

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 196

BY BUSINESS COMMITTEE

AN ACT

1 RELATING TO CREDITS FOR ASSESSMENTS PAID; AMENDING SECTION 41-3616, IDAHO
2 CODE, TO REVISE A PROVISION RELATING TO THE TIMING OF PERMITTED IDAHO
3 PREMIUM TAX OFFSETS BY MEMBER INSURERS AND TO PROVIDE FOR AN OFFSET
4 AGAINST PREMIUM TAX LIABILITY TO THE INDUSTRIAL ADMINISTRATION FUND
5 FOR AN INSURER THAT IS EXEMPT FROM THE PREMIUM TAX; AND AMENDING SECTION
6 41-4313, IDAHO CODE, TO REVISE A PROVISION RELATING TO THE TIMING OF
7 PERMITTED IDAHO PREMIUM TAX OFFSETS BY MEMBER INSURERS AND TO REMOVE
8 REDUNDANT LANGUAGE.
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. That Section 41-3616, Idaho Code, be, and the same is hereby
12 amended to read as follows:

13 41-3616. CREDITS FOR ASSESSMENTS PAID. (1) A member insurer may off-
14 set against its premium tax liability to this state under section 41-402,
15 Idaho Code, an assessment described in subsection (1) (d) of section 41-3608,
16 Idaho Code. ~~An insurer that is exempt from the premium tax imposed by section~~
17 ~~41-402, Idaho Code, may offset its premium tax liability to the industrial~~
18 ~~administration fund.~~ An offset is allowable to the extent of twenty percent
19 (20%) of the amount of such assessment for each of the five (5) calendar years
20 following the year in which such assessment was paid beginning with the pre-
21 mium tax due under section 41-402(4), Idaho Code, with respect to the year
22 of payment of the assessment and thereafter with the premium tax due under
23 section 41-402(4), Idaho Code, during each of the four (4) succeeding years.
24 An allowable offset, or portion thereof, not used in any calendar year can-
25 not be carried over or back to any other year. An insurer that is exempt from
26 the premium tax imposed by section 41-402, Idaho Code, may offset against its
27 premium tax liability to the industrial administration fund in the same man-
28 ner as an offset to the premium tax imposed by section 41-402(4).

29 (2) Notwithstanding any provision to the contrary in section
30 41-3608(2) (f), Idaho Code, any sums acquired by refund from insurance com-
31 pany receiverships by the association which have heretofore been written
32 off by contributing insurers and offset against premium taxes as provided
33 in subsection (1) of this section, and which, in the opinion of the board of
34 directors, will not be needed for the purposes of this chapter within two (2)
35 years from the date the association receives the refund from the receiver-
36 ship, shall be paid by the association to the director and by him deposited
37 with the state treasurer for credit to the state general fund.

38 SECTION 2. That Section 41-4313, Idaho Code, be, and the same is hereby
39 amended to read as follows:

1 41-4313. CREDITS FOR ASSESSMENTS PAID. (1) A member insurer may offset
2 against its premium tax liability to this state an assessment described in
3 section 41-4309(8), Idaho Code, to the extent of twenty percent (20%) of the
4 amount of the assessment for each of the five (5) calendar years ~~following~~
5 ~~the year in which the assessment was paid beginning with the premium tax due~~
6 ~~under section 41-402(4), Idaho Code, with respect to the year of payment~~
7 ~~of the assessment and thereafter with the premium tax due under section~~
8 ~~41-402(4), Idaho Code, during each of the four (4) succeeding years.~~ An al-
9 lowable offset, or portion thereof, not used in any calendar year cannot be
10 carried over or back to any other year.

11 (2) Any sums acquired by refund, pursuant to section 41-4309(6), Idaho
12 Code, from the association which have theretofore been written off by con-
13 tributing insurers and offset against premium taxes as provided in subsec-
14 tion (1) of this section, and are not then needed for purposes of this chap-
15 ter, shall be paid by the association to the director and by him deposited
16 with the state treasurer for credit to the general account of the state oper-
17 ating fund.

18 ~~(3) Any sums acquired by refund, pursuant to section 41-4309(6), Idaho~~
19 ~~Code, from the association which have theretofore been written off by con-~~
20 ~~tributing insurers and offset against premium taxes as provided in subsec-~~
21 ~~tion (1) of this section, and are not then needed for purposes of this chap-~~
22 ~~ter, shall be paid by the association to the director and by him deposited~~
23 ~~with the state treasurer for credit to the general account of the state oper-~~
24 ~~ating fund.~~