



ACCOUNTING DIVISION
1200 WEST THIRD STREET
LITTLE ROCK, AR 72201-1904
PHONE: (501) 371-2605
www.insurance.arkansas.gov

**PREMIUM TAX INSTRUCTIONS
CAPTIVE INSURERS**

All tax filings and payments must be received on or before March 1, 2016; the Department does not accept the postmark date. No authority exists for granting any extension of time for filing or payment. Any insurer that fails to report or pay tax will be subject to penalty in accordance with ACA 26-57-607.

The Department does not accept software forms. The forms must be completed and printed on our website. www.insurance.arkansas.gov/accounting/divpage.htm

If you are filing by EFT, send the additional documents from the checklist to the address below with the name of the company and NAIC number clearly identified.

Mail the return, documentation, and check to: **Arkansas Insurance Department
Accounting Division
1200 West Third Street
Little Rock AR 72201-1904**

For questions concerning the completion of tax forms, contact the Accounting Division at (501) 371-2605 or email us at: insurance.accounting@arkansas.gov

CI-T CHECKLIST:

- 1. 2015 FORM AID AC CI-T (ANNUAL REPORT OF PREMIUMS, TAXES AND FEES); WITH CHECK ATTACHED**
- 2. 1 COPY OF 2015 ARKANSAS STATE BUSINESS PAGE**
- 3. 1 COPY OF SCHEDULE T**

DO NOT INCLUDE WITH THE PREMIUM TAX FILINGS:

CORPORATE FRANCHISE TAX: Remit to the Secretary of State's Office, Attention: Lisa Bruno, 1401 Capitol Ave., Victory Bldg., Suite 250, Little Rock AR 72201.
MAIL TO ADDRESS ON THE FORM

INSTRUCTIONS FOR AID AC CI-T (Annual Report Of Premiums, Taxes, And Fees)

For a branch captive insurer, only premium received by the branch itself is to be reported.

Affordable Neighborhood Housing Tax Credit § 15-5-1303, 15-5-1304

Insurers that perform affordable housing assistance activities may take a premium tax credit for up to 30% of the total amount invested and not to exceed \$750,000 in any taxable year. Program must meet standards of and be approved by Arkansas Development Finance Authority.

ATTACH ELIGIBILITY STATEMENT.

Low-Income Housing Tax Credit § 26-51-1702

Insurers are allowed a state income or premium tax credit equal to 20% of the federal low-income housing tax credit not to exceed \$250,000 in any taxable year. The credit is available for insurers that own an interest in a qualified project for which the Arkansas Development Finance Authority has issued an eligibility statement. **ATTACH ELIGIBILITY STATEMENT.**

Coal Mining Enterprise Credit § 26-51-511

Coal mining enterprises or eligible transferees are eligible for a tax credit if the coal was sold to an electric generation plant for less than \$40.00 per ton excluding freight charges.

Equity Investment Incentive Tax Credit § 15-4-3301, et seq.

Insurers are allowed a state income or premium tax credit for certain qualified equity investments up to 50% of net income or premium tax liability. The certified statement of the insurer, described in § 15-4-3305, and a tax credit **certificate issued by the Arkansas Economic Development Commission must be submitted with the premium tax return.**

Capital Development Corporation Tax Credit § 15-4-1026, 15-4-1029(f)(1)

Person who purchases an equity interest in a capital development company between 2003 through 2013 is entitled to a credit against any state income tax liability or premium tax liability, which may be imposed on the purchaser for any tax year commencing with the tax year, which is two years after the date of the purchase. The credit shall be equal to thirty-three and one-third (33 1/3) of the actual purchase price paid for the equity interest to the company, including any fees or commissions to underwriters or sales agents paid by the company. No fees or commissions in excess of fifteen percent (15%) of the total purchase price may be considered in calculating the amount of the credit. In any one-tax year, the credit shall not exceed fifty percent (50%) of the net state income tax liability or premium tax liability of the taxpayer after all other credits or reductions in tax have been calculated. No credit under this section is allowed for any tax year after December 31, 2019. Upon dissolution, if the proceeds from the purchase of the equity interest have not been used for the purposes stated in § 15-4-1016 or for operating expenses, then each person who previously claimed a tax credit with respect to that purchase, the tax imposed for the year the dissolution occurs shall be increased by the tax credit amount associated with the unused purchase proceeds.

ATTACH ELIGIBILITY STATEMENT.



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ACCOUNTING DIVISION
DUE MARCH 1, 2016
ORIGINAL FILING
AMENDED FILING
REFUND DUE

ANNUAL REPORT OF PREMIUMS, TAXES, AND FEES OF ALL
CAPTIVE INSURANCE COMPANIES

Table with fields: NAIC COMPANY CODE (5 digit code), COMPANY NAME, MAILING ADDRESS, CONTACT PERSON, TELEPHONE NUMBER, EXT, FAX NUMBER, EMAIL ADDRESS.

A. COMPUTATION OF PREMIUM TAX:

- 1. Total Direct Premiums as described in ACA 23-63-1614(a)
a. \$1.00 - \$20,000,000.00 X .250%
b. \$20,000,001.00 - \$40,000,000.00 X .150%
c. EACH DOLLAR THEREAFTER X .050%
d. Net premium tax due (a thru c)
2. Reinsurance Written
a. \$1.00 - \$20,000,000.00 X .225%
b. \$20,000,001.00 - \$40,000,000.00 X .150%
c. \$40,000,001.00 - \$60,000,000.00 X .050%
d. Each dollar thereafter X .025%
e. Net premium tax due (a thru d)
3. SUBTOTAL 1(D) + 2(E)

COMPANY NAME _____

2015 FORM AID AC CI-T

B. CREDITS:

- 4. Affordable Neighborhood Housing Credit \$(_____)
 - 5. Low Income Housing Tax Credit \$(_____)
 - 6. SUBTOTAL A(3) LESS B(4,5) \$_____
 - 7. Capital Development Corporation Tax Credit \$(_____)
 - 8. Coal Mining Enterprise Credit \$(_____)
 - 9. Equity Investment Incentive Tax Credit \$(_____)
 - 10. **NET PREMIUM TAX** \$_____
- AMOUNT CANNOT BE LESS THAN ZERO**

C. PRODUCERS REINSURANCE CAPTIVES:

If a producer reinsurance captive qualifies for tax exemption under ACA 23-63-1614(J), complete the following and proceed to Section D

Calculation of Investment Tax Exemption for Producers Reinsurance Captives:

(1) Qualified Certificate of Deposits: (**ATTACH LIST**) \$_____

(2) Bonds, Notes Warrants, or Other Securities Not In Default: \$_____

State (**ATTACH LIST**)

County, Incorporated City or Town, Duly Organized School District or
Other Taxing District of the State: (**ATTACH LIST**)

Local Improvement Districts in Arkansas: (**ATTACH LIST**)

(3) TOTAL ASSETS AS OF 12/31/15 (1 + 2) \$_____

D. CALCULATION OF NET PAYMENT DUE:

- 11. Net Premium Tax - **SEE BELOW** \$_____*
- 12. Fees \$_____ 300.00
- 13. NET PAYMENT DUE (lines 11 + 12) \$_____

MAKE CHECK PAYABLE TO STATE TREASURER OF ARKANSAS AND ATTACH TO FORM.

IF LINE 11 IS GREATER THAN \$5,000.00, ENTER NET PREMIUM TAX, NOT TO EXCEED \$100,000.00

IF LINE 11 IS LESS THAN \$5,000.00, ENTER NET PREMIUM TAX \$5,000.00

THIS DOES NOT APPLY TO INSURERS EXEMPT FROM PREMIUM TAX UNDER 23-63-1614(J)

COMPANY NAME _____

2015 FORM AID AC CI-T

AFFIDAVIT

STATE OF _____

COUNTY OF _____

COMES _____ AND STATES ON OATH THAT

HE/SHE IS THE _____ OF _____
(TITLE) (NAME OF COMPANY)

AND THAT THE FOREGOING STATEMENTS ARE TRUE AND CORRECT AS SHOWN BY THE RECORDS OF SAID COMPANY.

(ORIGINAL SIGNATURE OF OFFICER)

SUBSCRIBED AND SWORN TO OR AFFIRMED BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, ON THIS THE

_____ DAY OF _____, 20_____.

NOTARY

MY COMMISSION EXPIRES