



2025 ANNUAL PREMIUM TAX FILING INFORMATION/FAQ (For year ending December 31, 2025)

The Department requires electronic filing through OPTins. Instructions for electronic filing can be found at www.optins.org

Who needs to file an Annual premium tax return?

All insurance companies licensed in Nebraska at any time during the tax year. Licensed companies who transacted no insurance business in the State during the tax year are still required to file.
(Neb. Rev. Stat. §77-908)

Who needs to file Quarterly premium tax returns?

All Insurance companies subject to premium or retaliatory tax in Nebraska, whose **annual premium tax liability** in the preceding taxable year was **\$4,000 or more**, must make quarterly prepayments. The amounts prepaid are credited toward the annual tax liability due on March 1st of the following year. (Neb. Rev. Stat. §77-918)

What are premium tax filing due dates?

Annual return – Due on or before March 1st

Quarterly returns – Due on or before due April 15, June 15, and September 15.

What documentation is required to be submitted with all returns?

- A. **Property & Casualty, Title, and Risk Retention Groups** – Nebraska Exhibit of Premiums & Losses (state page) and Schedule T
- B. **Life & Health Companies** – Nebraska Direct Business Page (state page) and Schedule T
- C. **NE domestic companies** – *Supporting documentation for the calculation of orphan premium*
- D. **All companies** – Notarized Signature Page and all supporting documentation for any credit or deduction taken

How to submit payment:

Electronic filings - Payment will be made electronically through OPTins. A separate filing should be made for each company within a group.

What are the penalties for late filings?

Insurers who fail to pay any premium or retaliatory tax when due shall pay an interest at the rate of 8% as prescribed by Neb Rev Stat. §45-104.02 and Revenue Ruling 99-18-1.

Any insurer who fails to make payments within the prescribed time period shall also be subject to the penalties prescribed in Neb Rev Stat. §77-911.

Are premium taxes retaliatory?

Nebraska implements a retaliatory tax law which provides that any taxes or other fees, in the aggregate, as would be imposed on Nebraska insurers which exceed those Nebraska imposes on insurers domiciled in other states shall result in a retaliatory tax. Taxes imposed by political subdivisions are considered imposed by the state.

What is included in taxable premium?

Taxable premiums include premiums paid on the lives of persons residing in this state and premium paid for risks located in this state whether the insurance was written in the state or not; including that portion of a group premium which represents the premium for insurance on Nebraska residents or risks located in Nebraska included within the group when the number of lives in the group exceeds five hundred.

Gross Direct Premiums are considered net of return premiums and include all premiums, membership fees, assessments, dues and other payments of similar description, whether collected in cash or notes, and all other premiums credited to premium income, such as premiums in the course of collection and premiums charged to agent accounts. Do not include premiums received on reinsurance assumed and do not deduct premiums paid on reinsurance ceded.

For Nebraska Domestic companies the tax shall also include premiums received for insurance written on individuals outside this state or risks located outside this state if no comparable tax is paid by the direct writing domestic company to any other appropriate taxing authority. This is referred to as orphan premium.

All amounts on the tax return should be rounded to the nearest dollar.
(Neb. Rev. Stat. §77-908)

What is the premium tax rate?

<u>Line of Business</u>	<u>Rate</u>
• Property & Casualty	1%
• Title	1%
• Individual Accident & Health	1%
• Group Accident & Health	0.5%
• Captive Insurers	0.25%

<u>Other Taxes and Assessments</u>	<u>Rate</u>
• Fire Tax (Foreign Insurers)	0.75%
• Fire Tax (Domestic Insurers)	0.375%

- The fire Tax is based on gross direct writing premiums and assessments received by a company for fire insurance business done in Nebraska
- The Inland Marine premium line in the fire tax section should only include Line 9.1 from the State Business page – it would NOT include Line 9.2 Pet Insurance
- Insurance Fraud Assessment \$100
- Workers Compensation Court Cash Fund 1% of gross premiums for workers' insurance written in the state.
This section on the tax form is just on the NE basis. If your state has a different tax rate for WC premium than other premium include it in the "Other Taxes" on Line 27 and note that it is WC premium and the rate.
- Workers Compensation Trust Fund **There is no Trust Fund assessment for 2025.**

What tax credits are allowed?

PLEASE NOTE: when entering the amount of tax credits on the form, you should not enter more credit than the highest tax liability due on either the Nebraska basis or state of domicile basis.

- Guaranty Fund Assessments – Assessments are deductible at the rate of 20% per year beginning with the calendar year following the year in which the assessment is paid. Copies of each contribution certificate must be attached to support the deduction.
(Neb. Rev. Stat. §44-2407 (d), 44-2716)
- New Markets Job Growth Investment Tax Credit – a copy of Form 3800N must be attached to support the deduction.
(Neb. Rev. Stat. §77-1101 – 77-1119)
- Nebraska Historic Tax Credit, Nebraska Job Creation and Mainstreet Revitalization Act – a copy of Type A or Type B Tax Credit Certificates must be attached to support the deduction. Credit will NOT be allowed without a completion certificate attached.
(Neb. Rev. Stat. §77-2901 – 77-2912)
- Community Development Assistance Act contribution – a copy of Form 1099 NTC must be attached to support the deduction.
(Neb. Rev. Stat. §77-2734.03)
- Affordable Housing Tax Credit – a copy of form 3800N must be attached to support the deduction.
(Neb. Rev. Stat. §77-2501 – 77-2507)

What are the Guaranty Fund Assessments Applicable to the 2024 Tax Year?

Property and Casualty Assessments

		<u>Tax Year</u>
2020	Class "A" Administrative Assessment	2021-2025
2021	Gateway Insurance Company	2022-2026
2021	American Service Insurance Company	2022-2026
2022	MutualAid Exchange	2024-2028
2023	MutualAid Exchange	2025-2029

Life and Health Assessments

Tax Year

No assessments

- ❖ Any amendment filed after April 15 that results in an overpayment will not be given a refund but a credit to be used toward future filings.
- ❖ Please refer to Nebraska Statutes and the NAIC 2025 Retaliatory Guide for more details.
- ❖ Please forward any questions to doi.premiumtax@nebraska.gov