

By: Kirby

To: Insurance; Finance

SENATE BILL NO. 2709

1 AN ACT TO CREATE A NEW CODE SECTION TO BE CODIFIED AS SECTION  
2 83-23-116, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A MEMBER  
3 INSURER OF THE MISSISSIPPI INSURANCE GUARANTY ASSOCIATION MAY  
4 OFFSET ITS ASSESSMENT AGAINST ITS PREMIUM, FRANCHISE OR INCOME TAX  
5 LIABILITY; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 SECTION 1. The following shall be codified as Section  
8 83-23-116, Mississippi Code of 1972:

9 83-23-116. (1) From and after July 1, 2000, a member  
10 insurer may offset against its (premiums, franchise or income) tax  
11 liability (or liabilities) to this state an assessment described  
12 in Section 83-23-115(1)(c) to the extent of twenty percent (20%)  
13 of the amount of such assessment, if any, for each year over the  
14 next five (5) succeeding years. However, if the offset is less  
15 than twenty percent (20%), any unused balance may be carried over  
16 to any succeeding year until such time as the offset provided  
17 herein is fully used. In the event a member insured shall cease  
18 doing business, any uncredited assessment may be credited against  
19 its (premium, franchise or income) tax liability (or liabilities)  
20 for the year it ceases doing business.

21 (2) Any sums which are refunded pursuant to Section  
22 83-23-115(2)(f) from the association to member insurers, and which  
23 have theretofore been offset by contributing insurers against  
24 (premium, franchise or income) taxes as provided in subsection (1)  
25 of this section, and are not then needed for purposes of this  
26 chapter, shall be paid in such manner as the tax authorities may  
27 require. The association shall notify the commissioner that such

28 refunds have been made.

29 SECTION 2. This act shall take effect and be in force from  
30 and after July 1, 2000.