



**RISK PURCHASING GROUP ANNUAL TAX AND FEES REPORT
FOR THE CALENDAR YEAR 2007, DUE MARCH 1, 2008
FOR BUSINESS WRITTEN IN THE STATE OF DELAWARE
BY INSURERS PROVIDING COVERAGE
UNDER THE LIABILITY RISK RETENTION ACT (15 U.S.C. 3901 ET SEQ.)**

➤➤➤ ALL RISK PURCHASING GROUPS MUST COMPLETE THIS FORM ◀◀◀

In accordance with 18 Del. C., §701(8), all Purchasing Groups registered with the Department to do business in Delaware are subject to an annual renewal fee of \$50.00, due on or before March 1 each year. In addition, this Form requires Purchasing Groups to report the amounts of insurance premium the PG generates in the state of Delaware, and to indicate the source of premium tax payment. The information from this annual tax and fees form is helpful in monitoring payment of premium taxes due to the state of Delaware from insurance business written on risks located within the state.

INSTRUCTIONS

(References are to Title 18, Delaware Insurance Code)

PURCHASING GROUP (PG) INFORMATION AND TAX MAILING ADDRESS (page 2)

List the complete PG Name and the Address to which tax and fees related correspondence should be mailed. Include the Name and Telephone Number of the Contact Person most familiar with the premiums paid for insurance purchased for the PG. List any and all other Names by which the PG is doing business.

IMPORTANT: Due to the number of companies doing business in Delaware, and the frequent similarity in company names, all companies are referenced by their nine-digit Federal Employer Identification Number (EIN) for premium tax purposes. Some Purchasing Groups have not provided the Department with EIN# information. In these cases, a *PG Identification Number (PG ID#)* has been assigned. **If the PG does not have a Federal EIN#, and you do not know the PG ID#, contact Ann Fletcher at Ann.Fletcher@state.de.us to get this information.** The PG should use either the EIN or the PG ID# whenever corresponding with the Department.

NON-RESIDENT AGENT/BROKER INFORMATION (page 2)

List the Agent or Broker responsible for procuring insurance coverage on behalf of the PG. This information is especially important in cases when the PG obtains coverage through a surplus lines insurer. According to Delaware law, if the insurance carrier does not make filings and pay taxes to the State (as in the case of a non-admitted insurer) the responsibility falls to the Agent/Broker who obtained the coverage. (see General Information)

PART I PREMIUM TAX AND FEES SUMMARY REPORT (page 2)

- (1) **Insurance Source Information** List each Insurance Company Full Name, NAIC#, and the Total Premium Amount paid to that company. (§702(a)). Use additional pages if needed. If PG intends to do business with a company, but did not generate any premium with that company during 2007, list that company and enter "0.00" in the Total Premium Amount column.
- (2) **Tax Amount Due from PG** Enter the Premium Tax Amount for each Insurance Source as calculated in Part II. If tax is paid by the PG or by the Agent/Broker, enter tax amount. If tax is paid by the admitted Insurer, enter "0.00".
- (3) **Total Tax Due** Sum Tax Amount Column. This column should only contain amounts from Part II in which the Purchasing Group and/or Agent/Broker has been marked as responsible for paying the tax.
- (4) **Annual Renewal Fee** Add Annual Renewal Fee (§701(8)). **All Purchasing Groups must pay this fee annually.**
- (5) **Amount Prepaid** Deduct any prepayments made during 2007.
- (6) **Total Amount Due** Total Amount Due. **Attach a check made payable to *Delaware Insurance Department* for this amount.** If tax is paid by an independent Surplus Lines Broker acting on behalf of the Purchasing Group, attach a separate check from the Broker for the tax amount, along with a check from the Purchasing Group for the annual renewal fee. If the Purchasing Group is paying both the premium tax and the annual renewal fee, the purchasing group may attach one check for the total amount due.

PART II GROSS PREMIUMS DETAIL REPORT AND TAX COMPUTATION (page 3)

It is not necessary to complete this section for coverage placed through admitted insurers that file annual reports and pay premium taxes to the State. Premium paid to those companies are included in the company's overall report of business written in Delaware. Only complete Part II of this tax form for cases where either the PG or an Agent/Broker representing the PG is responsible for making the annual report and paying the premium tax.

- 1. List Name and NAIC # of Insurance Source
- 2. List the information indicated for each policy placed through the Insurance Source. (§702(a))
- 3. Indicate the entity that is responsible for paying the premium tax on the premium paid to this Insurance Source. If Agent/Broker, indicate name (detailed Agent/Broker information should be listed on Page 3). (§8010)
- 4. Sum the Gross Premiums for each policy placed with the Insurance Source. Enter this amount in Part I.
- 5. Multiply the Total Gross Premiums by .02 (2%) to calculate the premium tax amount. Enter this amount in Part I. (§702(c) & §707)
- 6. Repeat steps 1 through 6 for each Insurance Source. Use additional pages as needed.

DO NOT RETURN THIS PAGE OF INSTRUCTIONS

Purchasing Group Name: _____ ID #: _____

PART II GROSS PREMIUMS DETAIL REPORT AND TAX COMPUTATION
This form may be reproduced. Attach additional pages for other insurers as needed. Refer to Instructions on Page 2

INSURANCE SOURCE # 1

Company Name: _____ NAIC # _____

Name of Insured (optional)	Policy Number	Location (city in DE)	Effective Date	Type of Coverage	% of Premium	Gross Premiums (less returned premium)

Entity responsible for paying premium tax for policies listed above
 See 18 Del. C., §8010 below. (Check one)

Agent/Broker Purchasing Group

Total Gross Premiums (Enter this amount on Part I Summary Report) \$ _____

Premium Tax Rate (18 Del. C., §§702(c) & 707(a)) **x .02**

Total Premium Tax Due (Enter this amount on Part I Summary Report) \$ _____

Name: _____

INSURANCE SOURCE # 2

Company Name: _____ NAIC # _____

Name of Insured (optional)	Policy Number	Location (city in DE)	Effective Date	Type of Coverage	% of Premium	Gross Premiums (less returned premium)

Entity responsible for paying premium tax for policies listed above
 See 18 Del. C., §8010 below. (Check one)

Agent/Broker Purchasing Group

Total Gross Premiums (Enter this amount on Page 1 Summary Report) \$ _____

Premium Tax Rate (18 Del. C., §§702(c) & 707(a)) **x .02**

Total Premium Tax Due (Enter this amount on Part I Summary Report) \$ _____

Name: _____

GENERAL INFORMATION

§§702 (a) (c) & 707(a): Premium Taxes and Fees

In accordance with 18 Del. C., §§ 702 (c) and 707(a), a premium tax of two percent (2%) is due for risks written and located in the State of Delaware. 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.

§ 8010(b): Purchasing group taxation

Premium taxes and taxes on premiums paid for coverage of risks resident or located in this State by a purchasing group or any members of the purchasing groups shall be: (1) Imposed at the same rate and subject to the same interest, fines and penalties as that applicable to premium taxes and taxes on premiums paid for similar coverage from a similar insurance source by other insureds; and (2) Paid first by such insurance source, and if not by such source by the agent or broker for the purchasing group, and if not by such agent or broker then by the purchasing group, and if not by such purchasing group then by each of its members.

Purchasing Group Name: _____ ID #: _____

AFFIDAVIT

In accordance with 18 Del. C., §702 (a), Premium Tax and Fees Reports 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 _____ 20 _____, before me, the subscriber, personally appeared

_____, _____ of the above named Purchasing Group,
(Name please print) (Title please print)

who being by me duly sworn (or affirmed) deposes and says that this report and all schedules are true, correct, and complete.

Signature

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

(Company seal)

Notary Public

Signature (Notary Public)

Date Commission Expires: _____

(Notary Seal)

MAILING INSTRUCTIONS

Tax and fees checks should be made payable to "Delaware Insurance Department". If the Purchasing Group is responsible for paying both the annual renewal fee and the premium tax, one check for the total amount may be submitted. Tax forms and checks must be **received** on or before March 1, 2008.

Tax forms and checks should be sent to:
Delaware Insurance Department
Attn.: Premium Tax Section
841 Silver Lake Boulevard
Dover, Delaware 19904-2465

PREPARER CHECKLIST

Please use this checklist to assure that all required items are included in this calendar year 2007 Premium Tax Report.

- Signature of President (or other responsible PG 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 2 through 4 of this report completely filled out. (Attach additional pages for other carriers if necessary)
- Attach check payable to "Delaware Insurance Department" for annual renewal fee plus any tax due as instructed.