

Bulletin of May 18, 1981

Premium taxes

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Effective July 1, 1981, South Dakota Codified Law 10-44-2 will require that premium taxes be paid on a quarterly basis if a company was required to pay \$5,000 or more in taxes for the previous year. The change is as follows:

If, during the previous year, a company paid more than \$5,000 in premium taxes in this state, it shall submit to the division of insurance payments equal to 1/4 of the previous year's taxes on April 30, July 31, October 31 and January 31. The first payment will be due on July 31 and shall include both the April 30 and July 31 payment of 1981. The quarterly payments will be credited against the amount due from the company at the time it makes its annual statement, or if no annual statement is required, then on or before March 1 of each year. The requirement for quarterly payments may be waived, or the amount of deposit reduced, by the director of insurance if the director finds the requirement would impose an undue premium tax on a company because of a significant decline in sales within the state. Any waiver shall be by written order of the director. If the sum of the quarterly payments exceeds the total taxes due, the director of insurance shall refund the overpayment to the company.

Henry J. Lussen, Jr.
Director of Insurance