

By: Kirby

To: Insurance; Finance

SENATE BILL NO. 2919

1 AN ACT TO AMEND SECTION 27-15-109, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT THE INSURANCE CARRIERS SELECTED TO FURNISH SERVICE
3 TO THE STATE OF MISSISSIPPI UNDER THE CHILDREN'S HEALTH INSURANCE
4 PROGRAM SHALL NOT BE REQUIRED TO PAY THE INSURANCE PREMIUM TAX ON
5 THE PREMIUMS COLLECTED FOR COVERAGE UNDER THE CHILDREN'S HEALTH
6 INSURANCE PROGRAM; AND FOR RELATED PURPOSES.

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

8 SECTION 1. Section 27-15-109, Mississippi Code of 1972, is
9 amended as follows:[WAN1]

10 27-15-109. (1) Except as otherwise provided in Section
11 83-61-11, there is hereby levied and imposed upon each domestic
12 company doing business in this state an annual tax of three
13 percent (3%) of the gross amount of premiums collected by such
14 domestic company on insurance policies and contracts written in,
15 or covering risks located in this state, except for premiums
16 received on policies issued to fund a retirement, thrift or
17 deferred compensation plan qualified under Section 401, Section
18 403 or Section 457 of the Federal Tax Code for federal tax
19 exemption. Provided, however, that a domestic insurance company
20 against which is levied additional premium tax under retaliatory
21 laws of other states in which it does business, as a result of the
22 tax increase provided by Sections 27-15-103 through 27-15-117, may
23 deduct the total of such additional retaliatory tax from the state
24 income tax due by it to the State of Mississippi. The insurance
25 carriers selected to furnish service to the State of Mississippi,
26 under the State and School Employees Life and Health Insurance
27 Plan and the Children's Health Insurance Program, shall not be
28 required to pay the premium tax levied against insurance companies

29 under this section on the premiums collected for coverage under
30 the State and School Employees Life and Health Insurance Plan or
31 under the Children's Health Insurance Program.

32 (2) Except as expressly provided by subsection (1) of this
33 section, all of the provisions of Sections 27-15-103 through
34 27-15-117 shall be applicable to such domestic insurance
35 companies. However, the statement filed with the State Tax
36 Commission by domestic insurance companies as provided in Section
37 27-15-107 shall include therein a sworn statement of all
38 additional retaliatory premium taxes paid by them to other states
39 as a result of the increase in premium taxes imposed by Sections
40 27-15-103 through 27-15-117, itemized by states to which paid.

41 (3) In the event that the Mississippi Supreme Court or
42 another court finally adjudicates that any tax levied prior to
43 July 1, 1985, under the provisions of this section was collected
44 unconstitutionally and that a liability for a credit or refund for
45 such collection has accrued, then the rate of tax set forth above
46 shall be increased to four percent (4%) for a period of six (6)
47 years beginning July 1 following such adjudication.

48 SECTION 2. This act shall take effect and be in force from
49 and after its passage.