

TABLE 48. INSURANCE PREMIUM TAX NET COLLECTIONS BY TYPE

[G.S. 105 ARTICLE 8B.]

Fiscal year	Insurance Tax Type & Regulatory Charge													
	Type of Insurance Company													
	Life		Fire & Casualty		Additional Statewide Fire & Lightning		Additional Local	Health Maintenance		Hospital & Dental		Title		
	Gross Premium Tax	Regulatory Charge	Gross Premium Tax	Regulatory Charge	75% to Additional Tax	25% to Volunteer Fire Fund		Gross Premium Tax	Regulatory Charge	Gross Premium Tax	Regulatory Charge	Gross Premium Tax	Regulatory Charge	
[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	
1999-00	88,959,949	8,110,367	149,363,872	11,882,131	8,525,888	2,841,962	3,011,366	-	-	5,807,232	-	1,555,164	122,624	
2000-01	116,187,382	8,391,476	150,018,169	11,033,481	8,907,825	2,969,275	3,397,945	-	2,894,422	6,661,162	2,785,740	1,075,349	65,784	
2001-02	120,594,746	7,509,419	179,123,647	11,820,159	10,120,064	3,373,355	3,731,391	(276,182)	2,596,933	8,035,994	1,928,937	1,506,245	91,777	
2002-03	132,604,465	8,302,747	190,010,297	13,676,023	11,730,976	3,910,325	4,342,236	16,972,256	4,215,269	28,614,188	3,791,801	1,794,690	112,460	
2003-04	117,073,938	4,312,744	199,557,412	9,448,649	13,128,942	4,376,314	5,193,858	8,694,567	341,598	44,904,081	2,413,589	2,749,943	115,290	
2004-05	127,759,932	6,209,576	194,365,794	11,235,224	12,739,606	4,246,535	5,638,675	12,110,142	1,215,263	46,043,901	1,889,342	2,618,437	123,662	

Fiscal year	Insurance Tax Type & Regulatory Charge										Disposition of Proceeds	
	Type of Insurance Company						Gross Premiums Tax from Dept. of Insurance	Total Net Collections		Special Revenue Fund Allocation	Amount to General Fund	
	Self-Insured		Risk Purchasing Group		Other			Gross Premium Tax	Regulatory Charge			
	Gross Premium Tax	Regulatory Charge	Gross Premium Tax	Regulatory Charge	Gross Premium Tax	Regulatory Charge	[\$]			[\$]	[\$]	[\$]
1999-00	6,411,384	489,722	55,759	-	5,999,857	506,612	6,672,052	279,204,485	21,111,456	26,948,823	273,367,118	
2000-01	7,091,644	494,366	45,444	-	7,745,383	592,534	7,885,911	311,985,489	26,257,802	32,451,960	305,791,331	
2001-02	8,399,334	527,709	11,787	-	9,432	-	13,483,602	348,113,415	24,474,934	31,802,990	340,785,358	
2002-03	8,233,322	534,743	998	-	(7,277)	-	18,958,631	417,165,107	30,633,044	38,924,796	408,873,355	
2003-04	9,335,008	395,628	15,632	-	(59,110)	-	27,778,284	432,748,868	17,027,498	26,371,316	423,405,050	
2004-05	9,858,508	493,649	6,666	-	(12,023)	-	27,062,848	442,439,020	21,166,716	31,941,535	431,664,202	

Detail may not add to totals due to rounding. Collections are those credited to the General Fund by the state Department of Revenue.

**Rates and bases by type of company and by type of insurance:**

North Carolina levies several types of insurance premium tax upon insurers, both domestic and foreign, for the privilege of engaging in the insurance business.

Foreign insurers are subject to retaliatory provisions. Article 65 corporations (hospital, medical, and dental service corporations), insurers and self-insurers

are subject to various types of insurance premium tax. The tax imposed on an insurer is measured by gross premiums from business done in this

State during the calendar year. Finance charges are included in gross premiums.

There are several types of insurance premium tax applied, according to the type of insurance company and the type of insurance written: Gross and Retaliatory Premium Tax, Additional Statewide Fire and Lightning Tax, and Additional Local Fire and Lightning Tax. Insurers, Article 65 corporations, HMO's (beginning with the 2003 tax year), and self-insurers pay an Insurance Regulatory Charge (IRC) in addition to all other fees and taxes. For insurers and self-insurers, the IRC is a percentage of the gross premium tax liability, exclusive of any additional taxes and credits; for Article 65 corporations and HMO's, the IRC is a percentage of a presumed tax liability for the year calculated as if the corporation or organization were an insurer providing health insurance. (Same exclusions apply.)

The insurance premium tax requirements do not apply to farmers' mutual assessment fire insurance companies, to fraternal orders or societies that do not operate for a profit and do not issue policies on any person except members.

<u>Insurance Type/Company Type</u>	<u>Rate</u>
Workers' Compensation	2.5%
Other insurance contracts	1.9%
Additional Statewide Fire (excluding auto & marine)	1.33%
Additional Local Fire & Lightning	0.5%
Article 65 Corporations	1.9% (Rate increased from 1.1% to 1.9% effective for the 2004 tax year)
Insurance Regulatory Charge (2003,2004)	5.0% (Rate established annually by the General Assembly; rate is 5.5% for the 2005 calendar year)
HMO's	1.0% (Taxation effective beginning for the 2003 tax year; rate decreased from 1.1% to 1% for 2004 tax year; rate will increase to 1.9% effective for taxable years beginning on or after January 1, 2007)