

Summary of Changes

The general assessment rate on all workers' compensation is 7.75 percent through 2008, 5.5 percent in 2009, 4.3 percent in 2010, and 3.8 percent in 2011. Rates on base premiums, title insurance, and auto value study remain unchanged. Special attention should be paid to the appropriate handling of Guaranty Association refunds.

General Instructions

All licensed insurance companies must file a tax return regardless of the exempt nature or amount of their premiums.

Filing On Required Forms

Utah requires filing on forms provided by the Tax Commission. Any company submitting facsimiles (substitute forms) must have their forms **PREAPPROVED** by the Tax Commission. Prior to filing, send three copies of facsimile forms to:

Utah State Tax Commission
Attention: Forms Group
210 N 1950 W
SLC UT 84134-3400

➔ **TIP:** You can avoid forms requirements by filing electronically. File online at taxexpress.utah.gov.

Due Dates

The insurance premium tax return must be filed with any payment required on or before March 31 in each year.

➔ **TIP:** Make filing and paying easier by filing electronically. File and pay online at taxexpress.utah.gov.

Extensions

Utah law provides no extension for filing premium tax returns. All companies should file by the due date. If retaliatory computations are not available, non-Utah based filers should include a statement with the original return indicating the date the retaliatory computations will be submitted. When retaliatory computations are available, if additional tax is due, file a return clearly marked "AMENDED". Retaliatory taxes must meet prepayment requirements. If necessary, an estimated retaliatory payment should be made by the due date of the return. **Any additional amount due after the due date as the result of a retaliatory tax must include interest and may be subject to penalty.**

Retaliatory Taxes (DO NOT INCLUDE INSURANCE FEES)

All non-Utah based companies must include a retaliatory tax statement with the premium tax return. Utah does not provide an actual retaliatory tax form. If more space is needed, prepare a statement of your own design to show only the retaliatory tax calculation.

Insurance Fees, including any Retaliatory Fees

(Do not remit with this return)

Pay fees to:

Utah State Insurance Department
3110 State Office Building
SLC UT 84114

Estimated Quarterly Tax Payments

Prepayments are required if the prior year's tax was \$10,000 or more. Prepayments may be based on 27 percent of the prior year's tax or the current year's estimated quarterly premiums.

Prepayment due dates are the last day of April, July and October. The final payment is due March 31 with the return. We will mail you payment coupons for the current year. **No prepayment filing is required if no prepayment is due. Only send a payment coupon if a prepayment amount is DUE.**

➔ **TIP:** You do not need to mail a payment if you pay electronically. Pay online at taxexpress.utah.gov.

Form TC-49 Instructions

(Round to whole dollar)

Line 1 Enter **GROSS TAX DUE** from Schedule A. This should be the greater of line 39 (Utah Basis) or line 40 (Retaliatory Basis).

Credits

Total credits MAY NOT EXCEED the TAX DUE. (Line 1)

Line 2 Companies writing workers' compensation insurance may take a credit for donations to the Rocky Mountain Center for Occupational & Environmental Health. The amount of the credit is the lesser of the total donation or .001 of the total premiums on workers compensation (line 19). Attach a copy of the receipt provided by this occupational health and safety center.

Line 3 Utah based companies may take a credit for examination fees paid during the taxable year. You must attach a schedule of examination fees, dates and examiners to the premium tax return in order to claim this credit. There is **no carryover** to other years of unused examination fee credits.

Line 4 Enter the allowable portion of Class B assessments paid to the Utah Life and Disability Insurance Guaranty Association or assessments paid to the Utah Property and Casualty Insurance Guaranty Association. The allowable credit is 20 percent of the amount of an assessment starting in the **year following payment** of the assessment and is limited to the current premium tax liability for the year. Credits for assessments of the Life and Disability Association may be carried over. There is no carryover for Property and Casualty Association credits. Remaining allowable credits are deductible on a final return and are not transferable. Attach a schedule of the available credit and any carryover.

Line 6 Enter either the amount on line 1 or line 5, whichever is lesser. The amount on line 6 may not be less than zero.

Line 8 Include any Guaranty Association refunds received during the taxable year. If the refund is not reported, attach an explanation.

Line 9 **TOTAL TAX DUE - There must be an entry on this line.** If no tax is due, enter zero.

Prepayments

Line 10 Enter any overpayments applied from a prior year.

Line 11 Enter prepayments made during the year.

Line 13 **Amended Returns Only:** Enter the amount of tax paid with the original return and/or subsequent payments made prior to filing this amended return less any previous refunds. Enter a net refund as a negative amount (preceded by a minus sign).

Tax Due or Overpayment

Line 15 **TAX DUE** - If line 9 is more than line 14, subtract line 14 from line 9. Enter the amount on line 15. Make the check or money order payable to: **Utah State Tax Commission**. Include your account number on your check. Send your payment with the payment coupon.

DO NOT INCLUDE FEES DUE TO THE UTAH STATE INSURANCE DEPARTMENT.

Line 16 **REFUND** - If line 14 is more than line 9, subtract line 9 from line 14. Enter the amount on line 16. You may apply this overpayment to the following year by marking the line below line 16. If you apply the credit to the following year, deduct this amount from the prepayment due on April 30. Allow 90 days for refunds.

Mailing Address

Mail the return, required supporting schedules, and any payment due to:

Utah State Tax Commission
210 N 1950 W
SLC UT 84134-3500

TC-49 Schedule A Instructions

Annual Report

Lines 1-3 Enter the total amounts from your annual report.

Include an 8 1/2 X 11 inch copy of the Utah business page and/or Schedule T of the Annual Report with your return.

Premiums Received

Report premiums as total premiums received from direct business in Utah reduced by return premiums and premiums received for reinsurance. There are no longer separate sections for life and property/casualty companies. Detail premiums as identified on Schedule A.

(Round to whole dollar amounts)

- Line 4 Life insurance. This line is all life insurance, including only the first \$100,000 of Utah variable life insurance premiums (see Utah Code §59-9-101).
- Line 5 Utah variable life insurance in excess of \$100,000. Attach schedule of all variable life insurance premiums.
- Line 6 Report your annuity premiums on line 6. Annuity premiums are deducted on line 25.
- Lines 7-8 Report your "Health Care" and "Disability" premiums on these lines.
- Lines 9-10 Include premiums received from all allied lines except motor vehicle that are reported separately. These include homeowners, farm owners, aircraft, inland marine, commercial multiple peril, etc. You must allocate premiums between fire and non-fire.
- Line 11 Total these categories from the appropriate lines (19-1 to 19-4) of the annual report. Exclude physical damage reported on lines 12 and 13.
- Lines 12-13 Allocate physical damage premiums between non-fire and fire.
- Line 14 Report your ocean marine premiums on line 14. Ocean Marine premiums are deducted on line 26.
- Line 15 Include any other premiums not included on line 4 through line 14 and identify in the space provided.

- Line 16 Include interest and service charges received on premiums (Schedule T, Column 8 of the Annual Report). These amounts associated with premiums written in Utah are taxable as premiums.
- Line 17 This is total "**BASE PREMIUMS**" before deductions. Forward this amount to line 23.
- Line 18 Report the premiums from title insurance concerning property located in Utah.
- Line 19 Enter workers' compensation premiums for all other insurers, including premiums of Utah Public Agency Insurance Mutuals received after June 30, 2002.
- Line 20 Include as premium amounts representing deductibles, such as reimbursement, retention or similar "deductible plans."
- Line 21 Enter the total of line 19 and line 20.
- Line 22 This total (adjusted for interest and service charges line 16, and amounts representing deductibles under workers' compensation plans line 20), should agree with your annual report totals listed on lines 1-3 above. Explain any difference in these amounts with a supporting schedule.

Deductions

- Line 24 Qualifying health care premiums are premiums received on policies providing benefits based solely on an expense incurred basis. "Health care insurance" or "health insurance" means insurance providing health care benefits or payment of incurred health care expenses. Not included are benefits providing for:
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| a) replacement of income; | h) no-fault automobile; |
| b) short-term accident; | i) equivalent self-insurance; and |
| c) fixed indemnity; | j) any type of accident and health coverage that is a part of or attached to another type of policy |
| d) credit accident & health; | |
| e) supplements to liability; | |
| f) workers' compensation; | |
| g) auto medical payment; | |
- Line 25 Enter the annuity premiums from line 6.
- Line 26 Enter the ocean marine premiums from line 14.
- Line 27 Enter the premiums from Utah institutions of higher education (excluding worker's comp premiums).
- Lines 28-30 **Qualifying Dividends:** Qualifying dividends include premium reduction benefits maturing within the year paid or credited to policyholders in Utah or applied as abatement or reduction of premiums due during the preceding calendar year.
- Line 34 Base premium tax (multiply line 33 by .0225).
- Line 35 All other workers' compensation tax is .0380 for tax year 2011, .0430 for tax year 2010, .0550 for the tax year 2009, and .0775 for tax years before 2009 (2008 and earlier).
- Line 36 Utah variable life insurance (line 5) times .0008.
- Line 37 Auto insurance value study tax. Multiply line 11 by .0001
- Line 38 Title insurance tax. Multiply line 18 by .0045
- Line 40 Enter your current state of domicile using the standard two-character identifier, i.e., AZ, NV, etc. and the tax due on a retaliatory basis. Attach computations. **Do not include insurance fees in this calculation.**

TC-49 Schedule W Instructions

Use Schedule W if you are claiming the mineral production withholding tax credit.

Utah law (UC §59-1-401) provides penalties for not filing tax returns by the due date, not paying tax due on time, not making sufficient prepayment on extension returns, and not filing information returns or supporting schedules. Details of these penalties, along with additional penalties, are at tax.utah.gov/billing/penaltyinterest.html and in Pub 58, *Utah Interest and Penalties*, at tax.utah.gov/forms.

For more information see our website, tax.utah.gov, or call 801-297-2200 or 1-800-662-4335 (outside the Salt Lake area).

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at 801-297-3811 or TDD 801-297-2020. Please allow three working days for a response.

Direct questions regarding insurance fees and annual and quarterly insurance filings to:

Utah State Insurance Department
3110 State Office Building
SLC UT 84114
801-538-3800