be received on or before March 1, 2016, and be paid by the Automated Clearing House (ACH) debit or credit payment method or through OPTins in order to avoid a penalty or the possible suspension of the Certificate of Authority per AS 21.09.210(g). This applies to:

- A. Tax Payment.
B. Certificate of Authority continuation fee of \$2,000.
C. Annual Statement filing fee of \$100.

Other Important Notes:

- 1 The penalty for paying the tax late is \$50 per month plus five percent of the tax due per month up to a maximum of \$250 plus 25 percent of the tax due, and interest of one percent per month until tax is paid.
- 2 If payment is not received by the Automated Clearing House (ACH) payment method, a penalty of 25 percent of the tax due will be assessed, with a minimum of \$100 and maximum of \$2,000.
- 3 Compliance with the required due dates for payments is determined by the date the ACH payment is received in the State of Alaska's bank account. Instructions are available at: <https://www.commerce.state.ak.us/ins/apps/ach/AchStart.cfm>. **The payment will be rejected by the receiving bank if the submission contains inaccurate information and the payer will be subject to a penalty if the subsequent payment is received after the due date.**
- 4 If the due date falls on a weekend or holiday, the report and payment are due the next business day.
- 5 Premium tax refunds must be requested by letter or email and include supporting documentation.
- 6 **Retaliatory:** Fees and taxes which would be imposed upon Alaska insurers under the laws of another state or foreign country are subject to retaliation in the aggregate. Failure to pay retaliatory may result in suspension or revocation of the insurer's Certificate of Authority. Do not include producer licensing fees in the retaliatory calculation. Do not include personal income taxes, ad valorem taxes on real or personal property, or special purpose obligations or assessments imposed by another state in connection with particular kinds of insurance other than property insurance.
- 7 If the 2015 premium tax is \$10,000 or more, the arrangement is required to pay quarterly estimated premium tax during 2016. The amount to be paid is 25% of the 2015 premium tax on or before May 31, August 31, and November 30.
- 8 Effective 7/1/13, a film production tax credit certificated under AS 43.98 may be claimed against your tax liability. In order to claim the credit, you must have acquired a credit certificate issued by the Film Office, Alaska Department of Revenue. Any unused credit may be carried forward but must be claimed before the expiration date on the certificate (six years from the date of issuance). For more information about this credit, refer to AS 43.98.030 or contact the Film Office at 907-269-6620.
- 9 The official premium tax/fees contact name, address, phone, fax, & email will change to the information on the report.

If you have any questions contact Rebecca Nesheim at (907) 465-2584 or rebecca.nesheim@alaska.gov

SCHEDULE B. MULTIPLE EMPLOYER WELFARE ARRANGEMENTS PREMIUM TAX CREDIT CALCULATION

The total credits claimed cannot be more than the tax liability

a. Cash Contribution to Educational Institutions (AS 21.96.070)

1. Total Amount of Contribution	_____	
2. 50 Percent of first \$100,000 of Contributions	_____	
3. 100 Percent of next \$200,000 of Contributions	_____	
4. 50 Percent of the contributions exceeding \$300,000	_____	
5. Education Premium Tax Credit up to \$5,000,000 (lines 2 + 3 + 4)		_____
6. Tax Liability (line 1, on page 1)		_____
7.		Educational Premium Tax Credit _____
NOTE: Include copy of check or other verification of contribution.		Limited to the lower of \$5,000,000 or tax liability

b. Comprehensive Health Insurance Association (CHIA) Assessment (AS 21.55.220)

8. 2014 Assessment Amount	_____	
9. 50 Percent of the Assessment		_____
10. Tax Liability (line 1, on page 1)		_____
11.		CHIA Premium Tax Credit _____
		(lesser of lines 9 or 10)

c. Film Production Tax Credit (AS 43.98)

12. Amount of Film Production Tax Credit		_____
13. Tax Liability (line 1, on page 1)		_____
14.		Film Production Tax Credit _____
NOTE: Provide original film production tax credit certificate		(lesser of lines 12 or 13)

TOTAL PREMIUM TAX CREDITS ALLOWED _____
 (lines 7 + 11 + 14, limited to the tax liability)

RETALIATORY SCHEDULE

NET PREMIUMS SUBJECT TO TAX:	Alaska	State of Domicile
1. Net Premiums (Schedule A)	_____	_____
a. Tax Rate	2.7%	_____
b. Premium Tax (line 1 x line 1a)	_____	_____
2. Premium Tax Credit (Schedule B a.7 & c.14 only)	_____	_____
3. Annual Statement Filing Fee	\$100	_____
4. Certificates of Authority Continuation Fee	\$2,000	_____
5. Other Taxes and Fees. Explanation: Attach explanation, if additional space needed	N/A	_____
6. Total Taxes and Fees (lines 1.b - 2 + 3 + 4 + 5)	_____	_____
7. Retaliatory Fee (line 6 State of Domicile minus Alaska) (Do not include on page 1 line 3 if negative amount)	_____	_____