

EXAMPLE COMPUTATION OF SEMI-ANNUAL PREMIUM DISCOUNT

Total Premiums First Six Months (Should agree with Line 12 on IC 4010A)	137,214.78
Projected Premiums for Second Six Months	<u>137,214.78</u>
Annualized Premium	<u><u>274,429.56</u></u>

Discount Basis	Applied Percentage	Total Premium	Computed Discount
First \$10,000 of Premium	0.00%	10,000.00	\$ -
Next \$190,000 of Premium	9.10%	190,000.00	\$ 17,290.00
Next \$1,550,000 of Premium	11.30%	74,429.56	\$ 8,410.54
Over \$1,750,000 of Premium	12.30%	0.00	\$ -
		<u>\$ 274,429.56</u>	<u>\$ 25,700.54</u>
Divided for one-half year			<u>50%</u>
Semi-Annual Premium Discount			<u><u>\$12,850.27</u></u>

COMPUTATION OF PREMIUM TAX DUE

Total Premiums First Six Months (Should agree with Line 12 on IC 4010A)	\$137,214.78
Semi-Annual Premium Discount (Should agree with Line 13 on IC 4010A)	<u>(12,850.27)</u>
Net Premium Equivalent (Should agree with Line 14 on IC 4010A)	124,364.51
Tax Rate (2%)	<u>2%</u>
Premium Tax Due (Should agree with Line 16 on IC 4010A)	<u><u>\$2,487.29</u></u>

If you need assistance, please contact one of the following Financial Specialists: Therese Ryan at (208) 334-6095 or Shelly Tudela at (208) 334-6026.