

STATE OF DELAWARE
PREMIUM TAX AND FEES REPORT FOR CALENDAR YEAR 1999, DUE MARCH 1, 2000

GENERAL INSTRUCTIONS

In accordance with Title 18, Delaware Insurance Code, Sections 702(a) and 707(a), a premium tax of two percent (2%) is due for risks written and located in the State of Delaware. This Annual Premium Tax and Fees Report (Working Forms T-1 through T-8) should be completed and returned as instructed. Every effort has been made to include in the instructions all information needed for easy completion of these forms. **Any** questions or correspondence regarding premium taxes, fees, or required reports should be directed to:

Mrs. Ann Fletcher
Premium Tax Coordinator
Delaware Insurance Department
841 Silver Lake Boulevard
Dover, Delaware 19904-2465
(302) 739-4251, Ext. 172

The Insurance Department **does** accept computer generated premium tax forms, but the form **must conform exactly** to the forms included in this package. Print forms on the front face of the page only -- **DO NOT print forms on both sides of the paper.**

MAILING INSTRUCTIONS

The Delaware Insurance Department has established a lockbox operation for the receipt of premium taxes and fees. Checks and all tax forms (Working Forms T-1 through T-8), along with copies of the State Business Page, Schedule T (if applicable) and Guaranty Fund Certificates of Contribution (if applicable) should be sent to either bank address as indicated below:

<u>U.S. Postal Service</u>	<u>Courier or Express Service</u>
Delaware Insurance Department c/o PNC Bank P.O. Box 7780-1865 Philadelphia, PA 19182-1941	Delaware Insurance Department c/o PNC Bank Attention: Box #1865 Route 38 and East Gate Drive Moorestown, NJ 08057

Premium tax and fees checks should be made payable to "Delaware Insurance Department". Forms and checks must be **received** on or before March 1, 2000. **Please note:** Delaware uses a "received by" date, not a postmark date. Tax filings received after this date, or considered incomplete filings, shall be deemed late, and the insurer may be assessed an administrative penalty of \$100.00 per business day until a complete filing is received.

DO NOT SEND THE PREMIUM TAX FILING OR CHECK WITH THE ANNUAL STATEMENT FILING

Even though the Annual Statement filing fee and the continuation fee for the Certificate of Authority are paid along with the premium taxes, the annual statements are received at a different section of the Insurance Department. If tax forms and checks are enclosed in the annual statement, the filing may not reach the tax department in a timely manner and the company could be subject to the administrative penalty for late and/or incomplete filing.

RETALIATORY PROVISION
GENERAL INFORMATION

The Delaware Insurance Code (18 Del. C., §532) requires the Commissioner to impose upon all insurers domiciled in another state or foreign country those same taxes, licenses, and other fees of any kind that would be imposed on a Delaware domiciled insurer writing similar lines and volumes of business in said state or country. If that aggregate sum is in excess to the taxes, licenses, and fees, in the aggregate of Delaware, the difference must be paid to Delaware in the form of a retaliatory tax. Includes finance and service charges.

Any tax, license, or other fee imposed by any city, county, or other political subdivision or agency of the home state shall be deemed to be imposed by that state. NOTE: Alien insurers shall use their port-of-entry state for determining their retaliatory tax.

It is the policy of the Delaware Insurance Department to allow the Guaranty Fund Assessment Credit (W. F. T-1, Line 8 or Line 9) to be applied when calculating retaliatory taxes **only** when the company's home state has a provision which would allow a Delaware domiciled insurer writing similar lines and volumes of business a premium tax offset for guaranty funds credits. Line 6 of W. F. T-3 allows the insurer to claim guaranty funds credits if the home state has such a provision. If there is no provision, this credit is NOT to be applied, and zero ("0") should be listed on Line 6.



**STATE OF DELAWARE
PREMIUM TAX AND FEES REPORT FOR THE CALENDAR YEAR 1999, DUE MARCH 1, 2000**

_____ Original Report _____ Amended Report / Reason _____

TAX DEPARTMENT MAILING ADDRESS AND COMPANY INFORMATION

Company Name: _____

N.A.I.C. Group Name: (if applicable) _____

Premium Tax Contact Person: _____

Tax Department Address: _____

Tax Department Phone #: _____

Ext. #: _____

State of Domicile: _____

Federal E.I.N. #: _____

N.A.I.C. #: _____

N.A.I.C. Group #: _____

Company Type: _____

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If information differs from that listed above, please print correction(s) below:

ELECTRONIC FILING INFORMATION

Was payment for these taxes and/or fees transferred electronically via ACH Credit?

Yes

No

If "YES", indicate transmittal effective date:

____/____/____

TAX PREPARER INFORMATION

Preparer's Name, Title, and Address: _____

Tax Preparer Phone #: _____

Complete above section only if someone other than company tax personnel prepared this Report. (ex: an outside accounting firm)

HISTORICAL INFORMATION

1. The Insurer was admitted to Delaware effective: ____/____/____

2. The Insurer was Domiciled in the State of: _____

(check one) _____ for the entire calendar year of 1999.

_____ prior to ____/____/____, when it redomesticated to the state of: _____

3. Effective ____/____/____, the Insurer changed its name to: _____
from its former name of: _____

4. Effective ____/____/____, the Insurer changed its E.I.N. # from: _____ to: _____

5. Effective ____/____/____, the Insurer changed its N.A.I.C. # from: _____ to: _____

6. The Insurer acquired Delaware business and premium tax liability by way of (circle one) **Merger** or **Assumption Agreement** with another Insurer known as _____ from the state of _____, effective ____/____/____.

NOTE: Supporting documentation for this action must be included with this report.

7. The Insurer ceded essentially all Delaware business and premium tax liability by way of **Merger** or **Assumption Agreement** with another Insurer known as _____ from the state of _____, effective ____/____/____. and further (check one) _____ remains an insurance corporation admitted in Delaware.

_____ has been dissolved, or otherwise surrendered its Delaware Certificate of Authority.

NOTE: Supporting documentation for this action must be included with this report.

Has this company written any Wet Marine and Transportation Insurance in the United States in any of the past 3 years? (check one)

Yes

No

**WORKING FORM T-1 SUMMARY
FOR CALENDAR YEAR 1999**

GROSS DIRECT PREMIUM INCOME If "0", or less than "0", enter "0"
(Must equal data reported on State Business Page of Annual Statement – See instructions on page 4)

1. Life Premiums	\$
2. Accident and Health Premiums	\$
3. Property, Casualty, Surety and Title Premiums	\$
4. Worker's Compensation / Employer's Liability Premiums	\$
5. TOTAL – All Gross Direct Premium Income	\$
6. Premium Tax Rate (2%)	X .02
7. TOTAL Premium Tax eligible for Guaranty Fund Assessment Credit	\$
8. LESS: Life & Health Insurance Guaranty Fund Assessment Credit (from W.F. T-4, pg. 8)	\$ ()
9. LESS: Property & Casualty Insurance Guaranty Fund Assessment Credit (from W.F. T-4, pg. 8)	\$ ()
10. NET Premium Tax Due (Line 7 less Line 8 and/or Line 9)	\$

NOTE: Guaranty Fund Credits may not exceed premium tax liability. Premium tax liability may not be less than \$0.00. If less than "0", enter "0".

OTHER TAXES, FEES AND / OR CREDITS DUE (See instructions on page 4)

11. Domestic Insurer's Privilege Tax (from Line 7, W.F. T-2, pg. 6)	\$
12. Retaliatory Taxes and Fees (from Line 17, W.F. T-3, pg. 7)	\$
13. C.O.L.I. Premium (Total Tax Amount Due, from W.F. T-8, pg. 10)	\$
14. Continuation Fee (Certificate of Authority Renewal Fee PLUS Annual Statement Filing Fee)	\$
15. Delaware Insurance Fraud Prevention Bureau Annual Fee	\$ 550.00
16. Credit Due to TravelLink Act (from W.F. T-7, pg. 10)	\$ ()
17. TOTAL Taxes, Fees and/or Credits Due (Lines 10 thru 15)	\$
18. LESS: Quarterly Tax Prepayments	
a) April 15, 1999	\$
b) June 15, 1999	\$
c) September 15, 1999	\$
d) December 15, 1999	\$
e) TOTAL Prepaid during 1999 (Sum Lines 18a thru 18d)	\$ ()
19. NET Amount Due	\$
20. REFUND Amount	

DO NOT apply refund amount to future tax liability.

**DELAWARE INSURANCE FRAUD PREVENTION BUREAU
INFORMATION**

The Delaware Insurance Code (18 Del. C., Chapter 24) establishes within the Insurance Department the Delaware Insurance Fraud Prevention Bureau to "confront aggressively the problem of insurance fraud in the State of Delaware by facilitating the detection of insurance fraud, reducing the occurrence of such fraud through administrative enforcement and deterrence, requiring the restitution of fraudulently obtained insurance benefits, and reducing the amount of premium dollars used to pay fraudulent claims". (§2402)

In accordance with 18 Del. C., §2404 (d), a special revolving fund designated as the Delaware Insurance Fraud Auxiliary Fund has been created within the Bureau to be used by the Bureau in the performance of the various functions and duties required of the Bureau by law. 18 Del. C., §2415, further provides that the cost of administration and operation of the Bureau shall be borne by all of the insurance companies admitted or authorized to transact the business of insurance in this State. The Commissioner is required to assess \$550.00 annually against each insurance company to provide the funds necessary for the operation of the Bureau.

These funds are collected by the Insurance Department on behalf of the Bureau and are deposited into the Delaware Insurance Fraud Auxiliary Fund. Due to the separate nature of this special fund, the Delaware Insurance Department considers the Fraud Prevention Bureau Fee to be a Special Purpose Assessment and therefore does not allow the fee amount paid to the State of Delaware to be included in retaliatory tax calculation

INSTRUCTIONS
WORKING FORM T-1
(References are to Title 18, Delaware Insurance Code)

LINES 1, 2 & 3 (18 Del. C., §702 (a) (b))

Every authorized and formerly authorized insurer must show Gross Direct Premium Income*, including all policy membership and other fees and assessments and all other consideration received for insurance (other than as to Worker's Compensation and Employer's Liability, Wet Marine and Transportation insurance, and Annuity contracts) covering property, subjects, or risks located, resident, or to be performed in Delaware, and including proper proportionate allocation of premiums under policies covering persons, property, subjects, or risks located or resident, or to be performed in more than one state.

*Such income is to be determined by deducting from the total of all direct premium income (1) the amount of returned premiums on canceled policies (but not including the return of cash surrender values of life insurance policies), (2) the unabsorbed portion of any deposit premium, and (3) the amount returned to policyholders as dividends and similar returns, whether paid in cash or credited or applied in reduction of premiums.

Domestic Insurers are also to include Gross Direct Premium Income and other considerations for insurance (other than as to Worker's Compensation and Employer's Liability, Wet Marine and Transportation insurance, and Annuity contracts) received by it upon insurance business written pursuant to solicitation of business by mail directed to persons located in a state or province of Canada in which the insurer is not admitted to transact insurance and on which a premium tax is not paid or a surplus lines tax is not paid to such state or province.

NOTE: PLEASE DO NOT INCLUDE PREMIUMS GENERATED BY EMPLOYER / TRUST OWNED LIFE INSURANCE POLICIES ("C.O.L.I." PREMIUMS) IN THE AMOUNT LISTED ON W. F. T-1, LINE 1 FOR LIFE PREMIUMS. TAX ON C.O.L.I. PREMIUMS WILL BE CALCULATED ON WORKING FORM T-8 AND THE TOTAL TAX AMOUNT LISTED ON W. F. T-1, LINE 13. (see below)

LINE 4 List **gross** direct premium income for all Worker's Compensation and Employer's Liability premiums received, whether in cash or notes in this State, or on account of business done in this State, or on account of premiums for compensation payable to this State after deducting from this total (1) all canceled or returned premiums actually refunded during the year on such insurance and (2) premiums on reinsurance received from other insurance carriers, except that mutual insurance companies shall be taxed upon the gross premium charged and collected and shall not be credited with unabsorbed premiums or dividends.

NOTE: Return premiums on canceled policies actually refunded during the year and reinsurance premiums received from other insurance carriers are the **only deductions** which may be taken from Worker's Compensation and Employer's Liability premiums. **Do not** deduct the amount returned to policyholders as dividends and similar returns, whether paid in cash or credited or applied in reduction of premiums as stated in directions for Lines 1, 2, and 3 above. (18 Del. C., §704; see also Title 19, §2391).

LINE 5 "**TOTAL** All Gross Direct Premium Income" – Sum Lines 1, 2, 3 & 4. **If "0", or less than "0", enter "0"**.

LINE 6 Tax Rate – (1 ¾ % per §702, ¼ % per §707).

LINE 7 "**TOTAL** Premium Tax Due" – Total gross direct premium income -X- tax rate. **If "0", or less than "0", enter "0"**. Fraternal Benefit Societies enter "0" (see 18 Del. C., §6224 regarding exemption).

LINES 8 & 9 "Guaranty Fund Assessment Credit" – take figure from Working Form T-4. Credits for assessments to Life and Health (§4413 (a)) and/or Property and Casualty (§4219 (b)) Insurance Guaranty Funds. Credits may only be taken for Class "C" type assessments. Credits taken **may not** exceed total premium tax due (per Line 7) *nor be carried over to another year*.

LINE 10 "**Net** Premium Tax Due" – **If "0", or less than "0", enter "0"**.

LINE 11 "Domestic Insurer's Privilege Tax" – take figure from Working Form T-2, Line 7. (§703).

LINE 12 "Retaliatory Taxes And Fees" – take figure from Working Form T-3. (§532 (a)). Please note General Information on Page 5.

LINE 13 "C.O.L.I. Tax" -- take figure from Working Form T-8. (§702 (c)(2)).

LINE 14 "Continuation Fee" – (§701 (21b) & (21c)) and (§701 (1c) & (3)).

Fraternal Benefit Societies enter:	\$50.00	(\$25.00 Certificate of Authority fee and \$25.00 Annual Statement Filing fee)
Risk Retention Groups enter:	\$100.00	(Annual Statement filing fee only – no Certificate of Authority issued in DE)
All other Insurance Companies enter:	\$150.00	(\$50.00 Certificate of Authority fee and \$100.00 Annual Statement Filing fee)

LINE 15 "Fraud Prevention Bureau Annual Fee" – (§2404 (a) & (d)) and (§2415)). **All companies must remit \$550.00**

NOTE: Funds collected by the Delaware Insurance Department on behalf of the Delaware Insurance Fraud Prevention Bureau are deposited into a special revolving fund designated as the Delaware Insurance Fraud Auxiliary Fund.

LINE 16 "Travelink Traffic Mitigation Act Credit" – take figure from Working Form T-7. Companies claiming a credit **MUST** attach documentation from the State of Delaware Department of Transportation verifying participation in a Department certified program as set forth in Title 30, Del. C., §2030 **ET SEQ.**

LINE 17 "Total Tax And Fees Owed" – Sum Lines 10 through 15.

LINE 18 "Quarterly Premium Tax Prepayments" – List amount paid for each of the four quarterly prepayments; subtract the total on Line 17 (e) from Line 16. (§702 (d)).

LINE 19 "Balance Due" – Payment for this amount **MUST** be attached / transmitted. (§710 (a)).

LINE 20 "Refund" – amount of overpayment. A refund check will be issued by the Insurance Department. **DO NOT** apply refund amount to any future premium tax liabilities (ex: April 15 first quarter payment). (§711).

**WORKING FORM T-2
DOMESTIC INSURER'S PRIVILEGE TAX**

1. Net Investment Income	\$
2. Investment Income	\$
3. Annual Gross Receipts – Sum Lines 1 & 2	\$
4. TOTAL Annual Privilege Tax (take from Tax Table listed below)	\$
5. Credit for 2 nd and 3 rd Affiliates	\$ ()
6. Credit for Employee Services performed within Delaware	\$ ()
7. NET Amount of Annual Privilege Tax Due Enter this amount on W.F. T-1, Line 11.	\$

If claiming exemption as a second or third affiliate, indicate name of company actually paying privilege Tax: _____

**ANNUAL PRIVILEGE TAX TABLE
for Working Form T-2, Line 4**

IF ANNUAL GROSS RECEIPTS ON LINE 3 ARE:	THE ANNUAL PRIVILEGE TAX SHALL BE:
Under \$1,000,000	EXEMPT
\$1,000,000 to \$5,000,000	\$10,000
\$5,000,001 to \$10,000,000	\$25,000
\$10,000,001 to \$20,000,000	\$45,000
\$20,000,001 to \$30,000,000	\$65,000
\$30,000,001 to \$40,000,000	\$85,000
Over \$40,000,000	\$95,000

**INSTRUCTIONS
WORKING FORM T-2**

PLEASE NOTE: DELAWARE DOMESTIC INSURERS WHO WRITE 50% OR MORE OF THEIR BUSINESS ON PERSONS OR PROPERTY LOCATED WITHIN THE STATE OF DELAWARE SHALL BE EXEMPT FROM PAYMENT OF THE PRIVILEGE TAX PURSUANT TO 18 Del. C., §703 (c). Enter "EXEMPT" on Line 7, and Working Form T-1, Line 11.

LINE 1	"Net Premium Income" amount shall be taken from Annual Statement:		
	P & C: Direct: Page 9, Part 2b, Column 1, Line 32	\$	
	Assumed: Page 9, Part 2b, Columns 2a and 2b, Line 32	\$	\$
	L & H: Direct: Page 93, Schedule T, Column 3 plus Column 5, Line 94	\$	
	Assumed: Page 93, Schedule T, Column 3 plus Column 5, Line 95	\$	\$
LINE 2	"Investment Income" amount shall be taken from Annual Statement:		
	P & C: Page 6, Part 1, Column 8, Line 9	\$	
	L & H: Page 10, Exhibit 2, Column 7, Line 9	\$	

LINE 3 TOTAL Net Premium Income and Investment Income.

LINE 4 "Annual Privilege Tax" amount taken from Tax Table shown on Working Form T-2.

LINE 5 "Credit for 2nd and 3rd Affiliates" if applicable as defined below, subtract from Line 4.
In the case of Domestic Insurers with one, two, or three Domestic Insurer Affiliates, only the Affiliate with the largest annual gross receipts as defined above shall be subject to the annual Privilege Tax imposed. Any affiliates exceeding the three in number shall **each** be subject to the annual Privilege Tax

LINE 6 "Employee Services Performed": (a) For each \$100,000 of gross salaries, wages, and other compensation paid by the Domestic Insurer and its affiliates for employee services performed within Delaware, the Domestic Insurer shall be entitled to a credit of \$1,500 for such year, (b) For Domestic Insurers that do not maintain their principal offices in the State of Delaware, the amount of tax due may not be reduced to less than \$15,000.

NOTE: When taking this credit, a copy of Form W-3 or year-end payroll reports MUST be attached for verification.

LINE 7 NET Privilege Tax Due: Line 4 less Lines 5 and 6. Enter this amount on Working Form T-1, Line 11.

**WORKING FORM T-3
RETALIATORY TAXES AND FEES**

TYPE OF INSURANCE	PREMIUMS	TAX RATE	HOME STATE BASIS	DELAWARE BASIS
			TAX AMOUNT	TAX AMOUNT
1.	\$	@ %	\$	\$ XXXXXXXXXXXX
2.	\$	@ %	\$	\$ XXXXXXXXXXXX
3.	\$	@ %	\$	\$ XXXXXXXXXXXX
4. Worker's Compensation	\$	@ %	\$	\$ XXXXXXXXXXXX
5. TOTAL Premium Tax			\$	\$
6. Guaranty Fund Assessment Credit (WFT-1, Line 8/9) May not reduce tax to less than "0"			\$ ()	\$ ()
7. NET Premium Taxes (WFT-1, Line 10 + 13) If "0", or less than "0", enter "0".			\$	\$
8. Certificate of Authority Renewal			\$	\$
9. Annual Statement Filing Fee			\$	\$
10. Annual Statement Abstract Fee			\$	\$ XXXXXXXXXXXX
11. Annual Statement Publication Fee			\$	\$ XXXXXXXXXXXX
12. New Agent's Initial Appointments in Delaware during c/y 1999:				
(a). TOTAL # Agents appointed _____ @ Home State Fee of \$ _____			\$	\$ XXXXXXXXXXXX
(b). _____ @ Delaware Fee of \$ <u>25.00</u>			\$ XXXXXXXXXXXX	\$
13.			\$	\$ XXXXXXXXXXXX
14.			\$	\$ XXXXXXXXXXXX
15.			\$	\$ XXXXXXXXXXXX
16. TOTAL (Sum of Lines 7 through 14)			\$	\$
17. Delaware Total Taxes and Fees			\$ ()	(Carry to Line 16)
18. TOTAL Retaliatory Tax Amount (Line 15 minus Line 16)			\$	← Enter this amount on Working Form T-1, Line 12

**INSTRUCTIONS
WORKING FORM T-3**

- LINES 1 - 3** List types and volumes of taxable premiums of insurance written in Delaware at the applicable tax rate that your Home State would charge a Delaware domiciled insurer doing similar business in that state. Different types of insurance with the same tax rate may be combined and listed on one line. **Include all finance and service charges.**
Please Note: Employer/Trust Owned Life Insurance ("COLI" premium) written in accordance with 18 Del. C. §2704(e) qualifies for exemption to retaliatory action as permitted in 18 Del. C., §532(b). **DO NOT INCLUDE COLI PREMIUM (written in accordance with 18 Del. C. §2704(e)) IN AMOUNTS LISTED ON LINES 1 - 3**
- LINE 4** Workmen's Compensation/Employer's Liability premiums (Delaware basis taken from Working Form T-1, Line 4).
Please Note: Workmen's Compensation premiums MUST be recorded separately on Line 4.
- LINE 5** TOTAL Premium Tax Amount – Sum Lines 1 through 4. Delaware Basis taken from Working Form T-1, Line 7.
- LINE 6** Guaranty Fund Assessment Credits (should equal Working Form T-1, Line 8 and/or Line 9). Do not apply credit if home state has no provision that would allow a Delaware domiciled company a premium tax offset to a Guaranty Fund Assessment.
- LINE 7** NET Premium Tax Amount – Line 5 minus Line 6. Delaware Basis should equal Working Form T-1, Line 10 plus Line 13.
- LINES 8 - 11** List home state fees as applicable. Delaware Basis taken from Working Form T-1, Line 14.
- LINE 12** (a) List number of new agents appointed in DE during 1999. Multiply by home state's appointment fee (**list fee amount**).
 (b) Use same number of new agents as listed in Line 12 (a) . Multiply by \$25.00 for Delaware Basis calculation.
- LINES 13 - 15** List any and all miscellaneous annual fees that a Delaware domiciled company, writing similar lines and volumes of business would be assessed on an annual basis in your home state. **Please list each fee type.**
- LINE 16** TOTAL – Sum Lines 7 through 14.
- LINE 17** LESS Delaware TOTAL taken from Line 15.
- LINE 18** NET Retaliatory Tax due to Delaware. Enter this amount on Working Form T-1, Line 12. If "0", or less than "0", enter "0".

COMPANY NAME _____ EIN # _____ NAIC # _____

Company Type: _____

**WORKING FORM T-4
GUARANTY FUND ASSESSMENT CREDIT**

LIFE & HEALTH

	1994	1995	1996	1997	1998	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	
TOTAL						
_____						X .20

Enter this amount on Working Form T-1, Line 8 →

PROPERTY & CASUALTY

	1994	1995	1996	1997	1998	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	
_____	_____	_____	_____	_____	_____	
TOTAL						
_____						X .20

Enter this amount on Working Form T-1, Line 9 →

**INSTRUCTIONS
WORKING FORM T-4**

According to 18 Del. C., §§ 4413(a) and 4219(b), insurers may deduct 20% of the total assessment, as shown on their Certificates of Contribution, from their premium tax liability each year for the 5 years following **payment** of the assessment. No deduction may be taken for the year in which the assessment is paid.

Credit may only be taken for Class "C" assessments. Credit may not be taken for Class "A" and Class "B" assessments. Class "A" and Class "B" Guaranty Fund Assessments are administrative assessments and are therefore not eligible to be included in calculation of credits to premium taxes.

Individual Company data has been listed on the attached NOTICE OF GUARANTY FUND ASSESSMENT CREDIT. The data was compiled from available Certificates of Contribution for Class "C" Assessments only. If the information on the Notice is correct, replace this Working Form with the Notice. *It is not necessary to complete Working Form T-4 if the Notice is correct.* However, if you disagree with these figures and the company has paid a Class "C" assessment that is not included on the attached Notice, you must complete Working Form T-4 indicating the changes. You **MUST** attach a copy of the Certificate of Contribution for the additional assessment(s). Department files will be updated according to the amount and date listed on the certificate(s).

NOTE: The Delaware Insurance Guaranty Associations (LH & PC) only issue Certificates of Contribution for Class "C" assessments, and the "Year Paid" date on the certificate indicates the year in which the payment was *received*. If your records indicate a payment to either Guaranty Association that is not included in the attached data, or if you have no record of receiving a certificate, in all likelihood, that payment was for a Class "A" or Class "B" assessment. **Only those assessments for which a certificate of contribution is either on record or enclosed will be considered when reviewing credits to premium tax filings.**

The Guaranty Fund Assessment Credit is calculated in the following manner: Total each assessment amount(s) for each year (list any credits not already included), then add totals across and multiply by 20% to calculate credit amount. After calculating the percentage, enter the Total credit(s) on Working Form T-1, Line 8 and/or Line 9. **NOTE:** Credit **may not** exceed premium tax amount. Do not reduce Net Premium Tax amount on Working Form T-1, Line 10 to less than zero.

WORKING FORM T-5
STATE SUPPORT OF FIRE COMPANIES
 Based on Property and Casualty Premiums Written

PART I Gross Direct Premiums, Less Return Premiums

1. Fire	\$
2.1. Allied Lines	\$
2.2. Multiple Peril Crop	\$
2.3. Federal Flood	\$
3. Farmowners Multiple Peril	\$
4. Homeowners Multiple Peril	\$
5.1. Commercial Multiple Peril (non-liability portion)	\$
8. Ocean Marine (other than Wet Marine & Transportation)	\$
9. Inland Marine (other than Wet Marine & Transportation)	\$
12. Earthquake	\$
21.1. Private Passenger Auto Physical Damage	\$
21.2. Commercial Auto Physical Damage	\$
22. Aircraft (all perils)	\$
TOTAL	\$

PART II Gross Direct Premiums, Less Return Premiums

1. City of Wilmington	\$
2. New Castle County (outside City of Wilmington)	\$
3. Kent County	\$
4. Sussex County	\$
TOTAL	\$

**PART I Total
Must Equal
PART II Total**

WORKING FORM T-6
STATE SUPPORT OF AMBULANCE AND RESCUE ORGANIZATIONS
 Based on Life, Accident and Health Premiums Written

GROSS PREMIUMS (Must equal Schedule-T)

1. Life (Do Not include Annuities)	\$
2. C.O.L.I. (Total Premiums from ALL Cases)	\$
3. Accident and Health	\$
TOTAL	\$

INSTRUCTIONS
WORKING FORM T-5

In accordance with 18 Del. C., §705(a) each company receiving premiums for risks or loss in Delaware under the lines listed on Working Form T-5 above, is to complete this section. **THIS IS NOT A TAX.** The State of Delaware uses this information to determine the amount of financial support volunteer fire companies receive from the State. As with all forms in this tax report, the President and Secretary verify its accuracy and completeness.

PART I: Copy corresponding line number figures from Page 15, [EXHIBIT OF PREMIUMS AND LOSSES (STATUTORY PAGE 14 DATA)], Column 2.
NOTE: A copy of the State Page MUST accompany Working Form T-5.

PART II: Each insurer MUST show what portion of the total gross direct premiums listed in PART I is allocable to each of the four geographical sub-divisions within the state of Delaware. Allocations are to be determined by *location of risk*.

WORKING FORM T-6

In accordance with 18 Del. C., §713, each company receiving premiums for life, accident or health insurance coverage of all types in Delaware is to complete this section. **THIS IS NOT A TAX.** The State of Delaware uses this information to determine the amount of financial support that nonprofit organizations that provide ambulance and rescue services receive from the State. As with all forms in this tax report, the President and Secretary verify its accuracy and completeness. **NOTE: A copy of Schedule-T MUST accompany Working Form T-6.**

AFFIDAVIT

In accordance with 18 Del. C., §702 (a), the Premium Tax and Fees Report shall be verified by the oath or affirmation of the president or secretary or other responsible officer of the insurer, duly administered by a person authorized to administer oaths.

STATE OF _____ COUNTY OF _____

On this _____ day of _____ 19 _____, before me, the subscriber, personally appeared

(PRESIDENT), and _____
(please print) (please print)

(SECRETARY) of the above named Insurer who being duly sworn (or affirmed) deposes and says that this report and all schedules (Working Form T-1 through T-8) are true, correct, and complete.

Signature (President)

Signature (Secretary)

(Company Seal)

SWORN TO (OR AFFIRMED) AND SUBSCRIBED BEFORE ME THE DAY AND YEAR AFORESAID.

Notary Public

Signature (Notary Public)

Date Commission Expires: _____

(Notary Seal)

PREPARER CHECKLIST

Please use this checklist to assure that all required items are included in this calendar year 1999 Premium Tax and Fees filing.

[] Signatures of President and Secretary (or other responsible company officer) and company seal affixed above.
Note: If signed by other officer, please state reason: _____

[] Signature of Notary Public and notary seal affixed above.

[] Pages 1 through 12 (Working Form T-1 T-8) of this report completely filled out.

[] Certificate(s) of Contribution for Guaranty Fund Assessments not listed on Working Form T-4 included.

[] Copy of Delaware Business page (State Page) of the 1999 Annual Statement included.

[] Copy of Schedule T of the 1999 Annual Statement included.

DOMESTIC COMPANIES CLAIMING EMPLOYEE SERVICES CREDIT ON WORKING FORM T-2 (only):

[] Form W-3 or year-end payroll reports included.

State of Delaware



Department of Insurance

**PREMIUM TAX AND FEES REPORT
FOR CALENDAR YEAR 1999, DUE MARCH 1, 2000**

INSTRUCTIONS
WORKING FORM T-8
EMPLOYER OWNED/TRUST OWNED LIFE INSURANCE
(Also Known As "COLI" Premiums)

IF THE COMPANY HAS MORE THAN TWO CASES OF THIS TYPE, PLEASE REPRODUCE WORKING FORM T-8 OR USE A SIMILAR FORMAT AND ATTACH CALCULATIONS FOR EACH CASE AS REQUIRED IN 18 DEL. C., §702 (C)(2).

On the line indicated, list the Case Name for our information.

List nationwide Total Premium for the individual Case. [A]

List Net Premium for risks located within the State of Delaware. [B]

List Net Premium for risks resident or located outside the State of Delaware for which premium tax is not paid to the state of residence or location. [C]

List Total Delaware Net Premium Amount generated for each Employer/Trust Owned Life Insurance Case as defined in 18 Del. C., §702 (c)(2). [D]

Under Premium Amount, break down the Total Delaware Premium Amount [D] for each Case at a graduated basis and multiply each Premium Amount by the appropriate Tax Rate in accordance with the table in 18 Del. C., §702 (c)(2) to determine the Tax Amount for each Premium Amount.

For example:

If Total Delaware Taxable Premium Amount [D] is \$10,000,000 or less:

Multiply amount by 2%

If Total Delaware Taxable Premium Amount [D] is \$10,000,001 to \$24,999,999:

2% x first \$10,000,000 plus

1.5% x \$10,000,001 to \$24,999,999

If Total Delaware Taxable Premium Amount [D] is \$25,000,000 to \$99,999,999:

2% x first \$10,000,000 plus

1.5% x \$10,000,001 to \$24,999,999 plus

1.25% x \$25,000,000 to \$99,999,999

If Total Delaware Taxable Premium Amount [D] is \$100,000,000 or higher:

2% x first \$10,000,000 plus

1.5% x \$10,000,001 to \$24,999,999 plus

1.25% x \$25,000,000 to \$99,999,999 plus

1.0% x \$100,000,000 and higher

The Total Tax Due This Case is the SUM of the Tax Amounts determined above.

NOTE: THE PREMIUM TAX RATE SHALL BE CALCULATED ON THE BASIS OF NET PREMIUMS (UPON WHICH TAXES ARE PAYABLE TO DELAWARE) RECEIVED PER CASE FOR THE CALENDAR YEAR, EXCEPT THAT IN SUBSEQUENT CALENDAR YEARS THE PREMIUM TAX RATE SHALL NOT BE HIGHER THAN THE RATE ESTABLISHED FOR THE NEXT PRECEDING YEAR. SEE EXAMPLE IN 18 DEL. C., §702 (C)(2).

In the Summary Section, for each Employer Owned/Trust Owned Life Insurance Case identified in Working Form T--8:

Indicate the corresponding Name/Case Number

List the following information relating to the Case:

The nationwide Total Premium Amount [A]

Total Delaware Premium Amount [D]

Total Tax Due This Case

The Total Tax Amount Due shall equal the sum of Total Tax Due for each Case identified in Working Form T--8. **This amount should be entered on Working Form T—1, Line 13.**

WORKING FORM T-7

The Credit Granted Under This Law Shall Be The Product
Of Either The Equation Described Herein, Whichever Is Less:

1. $TC + (CTR/CTG) \times DC$ OR \$ _____
 2. $TC + CTR \times \$250$ \$ _____

As used in this section, TC is the amount of Tax Credit; CTG is the number of commuter trips generated, defined herein as the annualized number of employees reporting and departing from the place of employment during the peak travel periods; CTR is the number of commuter trip reductions, defined herein as the number of employees participating in a Delaware Department of Transportation Certified Travelink Program for at least 30 days of the applicable tax year; and DC is the employer's allowable direct costs. See Title 30, Del. C., §2030 ET SEQ for additional details.

WORKING FORM T-8

EMPLOYER OWNED/TRUST OWNED LIFE INSURANCE

CASE #1 Case Name _____

- Total Premium for this Case [A] \$ _____
 Net Premium for risks located in Delaware [B] \$ _____
 Net Premium for risks resident or located outside Delaware for which premium tax is not paid to the State of residency or location [C] \$ _____
 Total Delaware Premium Amount for Calendar Year _____ ([B] + [C]) [D] \$ _____

<u>PREMIUM AMOUNT</u>		<u>TAX RATE</u>		<u>TAX AMOUNT</u>	
\$ _____	@	2%	=	\$ _____	
\$ _____	@	1.5%	=	\$ _____	
\$ _____	@	1.25%	=	\$ _____	
\$ _____	@	1%	=	\$ _____	
				\$ _____	Total Tax Due This Case

CASE #2 Case Name _____

- Total Premium for this Case [A] \$ _____
 Net Premium for risks located in Delaware [B] \$ _____
 Net Premium for risks resident or located outside Delaware for which premium tax is not paid to the State of residency or location [C] \$ _____
 Total Delaware Premium Amount for Calendar Year _____ ([B] + [C]) [D] \$ _____

<u>PREMIUM AMOUNT</u>		<u>TAX RATE</u>		<u>TAX AMOUNT</u>	
\$ _____	@	2%	=	\$ _____	
\$ _____	@	1.5%	=	\$ _____	
\$ _____	@	1.25%	=	\$ _____	
\$ _____	@	1%	=	\$ _____	
				\$ _____	Total Tax Due This Case

SUMMARY -- WORKING FORM T-8

<u>CASE NAME</u>	<u>TOTAL PREMIUM AMOUNT</u>	<u>TOTAL DELAWARE PREMIUM AMOUNT</u>	<u>TOTAL TAX DUE EACH CASE</u>
1.	\$ _____	\$ _____	\$ _____
2.	\$ _____	\$ _____	\$ _____
3.	\$ _____	\$ _____	\$ _____
4.	\$ _____	\$ _____	\$ _____

Total "COLP" Tax Amount Due (enter this amount on Working Form T-1, Line 13): \$ _____