Bulletin No. 19

PREMIUM TAX—ELIMINATION OF CONSIDERATIONS FOR ANNUITIES

May 12, 1975

The purpose of this bulletin is to advise you as to House Bill 1328 which amended Subsection 1 of Section 26–01–11 of the North Dakota Century Code relating to the two and one-half percent premium tax on foreign insurance companies. That amendment eliminated considerations for annuities from the premium tax. The effective date of that amendment is July 1, 1975.

In view of this amendment, you are hereby notified that companies writing annuities will be liable for the premium tax on considerations for annuities from January 1, 1975 to June 30, 1975. After July 1, 1975, North Dakota will no longer tax considerations for annuities. You are advised to prepare your tax and fee statement for the 1975 premium tax on the basis of this bulletin and to pay the premium tax on considerations for annuities for the period of time in question when the annual statement of business is filed.

This bulletin is also being sent to all domestic life insurance companies. We feel it appropriate to advise you of the legislative action which was taken so a proper adjustment can be made on the premium tax payable on considerations for annuities to other states on a retaliatory basis.

J. O. WIGEN
Commissioner of Insurance