



Cover Sheet

December 19, 2016
CB-137

BULLETIN

SUBJECT: Surplus Lines Insurance Act Amendments Include Changes to Filing Dates and the Tax Rate for Multistate Filings

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Pete Ricketts, Governor

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LB 837, which amends the Surplus Lines Insurance Act, specifically Neb. Rev. Stat. § 44-5506 and 44-5515, was approved by the Governor on April 7, 2016. The following changes are effective January 1, 2017:

- Quarterly Filing Dates have changed:
 - March 1 for fourth quarter
 - June 1 for first quarter
 - September 1 for second quarter
 - December 1 for third quarter
- The tax rate for multistate filings have changed:
 - The tax rate for risks both inside and outside of Nebraska will now be a flat 3% on behalf of an insured whose home state is Nebraska. This change eliminates the need for licensees to calculate premiums and tax based on location of risk. The tax only applies to premiums for insurance that covers properties, risk, or exposures located or to be performed in the United States.
 - The tax rate to be used will be the rate effective on the date premium was charged, which is either the date of coverage or the policy anniversary date.

The Department has also made an unrelated change to the handling of refunds due. In an effort to increase efficiency and reduce handling costs, any net refund due to the filer that is less than \$25 will be carried forward as a credit to the next quarter filing and no refund check will be issued unless specifically requested by the licensee.

A surplus lines FAQ has been posted to the Department's website and can be accessed at <https://doi.nebraska.gov/producers/surplus-lines-information>.

Questions regarding these changes can be directed to DOI.SurplusLines@nebraska.gov or 402-471-4646.

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