

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

A Bill

SENATE BILL 345

5 By: Senator J. Hendren
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For An Act To Be Entitled

8 AN ACT TO AMEND THE LAW CONCERNING INSURANCE PREMIUM
9 TAXES; TO AMEND THE CREDIT AVAILABLE TO OFFSET THE
10 ACCIDENT AND HEALTH INSURANCE PREMIUM TAX; TO REDUCE
11 THE CREDIT AVAILABLE TO OFFSET THE ACCIDENT AND
12 HEALTH INSURANCE PREMIUM TAX; TO PROVIDE FOR A CAP ON
13 THE CREDIT AVAILABLE TO OFFSET THE ACCIDENT AND
14 HEALTH INSURANCE PREMIUM TAX; AND FOR OTHER PURPOSES.
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Subtitle

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18 TO REDUCE THE CREDIT AVAILABLE TO OFFSET
19 THE ACCIDENT AND HEALTH INSURANCE PREMIUM
20 TAX; AND TO PROVIDE FOR A CAP ON THE
21 CREDIT AVAILABLE TO OFFSET THE ACCIDENT
22 AND HEALTH INSURANCE PREMIUM TAX.
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25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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27 SECTION 1. Arkansas Code § 26-57-604(a)(2), concerning the credit
28 against the insurance premium tax for noncommissioned salaries and wages of
29 the insurer's employees, is amended to read as follows:

30 (2)(A) ~~In no event shall the~~ The offset shall not reduce the
31 accident and health premium tax due by more than the following amounts:

32 (i) For tax years beginning before January 1, 2021,
33 eighty percent (80%);

34 (ii) For the tax year beginning January 1, 2021,
35 seventy percent (70%);

36 (iii) For the tax year beginning January 1, 2022,



1 sixty percent (60%); and

2 (iv) For tax years beginning on and after January 1,
3 2023, fifty percent (50%).

4 (B) Beginning January 1, 2020, an authorized accident or
5 health insurer shall not receive a credit under this subsection that exceeds
6 an annual total of eighteen million dollars (\$18,000,000).

7 (C) In no event shall the The offset shall not reduce the
8 life premium tax due by more than seventy percent (70%).

9 ~~(C)(D)~~ The taxes shall be reported and paid on a quarterly
10 estimated basis as prescribed by the Insurance Commissioner and shall be
11 reconciled annually at the time of filing the annual report required in § 26-
12 57-603(a)-(c).

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15 **APPROVED: 3/13/19**
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