



**Part 3. Computation of Tax Due on Direct Premiums** *(Direct premiums are premiums contracted for or collected on policies or contracts of insurance written by the company during the preceding calendar year. In the case of a multiyear policy or contract, the premiums are prorated among the years covered by the policy or contract. All direct premiums written by a N.C. captive are subject to tax in N.C. Attach additional sheets if needed.)*

	A	B	C	D	E
	Member Name	Member Name	Member Name	Member Name	Combined Totals
	FEIN	FEIN	FEIN	FEIN	
<b>1. Gross Direct Premiums Collected or Contracted For</b>					
<b>2. Less</b>					
a. Return Premiums					
b. Dividends on Unabsorbed Premium or Premium Deposits Returned or Credited to Policyholders					
<b>3. Net Taxable Direct Premiums</b> Line 1 minus Lines 2a and 2b					
<b>4. Tax on Direct Premiums</b> Multiply Line 3 by the applicable percentage(s) below; add the amounts and enter sum					.00
● Multiply the first \$20 million by 0.400%					
● Multiply the amount over \$20 million by 0.300%					

**Part 4. Computation of Tax Due on Assumed Reinsurance Premiums** *(No tax on assumed reinsurance premiums is payable in connection with the receipt of assets in exchange for the assumption of loss reserves and other liabilities of one insurer by another insurer if the two insurers are under common control and the Commissioner of Insurance verifies that the transaction between the insurers is: (1) part of a plan to discontinue the operations of one of the insurers, and (2) the intent of the insurers is to renew or maintain business with the captive insurance company. Attach additional sheets if needed.)*

	A	B	C	D	E
	Member Name	Member Name	Member Name	Member Name	Combined Totals
	FEIN	FEIN	FEIN	FEIN	
<b>5. Assumed Reinsurance Premiums Collected or Contracted For</b>					
<b>6. Less: Deductions</b> <i>(Attach Schedule)</i>					
<b>7. Net Taxable Assumed Reinsurance Premiums</b> Line 5 minus Line 6					
<b>8. Tax on Assumed Reinsurance Premiums</b> Multiply Line 7 by the applicable percentage(s) below; add the amounts and enter sum.					.00
● Multiply the first \$20 million by 0.225%					
● Multiply the amount over \$20 million but no more than \$40 million by 0.150%					
● Multiply the amount over \$40 million but no more than \$60 million by 0.050%					
● Multiply the amount over \$60 million by 0.025%					

**Part 5. Total Premium Tax Due For a Consolidated Group that DOES NOT include a Special Purpose Financial Captive**

9. Enter the sum of Part 3, Column E, Line 4 and Part 4, Column E, Line 8 9. \_\_\_\_\_ .00

10. Total Premium Tax Due For a Consolidated Group that DOES NOT include a Special Purpose Financial Captive 10. \_\_\_\_\_ .00

- If the amount on Line 9 is more than \$100,000, enter \$100,000
- If the amount on Line 9 is less than \$5,000, enter \$5,000
- If the amount on Line 9 is between \$5,000 and \$100,000, enter the amount of Line 9 on Line 10

**Part 6. Total Premium Tax Due For a Consolidated Group that DOES include a Special Purpose Financial Captive**

11. Enter the sum of Part 3, Column E, Line 4 and Part 4, Column E, Line 8 11. \_\_\_\_\_ .00

12. Enter the amount of Line 11 allocated to all members of the Consolidated Group that ARE Special Purpose Financial Captives 12. \_\_\_\_\_ .00

13. Maximum Threshold 13. \_\_\_\_\_ **100000** .00

14. Compare the amount on Line 12 with the amount on Line 13  
If the amount on Line 12 is greater than \$100,000, enter \$100,000 on Line 14. Otherwise, enter amount of Line 12 on Line 14. 14. \_\_\_\_\_ .00

15. Enter the amount of Line 11 allocated to all members of the Consolidated Group that ARE NOT Special Purpose Financial Captives 15. \_\_\_\_\_ .00

16. Maximum Threshold 16. \_\_\_\_\_ **100000** .00

17. Compare the amount on Line 15 with the amount on Line 16  
If the amount on Line 15 is greater than \$100,000, enter \$100,000 on Line 17. Otherwise, enter amount of Line 15 on Line 17. 17. \_\_\_\_\_ .00

18. Add Lines 14 and 17 18. \_\_\_\_\_ .00

19. Minimum Threshold 19. \_\_\_\_\_ **5000** .00

20. Total Premium Tax Due for a Consolidated Group that DOES include a Special Purpose Financial Captive  
Compare the amount on Line 18 with the amount on Line 19. If the amount on Line 18 is less than \$5,000, enter \$5,000 on Line 20. Otherwise, enter the amount of Line 18 on Line 20 20. \_\_\_\_\_ .00

**Part 7. Total Premium Tax Due with This Return**

21. Enter the Amount From Part 5, Line 10 or Part 6, Line 20	21. _____ .00
22. Penalty	22. _____ .00
23. Interest	23. _____ .00
24. Total Premium Tax Due with this Return <i>(Add Lines 21 through 23)</i>	24. \$ _____ .00

**Copies of appropriate pages from financial statements filed with North Carolina Commissioner of Insurance in support of premiums reported on this return must be attached.**

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_  
I certify that, to the best of my knowledge, this return is accurate and complete.

**Returns are due by the 15th day of the 3rd month following the end of the calendar year. Your check or money order must be in the form of U.S. currency from a domestic bank.**