

Introduced: 3/7/73
Referred: Commerce and
Finance

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE
BY REQUEST

2 HOUSE BILL NO. 307

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to a tax on insurers."

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

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

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

24 (1) for domestic companies, 1 1/2 per cent;

25 [(2) FOR HOSPITAL AND MEDICAL SERVICE CORPORATIONS, 6 PER
26 CENT OF THEIR GROSS PREMIUMS LESS CLAIMS PAID;]

27 (3) for companies other than domestic, including [AND]
28 hospital and medical service corporations, 3 per cent.
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