



LAWS OF ALASKA

1986

Source

CSSB 379 (Fin) re-engrossed (title am)

Chapter No.

118

AN ACT

Relating to the premium tax for domestic and foreign insurers;
and identifying the tax years to which the Act applies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1, LINE 10

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO
THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES
DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL
REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY
LINE OF EACH BILL SECTION.

Approved by the Governor: June 7, 1986
Actual Effective Date: September 5, 1986

AN ACT

Relating to the premium tax for domestic and foreign insurers;
and identifying the tax years to which the Act applies.

* Section 1. AS 21.09.210(b) is amended to read:

(b) Each insurer, and each formerly authorized insurer with respect to premiums received while an authorized insurer in this state, shall pay a tax on the total direct premium income received during the year ending on the preceding December 31 and paid for the insurance of property or risks resident or located in the state other than wet marine and transportation insurance, after deducting from the total direct premium income the applicable cancellations, returned premiums, the unabsorbed portion of any deposit premium, all policy dividends, unabsorbed premiums refunded to policyholders, refunds, savings, savings coupons and other similar returns paid or credited to policyholders with respect to their policies. No deductions may be made of cash surrender value of policies. Considerations received on annuity contracts are [SHALL] not [BE] included in the direct premium income and are [SHALL] not [BE] subject to tax. The tax shall be paid to the director annually before April 1, and, except as provided in AS 21.69.390(c), is computed at the rate of

(1) for domestic and foreign insurers, except hospital and medical service corporations, 2.7 [COMPANIES, 1 1/2] percent;

(2) for hospital and medical service corporations, six [6]

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1 percent of their gross premiums less claims paid [;

2 (3) FOR COMPANIES OTHER THAN DOMESTIC AND HOSPITAL AND
3 MEDICAL SERVICE CORPORATIONS, 3 PERCENT].

4 * Sec. 2. This Act applies to the tax due by April 1, 1987 for the tax
5 year beginning January 1, 1986 and to the tax due for subsequent tax years.
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