

WISCONSIN RETALIATORY FEES

PREMIUM TAX

Premium Tax Base

Foreign Insurers

Section 76.62 Other than Life

Gross premiums received for direct insurance less return premiums and cancellations and returns from savings on all insurance other than reinsurance.

Section 76.65 Life Insurers

Gross premiums minus dividends paid in cash or applied to premiums. (Payment or application of amounts apportioned must be made before the end of the succeeding calendar year.) Excludes annuities from premium tax base.

Tax Rate

Section 76.60

0.5% foreign marine insurers; however, see reciprocity provision under s. 76.67

2.375% foreign fire insurers; however, see reciprocity provision under s. 76.67

Section 601.93

2% fire insurance dues payable by domestic insurers; included in foreign tax rate above.

Section 76.63

2% foreign casualty insurers; however, see reciprocity provision under s. 76.67

2% domestic financial guaranty insurers

Section 76.65

2% foreign life insurers and some domestics (see below)

Section 618.43

3% risk retention groups

Other Taxes and Assessments

Section 76.65 Domestic Life Insurers' Income Tax

If net insurance in force is less than \$750 million, annual license fee of 3.5% of gross income from all sources except interest required to maintain reserves, and except premiums collected on life insurance and annuities, but in no case in excess of the amount of premium tax a foreign insurer would pay on the same income. If net insurance in force is greater than \$750 million, pay same tax as foreign life insurer.

Section 102.75 Worker's Compensation Department Assessment

Each licensed compensation insurer may be assessed for the expenses of the worker's compensation commission.

Section 102.59 Second Injury Fund

An employer or his compensation insurer shall pay \$20,000 into the fund whenever an employee loses (or loses the function of) an arm, hand, foot, leg, or eye.

Section 102.49 Children's Death Benefit Fund

Payments are made into the fund by compensation insurers in various circumstances detailed in the statute.

Section 646.51 Insurance Security Fund (Guaranty Fund)

May assess member insurers on a prorated or nonprorated basis for administrative expenses. Nonprorated assessments may not exceed \$500 per year. May also assess maximum of 2% average premiums for last three years for kinds of insurance in account with deficiency.

Exclusions and Deductions

Section 76.61 Town Mutual Insurers

Town Mutuals are exempt from premium tax.

Sections 614.80, 76.65 Fraternal Life Insurers

Fraternal are exempt from premium tax.

Crop Insurance

Wisconsin will no longer impose premium taxes on federally reinsured crop insurance premium. However, under the retaliatory provision, if the domiciliary state taxes federally reinsured crop insurance premium, Wisconsin will as well.

Credits

Section 76.635 Certified Capital Company Credit

An insurer that makes a certified capital investment may credit against fees due under ss. 76.60, 76.63, 76.65, 76.66, or 76.67. The company may use as a credit up to 10% of the certified investment per year.

Section 76.636 Development Zone

An insurer may credit against fees due under ss. 76.60, 76.63, 76.65, 76.66, or 76.67 for its expenses related to creating jobs or for the remediation of polluted or contaminated property in an area designated as a development zone.

Section 76.637 Economic Development Credit

An insurer may credit against fees due under ss. 76.60, 76.63, 76.65, 76.66, or 76.67 the amount authorized under s. 560.703 related to certain economic development activities.

Section 76.638 Early Stage Seed Investment Credit

An insurer may credit against fees due under ss. 76.60, 76.63, 76.65, 76.66, or 76.67, 25% of the insurer's investment paid to a fund manager that the fund manager invests in a business certified under s. 238.14 or s. 560.205 (1).

Section 76.639 Low-Income Housing Credit

An insurer may credit against fees due under ss. 76.60, 76.63, 76.65, 76.66, or 76.67 the amount allocated to the claimant by the authority under s. 234.45 for each taxable year within the credit period. No insurer may claim the credit under sub unless the claimant includes with the claimant's return a copy of the allocation certificate issued to the qualified development.

Section 76.69 Personal Property Taxes

Domestic life insurer may deduct 50% of general property taxes paid on personal property used in the operation of its business, up to 25% of the premium tax.

Section 646.51 Insurance Security Fund (Guaranty Fund)

If premium rates for a class of business are fixed so that assessments cannot be recouped through rate increases, may offset assessments at rate of 20% per year for each of five years following the year in which the assessment was paid. The credit is also reciprocal. According to the department, the credit allowed foreign insurers is the same credit as allowed by their state of domicile as long as the assessment came from the Wisconsin Insurance Security Fund.

Payment Due Dates

Sections 76.64, 76.65, 601.93

Return due March 1. Estimated payments due April 15, June 15, September 15, December 15. Each payment shall equal 25% of the lesser of the following: total tax paid prior year or 80% of actual tax due for current year.

Penalties

Sections 76.645, 601.935

Insurers failing to make quarterly payments of required amount are subject to interest at rate of 1.5% for each month amount remains unpaid. For negligent failure to file or pay, add \$500 or 5% of amount due per month, up to 25%, whichever is larger.

Extensions

No specific provision for extensions.

Retaliatory Law

Section 601.55 Fees and Other Obligations

If another state requires Wisconsin domestics to make a deposit, pay a fee, or pay a tax not included in the Wisconsin computation, which is greater than Wisconsin charges nondomestic insurers, Wisconsin may retaliate on an item-by-item basis.

Section 76.66 Taxes

If another state requires Wisconsin domestics to pay taxes greater, in the aggregate, than Wisconsin charges similar insurers, retaliation occurs. Taxes defined as general purpose revenue taxes and fire insurance dues less security fund assessment credits.

Section 76.67 Reciprocity

Wisconsin will not charge foreign insurers more than that insurer's state charges Wisconsin subject to an aggregate minimum of 2% of fire dues, 2% on life insurance, and .375% on fire and marine insurance.

DEPOSITS

Section 611.15

Domestics initial stock subscription or mutual applications shall be deposited in a depository approved by the Commissioner with withdrawals made only with the Commissioner's approval

FEES

All fees are subject to retaliation. Fees are payable on premium tax returns.

Insurers' Fees

Section 601.31

Annual Statement Filing\$100

Certificate of Authority

Initial Application\$400

License Issuance\$400

Renewal (Certificate of Registration)\$100

Continuation of License\$100

Amended Due to:

Adding/Deleting Line of Business.....\$25

Name Change*.....\$25

Redomestication (foreign)*.....\$25

Redomestication

(domestic to foreign)*\$100

Replacement

of Lost/Stolen/Destroyed.....\$10

Certificate of Compliance\$10

Duplicates\$5

Certified Documents\$10

Filing Amended Articles of Incorporation.....\$25

Filing Amended Bylaws\$0

Filing Articles of Merger (foreign).....\$25

Filing Articles of Merger (domestic)\$100

Reservation of Corporate Name\$25

Service of Process on Commissioner.....\$10

*Amended Articles Required