

By: Representative Peranich

To: Ways and Means

HOUSE BILL NO. 1627

1 AN ACT TO AMEND SECTION 83-21-25, MISSISSIPPI CODE OF 1972,
2 TO REQUIRE CERTAIN INSURANCE AGENTS TO REPORT TO THE STATE TAX
3 COMMISSION THE AMOUNT OF GROSS PREMIUMS RECEIVED FOR SURPLUS LINES
4 INSURANCE; TO PROVIDE THAT THE TAX IMPOSED ON SUCH INSURANCE
5 PREMIUMS SHALL BE COLLECTED BY THE STATE TAX COMMISSION; AND FOR
6 RELATED PURPOSES.

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

8 **SECTION 1.** Section 83-21-25, Mississippi Code of 1972, is
9 amended as follows:

10 83-21-25. The agent so licensed shall report under oath to
11 the Commissioner of Insurance and the State Tax Commission, within
12 thirty (30) days from the first of January and July of each year,
13 the amount of gross premiums received by him for such insurance in
14 nonlicensed insurers, and shall pay to the State Tax Commission a
15 tax of four percent (4%) thereon. The term "gross premiums" shall
16 mean the total gross amount of premiums received on each and every
17 insurance, less returned premiums. In default of the payment of
18 any sum which may be due the state under this law, the State Tax
19 Commission may use the administrative provisions of the
20 Mississippi Sales Tax Law to collect any such tax, penalties and
21 interest due. The agent so licensed shall keep a separate record
22 of all transactions, as herein provided, open at all times to the
23 inspection of the Commissioner of Insurance and the State Tax
24 Commission. The agent so licensed may designate another agent
25 that actually procured the insurance from the nonlicensed insurer
26 to report and pay, on behalf of the agent so licensed, to the
27 State Tax Commission the tax due the state under this law. The
28 agent designated to pay the tax shall be deemed to have the same
29 obligations and responsibilities for reporting and paying the tax

30 due the state on the insurance procured from the nonlicensed
31 insurer as the agent who was initially responsible for reporting
32 and paying the tax, and the State Tax Commission may use the
33 administrative provisions of the Mississippi Sales Tax Law to
34 collect any tax, penalties and interest assessed against such
35 agent designated to pay the tax in the event such agent is in
36 default of any sum which is due the state for which the designated
37 agent is responsible or obligated to pay. The monies collected
38 under this section shall be deposited into the State General Fund.

39 **SECTION 2.** This act shall take effect and be in force from
40 and after July 1, 2004.