

1 ENGROSSED SENATE
2 BILL NO. 1715

By: Mazzei of the Senate

3 and

4 Dank of the House

5
6
7 [insurance premium tax - tax credits - - effective
8 date - emergency]

9

10

11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 36 O.S. 2011, Section 625.2, is
13 amended to read as follows:

14 Section 625.2 A. The tax credits set forth in ~~Section 1 of~~
15 ~~this act~~ Section 625.1 of this title shall ~~apply~~ be available to an
16 insurer if:

17 1. The credits apply to insurers who take action after November
18 1, 1987, to:

19 ~~1. Establish~~

20 a. establish new regional home offices~~;~~ or

21 ~~2. Expand~~

22 b. expand existing regional home offices, and hire new
23 employees; and

24

1 ~~B. An~~ 2. The insurer in either category of the requirements of
2 paragraph ~~A of this section must also meet~~ 1 of this subsection
3 meets the hiring minimum requirements for the applicable tax credit
4 bracket in ~~Section 1 of this act~~ Section 625.1 of this title.

5 B. The total credits allowed to all insurers for each fiscal
6 year which begins on or after the effective date of this act shall
7 be limited to Ten Million Dollars (\$10,000,000.00). For any fiscal
8 year when the total credits claimed exceeds Ten Million Dollars
9 (\$10,000,000.00), the Oklahoma Department of Insurance shall
10 determine the percentage of the premium taxes paid which establishes
11 the proportionate share of the total credit which may be claimed by
12 any taxpayer so that the maximum credits authorized by this
13 paragraph are not exceeded. The limit provided for in this
14 subsection shall not apply to any credits earned prior to the
15 effective date of this act.

16 SECTION 2. AMENDATORY 36 O.S. 2011, Section 625.4, is
17 amended to read as follows:

18 Section 625.4 A. ~~One~~ Except as provided in subsection C of
19 this section, one hundred percent (100%) of any assessment paid by
20 an insurer under the Oklahoma Property and Casualty Insurance
21 Guaranty Association Act shall be allowed to that insurer as a
22 credit against its premium tax levied under Section 624 of ~~Title 36~~
23 ~~of the Oklahoma Statutes~~ this title. The tax credit referred to in
24 this section shall be allowed at a rate of ten percent (10%) per

1 year for ten (10) successive years following the date of assessment
2 and, at the option of the insurer, may be taken over an additional
3 number of years. The balance of any tax credit not claimed in a
4 particular year may be reflected in the books and records of the
5 insurer as an admitted asset of the insurer for all purposes.

6 B. Available credit against premium tax allowed under
7 subsection A of this section may be transferred or assigned among or
8 between insurers if:

9 1. A merger, acquisition, or total assumption of reinsurance
10 among or between the insurers occurs; or

11 2. The Insurance Commissioner by order approves the transfer or
12 assignment.

13 C. Total credits allowed to all insurers for each fiscal year
14 which begins on or after the effective date of this act pursuant to
15 subsection A of this section shall be limited to Ten Million Dollars
16 (\$10,000,000.00). For any fiscal year when the total credits
17 claimed exceeds Ten Million Dollars (\$10,000,000.00), the Oklahoma
18 Department of Insurance shall determine the percentage of the
19 premium taxes paid which establishes the proportionate share of the
20 total credit which may be claimed by any taxpayer so that the
21 maximum credits authorized by this paragraph are not exceeded. The
22 limit provided for in this subsection shall not apply to any credits
23 which were earned prior to the effective date of this act.

24 SECTION 3. This act shall become effective July 1, 2012.

