



Selected Premium Taxes  
& Premium Tax Credits  
In Oklahoma, Missouri,  
Texas, Tennessee & Louisiana

# OKLAHOMA

## Insurance Premium Tax

- Rate on Life Insurance\*
  - 2.25% on annual premium up to \$100,000;  
0.1% on annual premium exceeding \$100,000.
- Rate on All Other Insurance Lines
  - 2.25% on annual premium

\*36 O.S. Section 624

# OKLAHOMA

## Insurance Premium Tax

### Total FY2018

**Net Collections\*:** \$277,902,893

**Credits Against\*:** \$ 42,636,909

**Effective Rate (Est.):** 1.90%

\*Source: Oklahoma Insurance Department

# OKLAHOMA

## Insurance Premium Tax

### Available Tax Credits (FY2018 Amount Taken)

- **Home Office (\$24,536,636)**
  - Open to all lines *(36 O.S. Section 625)*
- **Public Entity Exemption (\$6,403,616)**
  - Premiums paid by any county, city, town, school district, etc., are exempt from premium taxes. *(36 O.S. Section 625)*
- **Historical Building Rehabilitation (\$5,610,587)**
  - Open to all lines; May carry forward *(68 O.S. Section 2357)*
- **Crop (\$3,385,364)**
  - Credits can be purchased from non-insurers

Source: Oklahoma Insurance Department

# OKLAHOMA

## Insurance Premium Tax

### Available Tax Credits (FY2018 Amount Taken)

- **Life & Health Guaranty (\$1,261,753)**
  - Open to life and health insurers; up to 20% of the amount assessed of previous five years can be taken against premium, franchise or income tax. May not be carried forward.  
*(36 O.S. Section 2030)*
- **Affordable Housing Credit (\$745,900)**
  - Open to all lines; May carry forward *(68 O.S. Section 2357)*
- **Property & Casualty Guaranty (\$693,053)**
  - Open to property and casualty insurers; 100% of the amount assessed can be taken against its premium tax. May carry forward  
*(36 O.S. Section 625)*

# MISSOURI

## Insurance Premium Tax

### – Rate\*

- 2% on annual premium

\*Mo. State. §§ 148.320; 148.340; 148.370; 375.1085

# MISSOURI

## Insurance Premium Tax

### Total

**Net Collections (FY2018)\*:** \$317,367,553

**Credits Against (CY2017)\*:** \$ 57,310,339

**Effective Rate (Est.):** 1.64%

\*Source: Missouri Department of Insurance,  
Financial Institutions & Professional Registration

# MISSOURI

## Insurance Premium Tax

### Available Tax Credits (CY2018 Amount Taken)

- **Low Income Housing (\$45,721,456)**
  - Open to taxpayer owning interest in qualified project *(RSMo § 135.352)*
- **Life & Health Guaranty (\$3,738,164)**
  - Deductible from premium tax at 20% for five years *(RSMo § 376.745.1)*
- **Fee Credit (\$2,465,866)**
  - Insurers can claim credits for Insurance Department examination and registration fees *(RSMo § 148.400)*
- **Personal Property Tax (\$2,100,061)**
  - Insurers may deduct tax from premium tax liability *(RSMo § 148.400)*

Source: Missouri Department of Insurance,  
Financial Institutions & Professional Registration



# MISSOURI

## Insurance Premium Tax

### Available Tax Credits (**CY2018 Amount Taken**)

- **New Markets (\$1,395,866)**
  - Open to all insurers making a qualified investment *(RSMo § 135.680)*
- **Affordable Housing (\$909,450)**
  - Open to all insurers providing assistance activities *(RSMo § 32.111)*
- **New Business Facility (\$799,571)**
  - Any insurer establishing new business facility; 10 years *(RSMo § 135.110)*
- **CAPCO Investment (\$124,906)**
  - Any insurer making an investment in certified capital that year *(RSMo § 135.503)*

Source: Missouri Department of Insurance,  
Financial Institutions & Professional Registration

# MISSOURI

## Insurance Premium Tax

### Available Tax Credits (CY2018 Amount Taken)

- **Neighborhood Assistance (\$25,000)**
  - Open to any insurer making contribution to neighborhood organization *(RSMo § 32.112)*
- **Neighborhood Preservation (\$25,000)**
  - Open to any insurer moving operation into a distressed community *(RSMo § 135.535)*
- **Youth Opportunity (\$5,000)**
  - Open to any insurer to authorized public or private programs *(RSMo § 135.460)*

Source: Missouri Department of Insurance,  
Financial Institutions & Professional Registration

# **MISSOURI**

## **Insurance Premium Tax**

### **Other Available Tax Credits (Untaken)**

- **Income Tax**
- **Franchise Tax**
- **Infrastructure Development**
- **Enterprise Zone**
- **Small Business Investment**
- **Domestic Violence Shelters**
- **Maternity Home Facilities**
- **Agricultural Utilization**

Source: Missouri Department of Insurance,  
Financial Institutions & Professional Registration

# TEXAS

## Insurance Premium Tax

- Property & Casualty\*
  - 1.6% on annual premium
- Life
  - 0.875% on first \$450,000; 1.75% remainder of annual premium
- Accident and Health
  - 1.75% on annual premium
- Title
  - 1.35% on annual premium

\*Texas Insurance Code §§ 221, 222

# TEXAS

## Insurance Premium Tax

### Total CY2017

**Net Collections\*:** \$2,158,819,528

**Credits Against\*:** \$ 47,958,666

**Effective Rate (Est.):** 1.56% - P&C  
1.71% - LAH  
1.32% - Title

\*Source: Texas Insurance Department

# TEXAS

## Insurance Premium Tax

### Available Tax Credits (CY2017 Amount Taken)

- **Historic Structure (\$26,461,176)**
  - Insurers may take credit for certified rehabilitation of certified historic structures; may not exceed 25% of total eligible costs  
*(34 TAC § 3.598)*
- **Fee Credit (\$10,388,899)**
  - Insurers may claim Insurance Department examination and overhead fees as a credit; must be claimed in year amount due was paid *(TIC § § 221, 222, 223)*

Source: Texas Comptroller of Public Accounts

# TEXAS

## Insurance Premium Tax

### Available Tax Credits (CY2017 Amount Taken)

- **Property & Casualty Guaranty (\$3,574,408)**
  - 10% of assessments for 10 years *(TIC § 462)*
- **Life & Health Guaranty (\$5,062,468)**
  - 20% of assessments for five years *(TIC § 463)*
- **CAPCO Investments (\$2,187,444)**
  - Credits may be claimed at 25% for four years, of \$400 million initially available, only a few million in credits remain available to 6-10 insurers *(TIC § 2210; 34 TAC § 3.833)*

Source: Texas Comptroller of Public Accounts

# TEXAS

## Insurance Premium Tax

### Available Tax Credits (**CY2017 Amount Taken**)

- **Texas Windstorm Insurance Association (\$169,593)**
  - Windstorm and Hail insurers in selected counties; 20% of assessments for five years; Assessments made after 6/19/2009 no longer qualify for credit; remaining balances carry forward indefinitely *(TIC § 2210)*
- **Title Guaranty (\$108,388)**
  - 20% of assessments for five years *(TIC § 2602)*
- **Medical Liability Insurance Joint Underwriting Association (\$6,290)**
  - 20% of assessments for five years *(TIC § 4203)*

Source: Texas Comptroller of Public Accounts



# TENNESSEE

## Insurance Premium Tax

- Life\*
  - 1.75% on annual premium
- Other Lines^
  - 2.5% on annual premium

\*TCA § 56-4-205

^Excluding Workers' Compensation, Surplus Lines, and Captives

# TENNESSEE

## Insurance Premium Tax

### Total FY2018

**Net Collections\*:** \$832,376,819

**Credits Against\*:** \$ 57,713,549

**Effective Rate (Est.):** 1.63% - Life  
2.33% - Other

\*Source: Tennessee Department of Commerce and Insurance

# TENNESSEE

## Insurance Premium Tax

### Available Tax Credits (FY2018 Amount Taken)

- **Investment Security (\$34,688,159)**
  - Open to P&C insurers and County Mutuals; investments defined as TN real estate, state or local bonds, cash deposits in TN state or national banks  
*(TCA § 56-4-210)*
- **Investco Credit (\$10,388,899)**
  - Expires in 2019; insurer may claim yearly credit equal to 15% of allocated tax credit (tax years 2012-2015) or 10% (2016-2019)  
*(TCA § 56-4-210)*

\*Source: Tennessee Department of Commerce and Insurance

# TENNESSEE

## Insurance Premium Tax

### Available Tax Credits (CY2017 Amount Taken)

- **Life & Health Guaranty (\$594,023)**
  - 10% of assessments for ten years *(TCA § 56-12-212)*
- **Guaranty Association (\$117,932)**
  - Insurers may claim credit for annual assessment up to 25% of premium tax liability *(TCA § 56-12-115)*

\*Source: Tennessee Department of Commerce and Insurance

# LOUISIANA

## Insurance Premium Tax

- Property & Casualty\*
  - Approximately 3% on annual premium
    - Insurers do not pay a straight percentage; taxes determined by a table
  
- Life, Accident, Health
  - Approximately 2.25% on annual premium
    - Insurers do not pay a straight percentage; taxes determined by a table
  
- Health Maintenance Organizations
  - 5.5% on annual premium

\*La. R.S. § § 22:831, 22:842

# LOUISIANA

## Insurance Premium Tax

### Total CY2017

**Net Collections\*:** \$734,595,448

**Credits Against\*:** \$204,993,351

**Effective Rate (Est.):**  
2.16% - P&C  
1.62% - LAH  
3.97% - HMO

\*Source: Louisiana Department of Insurance

# LOUISIANA

## Insurance Premium Tax

### Available Tax Credits (CY2017 Amount Taken)

- **Investment Credit(\$202,575,816)**
  - Available to insurers who invest high enough percentage of admitted assets in qualified LA investments. *(LA R.S. § 22:832)*
- **Military Auto Premium Discount (\$2,356,106)**
  - Insurers who write auto liability to military personnel stationed in Louisiana; must give military 25% discount  
*(LA R.S. § 22:1425)*
- **CAPCO Credit (\$62,429)**
  - Available to insurers investing in LA certified capital companies.  
*(LA R.S. § 22:832)*

\*Source: Louisiana Department of Insurance

# **LOUISIANA**

## **Insurance Premium Tax**

### **Other Available Tax Credits (Untaken)**

- **Louisiana Guaranty Association**
  - No available credits in 2017
- **Louisiana Life and Health Guarantee Association**
  - No available credits in 2017

Source: Louisiana Department of Insurance