RULES GOVERNING THE COLLECTION OF PREMIUM TAX ON WORKERS’ COMPENSATION INSURANCE POLICIES.

01. Purpose. The Industrial Commission of the State of Idaho seeks to promulgate a rule, including a form, for reporting premiums on workers’ compensation insurance policies from which premium tax can be collected.

02. Authority and Definitions. Pursuant to Sections 72-102, 72-523, 72-524, 72-526, 72-306A, Idaho Code, the Industrial Commission of the State of Idaho promulgates this rule governing the collection of premium tax on workers’ compensation insurance policies. This rule governs the collection of premium tax on workers’ compensation policies. The following definitions shall be used for this rule.

a. “Gross Direct Premiums Written,” means the gross sum of premiums on policies written, without any deduction for refunds or repayments resulting from cancellations. It does not include premiums on contracts between insurers or reinsurers. For all policies written, gross direct premiums written may reflect experience modifications, deviations, and retrospective rating. Gross direct premium for policies allowing employer deductible shall be calculated as provided by statute.

b. “Net Premiums Written,” means the amount of gross direct premiums on policies written less returned premiums and premiums on policies not taken. Paid dividends shall not be deducted for the purposes of calculating net premiums written.

c. For purposes of this rule, “surety” shall include reciprocals, exchanges, self-insurers, and the State Insurance Fund.

03. Procedure for Submitting Premium Tax Forms. The following form, denoted IC 4008R,

01. Procedure for Submitting Premium Tax Forms. The form IC 4008, available on the Commission’s website, shall be used to report numbers of policies and the total gross premiums written. The original shall be sent to the Commission; a copy shall also be attached to the reporting entity’s annual premium tax statement that is filed with the Idaho Department of Insurance. This form is due to the Commission by July 31 for the reporting period of January 1 through June 30; it is due by March 3 for the reporting period of July 1 through December 31.
JULY—DECEMBER

INSURANCE COMPANY:__________________________ FEIN:__________________________

Contact Person:__________________________ Title:__________________________

Address:__________________________

City:__________________________ State:__________________________ Postal Code:__________________________

Phone:__________________________ Fax:__________________________

Gross Premiums Written = $__________________________

Less: Returned—Premiums and Premiums—on—Policies—not Taken

Net Premiums Written = $__________________________

Tax Rate X 0.025

Tax Due (Net Premiums X Tax Rate) = $__________________________

* Minimum tax due is $75.00

__________________________, being first duly sworn, deposes and states that s/he is a corporate officer with the title of _________________________, that this report is made under the provisions of Section 72-524, Idaho Code, and under penalty of perjury, that the foregoing statement contains a full, true and accurate report of all workers' compensation premiums reportable on business written on risks insured in the state of Idaho during the period set forth above.

Signature of Corporate Officer

State of _________________________)

__________________________) ss.

County of _________________________)

Subscribed and sworn to before me on this day of ______, 20__.

State of

Notary Public residing at ____________

My commission expires ________________

IC 4008R
04. Late Penalty for Failure to Timely File. A late penalty shall be imposed as provided by Section 72-526, Idaho Code.

05. Periodic Audit. The surety shall submit to periodic audits by the Industrial Commission to determine compliance with this rule. Failure to provide supporting information when requested may jeopardize the surety’s status as an approved workers’ compensation surety.