

**ALASKA DIVISION OF INSURANCE
INSTRUCTIONS FOR FILING ANNUAL STATEMENT AND PREMIUM TAX REPORT
TITLE INSURANCE COMPANY**

Alaska prefers the company use OPTins to file the Annual Premium Tax Report and pay all taxes and fees

- A. See Annual Checklist for Annual Statement Instructions
- B. Within 30 days from filing the annual statement, a deposit with the director is required of 10 percent of the premiums received during the preceding year with a maximum of \$50,000 until the accumulated deposits total \$750,000.
- C. The due date for the Annual Premium Tax Report is March 1, 2017. Include with the report the Schedule T and Exhibit of Premiums and Losses for Alaska
 - 1) Certificate of Compliance
 - 2) Certificate of Deposit, deposits must be at least \$300,000

The Premium Tax and Fees payment must be received on or before March 1, 2017, and preferably be paid through OPTins, otherwise by the Automated Clearing House (ACH) debit or credit payment method in order to avoid a penalty or the possible suspension of the Certificate of Authority per AS 21.66.110(c). This applies to:

- A. Tax Payment.
- B. Certificate of Authority continuation fee of \$2,250.
- 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 each calendar month or part of a month during which the insurer fails to pay the full amount of the tax, or a portion of the tax, up to a maximum of \$250 plus 25 percent of the tax due, and interest of one percent of the tax due each calendar month or part of a 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 by OPTins or in the State of Alaska's bank account. Instructions to pay the state directly are available at:
<https://www.commerce.alaska.gov/ins/INSACHDebit/ACHLoginScreen.aspx> An ACH Debit payment will be rejected by the bank if the submission contains inaccurate information and the payer will be subject to a penalty if the subsequent payment is
- 4 If the due date falls on a weekend or holiday, the report and payment are due the next business day. Postmarks by due date are acceptable.
- 5 **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.
- 6 Premium tax refunds must be requested by letter or email and include supporting documentation.
- 7 If the 2016 premium tax is \$10,000 or more, the company is required to pay quarterly estimated premium tax during 2017. The amount to be paid is 25% of the 2016 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. This credit must be on the Alaska side of the retaliatory schedule.
- 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

**ALASKA DIVISION OF INSURANCE
2016 PREMIUM TAX REPORT AND CONTINUATION OF CERTIFICATE OF AUTHORITY
TITLE INSURANCE COMPANY**

Must be submitted on or before March 1, 2017

| | | |
|---|-----------------------|-----------------|
| Company Name | Domicile State | NAIC # |
| Mailing Address | City, State, Zip Code | Alaska C of A # |
| Contact Name and Address, if different than above * | Phone: | Fax: |
| | Email: | |

* Changing official record - see instructions

| TAXES AND FEES | ACH TAX TYPE | ACH AMT TYPE | | |
|---|-------------------------|-------------------------|----------------|------------------------------------|
| 1. Title Insurance Tax (Schedule A) Gross Premium | 07140 | "T" | _____ x 1.0% = | _____ |
| 2. Premium Tax Credit (Schedule B) | | | | _____ |
| 3. Retaliatory Fee (page 2, line 7) (only if greater than zero) | 07138 | "F" | | _____ |
| 4. Net Tax (lines 1 - 2 + 3) | | | | _____ |
| 5. Less amounts already paid in Alaska (quarterly tax payments, credits, etc.) | | | | _____ |
| 6. Net Tax Payable (if overpayment, please send written request for refund or credit for tax year 2017 and do not include in line 9). | | | | _____ |
| 7. Certificate of Authority Continuation Fee | 07140 | "F" | | <u>\$2,250</u> |
| 8. Annual Statement Filing Fee | 07140 | "A" | | <u>\$100</u> |
| 9. Total Tax and Fees payable with report. Minimum payable is \$2,350.00 (lines 6 + 7 + 8) | | | | <u><u> </u></u> |

| | | |
|--|--------------------------|--------------------------|
| | Yes | No |
| Schedule T and Exhibit of Premiums and Losses Attached? | <input type="checkbox"/> | <input type="checkbox"/> |
| Certificate of Compliance Attached? | <input type="checkbox"/> | <input type="checkbox"/> |
| Certificate of Deposit Attached? | <input type="checkbox"/> | <input type="checkbox"/> |

SCHEDULE A. TITLE INSURANCE COMPANY (AS 21.66.110)

GROSS PREMIUMS (Including as premium income received from guaranteed certificates of title and other guarantees of the title during preceding calendar year covering property in Alaska) _____

I, _____, certify that I am the _____
(Company Official) (Title)

of the above-named title insurance company and that the premium tax report is a complete, true and correct statement of all premiums and fees on business written by said company during the year ending December 31, 2016, on insurance of property or risks resident or located in Alaska.

Signature

For official use only:
COC____ COD____

SCHEDULE B. TITLE INSURANCE COMPANY 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 _____ |

Limited to the lower of \$5,000,000 or tax liability

NOTE: Include copy of check or other verification of contribution.

b. Film Production Tax Credit (AS 43.98)

| | | |
|---|-------|---|
| 8. Amount of Film Production Tax Credit | _____ | |
| 9. Tax Liability (line 1, on page 1) | _____ | |
| 10. | | Film Production Tax Credit _____ |

(lesser of lines 8 or 9)

NOTE: Provide original film production tax credit certificate

TOTAL PREMIUM TAX CREDITS ALLOWED
(lines 7 + 10, limited to the tax liability)

RETALIATORY SCHEDULE

| NET PREMIUMS SUBJECT TO TAX: | Alaska | State of Domicile |
|--|---------------|--------------------------|
| 1 Title Premium | _____ | _____ |
| a. Title Tax Rate | 1% | _____ |
| b. Title Premium Tax (line 1 x line 1a) | _____ | _____ |
| 2 Premium Tax Credit | _____ | _____ |
| 3 Annual Statement Filing Fee | \$100 | _____ |
| 4 Certificate of Authority Continuation Fee | \$2,250 | _____ |
| 5 Other Taxes and Fees. Explanation: Attach explanation, if additional space needed | N/A | _____ |
| 6 Total Taxes and Fees (lines 1b - 2 + 3 + 4 + 5) | _____ | _____ |
| 7 Retaliatory Fee (line 6 State of Domicile minus Alaska) (Do not include on page 1 if negative amount) | _____ | _____ |