

Hall of the House of Representatives
85th General Assembly - Regular Session, 2005
Amendment Form

Subtitle of House Bill No. 2900

"TO PROVIDE A RETALIATORY CREDIT FOR PREMIUM TAX PAYMENTS OF FOREIGN
AND ALIEN INSURERS AND THAT RETALIATORY TAXES DO NOT APPLY TO
INSURANCE AGENT OR PRODUCER FEES."

Amendment No. 1 to House Bill No. 2900.

Amend House Bill No. 2900 as originally introduced:

Delete SECTION 1 of the bill and substitute the following:

“SECTION 1. Arkansas Code § 23-63-102 is amended to read as follows:
23-63-102. Retaliation for foreign taxes, fees, restrictions, etc.

(a) The commissioner shall impose upon any insurer or upon the agent or representative of that insurer of any other state or any foreign country doing business in the State of Arkansas the same taxes, licenses, and other fees, in the aggregate, and the same fines, penalties, deposit requirements or other material requirements, obligations, prohibitions, or restrictions that are imposed upon Arkansas insurers or upon their agents or representatives by the laws of the other state or its political subdivisions or the other country, or its provinces or political subdivisions.

~~When by or pursuant to the laws of any other state or foreign country any taxes, licenses, and other fees, in the aggregate, and any fines, penalties, deposit requirements, or other material obligations, prohibitions, or restrictions are or would be imposed upon Arkansas insurers or upon the agents or representatives of the insurers, which are in excess of the taxes, licenses, and other fees, in the aggregate, or which are in excess of the fines, penalties, deposit requirements, or other obligations, prohibitions, or restrictions directly imposed upon similar insurers, or upon the agents or representatives of those insurers, of the other state or country under the statutes of this state, so long as the laws of the state or country continue in force or are so applied, the same taxes, licenses, and other fees, in the aggregate, or fines, penalties, or deposit requirements, or other material obligations, prohibitions, or restrictions of whatever kind shall be imposed by the Insurance Commissioner upon those insurers, or upon the agents or representatives of those insurers, of the other state or country doing business or seeking to do business in Arkansas.~~

(b) This section does not apply to:

(1) Application fees, examination fees, license fees, appointment fees and continuation fees for agents, adjusters, service representatives, or consultants; or



(2) Personal income taxes, ad valorem taxes on real or personal property, or special purpose obligations, fees, or assessments imposed by the other state in connection with particular kinds of insurance, other than property insurance. However, the commissioner shall consider deductions from premium taxes or other taxes payable allowed because of real estate or personal property taxes paid in determining the propriety and extent of retaliatory action under this section.

~~Any tax, license, or other fee or other obligation imposed by any city, county, or other political subdivision or agency of another state or country on Arkansas insurers or their agents or representatives shall be deemed to be imposed by that state or country within the meaning of this section.~~

(c) For reporting years beginning on or after January 1, 2005, neither this section nor § 23-63-103 shall apply to any foreign insurer if more than fifteen percent (15%) of its capital stock is owned by a corporation organized under the laws of this state and domiciled within this state.

~~This section shall not apply as to personal income taxes, nor as to ad valorem taxes on real or personal property, nor as to special purpose obligations or assessments imposed by another state in connection with particular kinds of insurance, other than property insurance. However, deductions, from premium taxes or other taxes otherwise payable, allowed on account of real estate or personal property taxes paid, shall be taken into consideration by the commissioner in determining the propriety and extent of retaliatory action under this section.~~

(d) In addition to the funds now appropriated and set aside for the use and benefit of fireman's relief and pension funds by §§ 24-11-809 and 24-11-810, there is appropriated and set aside for the use and benefit of the firemen's relief and pension funds the additional taxes, authorized by subsections (a)-(e) and (b) of this section, on all premiums collected by all fire, tornado, and marine insurance companies, corporations, or associations incorporated under the laws of any state or nation other than the State of Arkansas, in all cities and towns in the State of Arkansas coming within the provisions of §§ 24-11-809 and 24-11-810."

The Amendment was read _____
By: Representative Maloch
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Chief Clerk