

**CHAPTER 357****INSURANCE COMPANIES****§2511. Companies taxable; rate****(REPEALED)****SECTION HISTORY**

PL 1973, c. 727, §2 (AMD). PL 1975, c. 241 (AMD). PL 1981, c. 514, §1 (AMD). PL 1983, c. 479, §1 (AMD). PL 1985, c. 783, §9 (RP).

**§2512. Annual returns to Superintendent of Insurance**

Every domestic life insurance company shall include in its annual return to the Superintendent of Insurance a statement of the amount of premiums and annuity considerations liable to taxation as provided in section 2513, and of the real estate held by it on the 31st day of the previous December, showing in detail the amount of all premiums including annuity considerations whether in cash or notes absolutely payable, received by the company from residents of this State during the preceding calendar year and all dividends paid to policyholders in this State on account of the premiums or annuity considerations as required by blanks furnished by the superintendent. The taxes provided by section 2513 shall be paid as provided in section 2521-A, and this section and section 2518 shall be applicable thereto. [PL 1985, c. 783, §10 (AMD).]

**SECTION HISTORY**

PL 1973, c. 585, §12 (AMD). PL 1973, c. 727, §3 (RPR). PL 1985, c. 783, §10 (AMD).

**§2513. Tax on premiums and annuity considerations**

Every insurance company or association that does business or collects premiums or assessments including annuity considerations in the State, including surety companies and companies engaged in the business of credit insurance or title insurance, shall, for the privilege of doing business in this State and in addition to any other taxes imposed for that privilege, pay a tax upon all gross direct premiums including annuity considerations, whether in cash or otherwise, on contracts written on risks located or resident in the State for insurance of life, annuity, fire, casualty and other risks at the rate of 2% a year. Every nonadmitted insurer that does business or collects premiums in the State shall, for the privilege of doing business in this State and in addition to any other taxes imposed for that privilege, pay a tax upon all gross direct premiums, whether in cash or otherwise, as provided in section 2531. For purposes of this section, the term "annuity considerations" includes amounts paid to an insurance company for the purchase of a contract that may result in an annuity, even if the annuitization never occurs or does not occur until some time in the future and the amounts are in the meantime applied to an investment vehicle other than an annuity. This section does not apply to mutual fire insurance companies subject to tax under section 2517 or to captive insurance companies formed or licensed under Title 24-A, chapter 83 or under the laws of another state. [PL 2011, c. 331, §12 (AMD); PL 2011, c. 331, §§16, 17 (AFF).]

Notwithstanding this section, annuity considerations received in tax years ending prior to January 1, 1999 upon which no tax was paid in the year received must be taxed in the year in which an annuity is actually purchased. [PL 2003, c. 20, Pt. CC, §1 (NEW); PL 2003, c. 20, Pt. CC, §3 (AFF).]

Notwithstanding this section, for tax years commencing on or after January 1, 1989, the tax imposed by this section upon all gross direct premiums collected or contracted for on long-term care policies, as certified by the superintendent pursuant to Title 24-A, section 5054, must be at the rate of 1% a year. [PL 2017, c. 288, Pt. A, §47 (AMD).]

Notwithstanding this section, for tax years commencing on or after January 1, 1997, the tax imposed by this section with respect to premiums on qualified group disability policies written by every insurer, except a large domestic insurer, must be at the rate of 1% and must be at the rate of 2.55% with respect to those premiums written by every large domestic insurer. For the purposes of this section, the term "qualified group disability policies" is limited to group health insurance policies properly reported as such in the insurer's annual statement and whose sole coverage is the full or partial replacement of an individual's income in the event of disability. Policies that contain coverages in addition to replacement of income coverage are considered to solely provide that coverage as long as the premium related to the additional coverages is not more than 10% of the total premium charged. The term "qualified group disability policies" does not include workers' compensation insurance policies, policies that include coverages that are collectively renewable, policies that provide for credit disability insurance or policies that pay benefits only upon the occurrence of hospitalization. For purposes of this section, a "large domestic insurer" is any insurer domiciled in this State with assets in excess of \$5,000,000,000 as reported on its annual statement. [PL 1997, c. 496, §1 (NEW).]

#### SECTION HISTORY

PL 1973, c. 727, §4 (AMD). PL 1985, c. 783, §11 (AMD). PL 1989, c. 556, §B5 (AMD). PL 1997, c. 496, §1 (AMD). PL 1997, c. 660, §B4 (AMD). PL 2003, c. 20, §CC1 (AMD). PL 2003, c. 20, §CC3 (AFF). PL 2005, c. 218, §30 (AMD). PL 2007, c. 240, Pt. KKKK, §1 (AMD). PL 2007, c. 240, Pt. KKKK, §7 (AFF). PL 2007, c. 627, §52 (AMD). PL 2009, c. 625, §9 (AMD). PL 2011, c. 331, §12 (AMD). PL 2011, c. 331, §§16, 17 (AFF). PL 2017, c. 288, Pt. A, §47 (AMD).

#### **§2513-A. Tax on premiums of risk retention groups**

Each risk retention group, as defined in Title 24-A, section 6093, is liable for payment of premium taxes with respect to direct business for risks resident or located in this State at the same rate and subject to the same interest and penalties as authorized insurers. Each risk retention group shall, on or before March 15th, file with the State Tax Assessor and the Superintendent of Insurance, on forms prescribed by the assessor, a return covering the year ending on the preceding December 31st. At the time of filing the return, each risk retention group shall pay to the assessor the applicable percentage of the difference between the gross and return premiums reported for business transacted during that year. [PL 2007, c. 627, §53 (AMD).]

#### SECTION HISTORY

PL 1987, c. 481, §4 (NEW). PL 2007, c. 627, §53 (AMD).

#### **§2513-B. Tax on premiums collected by captive insurers; rate of tax (REPEALED)**

#### SECTION HISTORY

PL 1997, c. 435, §2 (NEW). PL 1997, c. 583, §6 (AMD). PL 2007, c. 240, Pt. KKKK, §2 (RP). PL 2007, c. 240, Pt. KKKK, §7 (AFF).

#### **§2513-C. Premium tax on travel insurance premiums**

**1. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

- A. "Blanket travel insurance" has the same meaning as in Title 24-A, section 7052-A, subsection 2. [RR 2021, c. 1, Pt. A, §47 (COR).]
- B. "Cancellation fee waiver" has the same meaning as in Title 24-A, section 7052-A, subsection 3. [RR 2021, c. 1, Pt. A, §47 (COR).]

C. "Primary certificate holder" has the same meaning as in Title 24-A, section 7052-A, subsection 9. [RR 2021, c. 1, Pt. A, §47 (COR).]

D. "Primary policyholder" has the same meaning as in Title 24-A, section 7052-A, subsection 10. [RR 2021, c. 1, Pt. A, §47 (COR).]

E. "Travel assistance services" has the same meaning as in Title 24-A, section 7052-A, subsection 13. [RR 2021, c. 1, Pt. A, §47 (COR).]

F. "Travel insurance" has the same meaning as in Title 24-A, section 7052-A, subsection 14. [RR 2021, c. 1, Pt. A, §47 (COR).]  
[RR 2021, c. 1, Pt. A, §47 (COR).]

**2. Paying premium tax.** An insurer shall pay a premium tax as provided in section 2513 on travel insurance premiums paid by any of the following:

A. A primary policyholder who is a resident of the State; [PL 2021, c. 354, §18 (NEW).]

B. A primary certificate holder who is a resident of the State; and [PL 2021, c. 354, §18 (NEW).]

C. A blanket travel insurance policyholder that is a resident of the State or has its principal place of business in the State, or in the case of an affiliate's or subsidiary's purchasing blanket travel insurance for eligible blanket travel insurance group members, the policyholder's affiliate or subsidiary has its principal place of business in the State, subject to any apportionment rules that apply to the insurer across multiple taxing jurisdictions or that permit the insurer to allocate premiums on an apportioned basis in a reasonable and equitable manner in those jurisdictions as determined by the assessor. [PL 2021, c. 354, §18 (NEW).]

[PL 2021, c. 354, §18 (NEW).]

**3. Insurer requirements.** An insurer shall:

A. Document the state of residence or principal place of business of the policyholder or certificate holder described in subsection 1; and [PL 2021, c. 354, §18 (NEW).]

B. Report as premiums only the amount allocable to travel insurance and not any amounts received for travel assistance services or cancellation fee waivers. [PL 2021, c. 354, §18 (NEW).]

[PL 2021, c. 354, §18 (NEW).]

#### SECTION HISTORY

PL 2021, c. 354, §18 (NEW). RR 2021, c. 1, Pt. A, §47 (COR).

#### §2514. Applicability of provisions

Sections 2512 and 2513 shall not apply to the taxation of any annuity consideration on any annuity contract issued prior to August 1, 1943. Sections 2512 and 2513 shall not apply to any premium from an insurance contract, which premium is received prior to October 1, 1969, or any consideration, regardless of when received, from any retirement annuity contracts issued by an insurance or annuity company organized and operated without profit to any private shareholder or individual exclusively for the purpose of aiding nonproprietary educational and scientific institutions pursuant to a retirement program established under the United States Internal Revenue Code, Section 403 (b). Premiums or considerations received from life insurance policies or annuity contracts issued in connection with the funding of a deferred compensation plan described under the United States Internal Revenue Code, Section 457, a pension, annuity or profit-sharing plan or individual retirement account or annuity qualified or exempt under the United States Internal Revenue Code, Section 401, 403, 404, 408 or 501, as now or hereafter amended or renumbered from time to time, shall be exempt from tax. [PL 1987, c. 343, §7 (AMD).]

#### SECTION HISTORY

PL 1967, c. 453 (AMD). PL 1969, c. 412 (AMD). PL 1973, c. 625, §262 (AMD). PL 1973, c. 727, §5 (AMD). PL 1975, c. 641 (AMD). PL 1985, c. 783, §12 (AMD). PL 1987, c. 343, §7 (AMD).

**§2515. Amount of tax**

In determining the amount of tax due under sections 2513 and 2531, each company shall deduct from the full amount of gross direct premiums the amount of all direct return premiums on the gross direct premiums and all dividends paid to policyholders on direct premiums, and the tax must be computed by those companies or their agents. Except when direct return premiums are returned in the same tax year that the premium was paid, the deduction allowed in this section may be taken only if the tax under this Part has been paid. [PL 2013, c. 331, Pt. C, §11 (AMD).]

SECTION HISTORY

PL 1985, c. 783, §13 (AMD). PL 1997, c. 435, §3 (AMD). PL 2003, c. 20, §CC2 (AMD). PL 2003, c. 20, §CC3 (AFF). PL 2007, c. 240, Pt. KKKK, §3 (AMD). PL 2007, c. 240, Pt. KKKK, §7 (AFF). PL 2013, c. 331, Pt. C, §11 (AMD).

**§2516. Returns to State Tax Assessor**

**(REPEALED)**

SECTION HISTORY

PL 1973, c. 727, §6 (RP).

**§2517. Mutual fire companies doing mill business; returns**

Mutual fire insurance companies incorporated under the laws of other states, which insure only factories or mills, or property connected with such factories or mills, admitted to do business in this State, shall comply with all the requirements of law except that in lieu of all other taxation upon premiums in this State, such companies shall pay a tax at the rate of 2% on gross premiums in force on risks in this State, after deducting the unabsorbed portion of such premium, computed at the rate of return actually made on annual policies expiring during the year by said insurance companies. [PL 1973, c. 727, §7 (AMD).]

SECTION HISTORY

PL 1973, c. 727, §7 (AMD).

**§2518. Neglect to make return; assessment; failure to pay**

If any insurance company or association fails to pay on demand a tax assessed under section 141, subsection 2, paragraph C, the State Tax Assessor shall certify that failure to the Superintendent of Insurance who shall give notice to the company or association that it may not do any more business in the State. Whoever, after such notice, does business for such company or association is guilty of a Class E crime. [PL 2007, c. 240, Pt. KKKK, §4 (AMD); PL 2007, c. 240, Pt. KKKK, §7 (AFF).]

SECTION HISTORY

PL 1973, c. 727, §8 (RPR). PL 1973, c. 785, §12 (AMD). PL 1977, c. 696, §278 (AMD). PL 1979, c. 378, §19 (AMD). PL 1997, c. 435, §4 (AMD). PL 2007, c. 240, Pt. KKKK, §4 (AMD). PL 2007, c. 240, Pt. KKKK, §7 (AFF).

**§2519. Ratio of tax on foreign insurance companies**

An insurance company incorporated in the District of Columbia, a state or possession of the United States or province of Canada whose laws impose upon insurance companies chartered by this State a greater tax than is provided in this chapter shall pay the same tax upon business done by it in this State, in place of the tax provided in any other section of this chapter. If the insurance company fails to pay the tax as provided in section 2521-A, the assessor shall certify that failure to the Superintendent of

Insurance, who shall suspend the insurance company's right to do business in this State. For purposes of this section, an insurance company incorporated in another country is deemed to be incorporated in the state, district or possession of the United States where it has elected to make its deposit and establish its principal agency in the United States. [PL 2021, c. 630, Pt. A, §1 (AMD).]

#### SECTION HISTORY

PL 1973, c. 585, §12 (AMD). PL 1973, c. 727, §9 (RPR). PL 2011, c. 331, §13 (AMD). PL 2011, c. 331, §16, 17 (AFF). PL 2011, c. 548, §18 (AMD). PL 2021, c. 181, Pt. A, §4 (AMD). PL 2021, c. 630, Pt. A, §1 (AMD).

#### **§2520. Reciprocal contracts of indemnity**

Every attorney-in-fact of a reciprocal insurer by or through whom are issued policies or contracts of indemnity by a reciprocal insurer as defined in Title 24-A, section 402, subsection 1, in lieu of all other taxation, state, county or municipal, in this State, shall pay a tax at the rate of 2% on gross premiums or deposits actually received during the year after deducting amounts that are actually returned to policyholders as the unused part of a premium or deposit or credited on the renewal or extension of the indemnity. [PL 2009, c. 434, §27 (AMD).]

#### SECTION HISTORY

PL 1969, c. 132, §10 (AMD). PL 1973, c. 727, §10 (RPR). PL 2009, c. 434, §27 (AMD).

#### **§2521. Power and authority of domestic companies**

Every domestic insurance company and its officers, directors and agents and employees shall have power and authority to comply with any statute, ordinance or other law of any state, territory or political subdivision thereof, including the District of Columbia, imposing any license, excise, privilege, occupation, premium or other tax or fee or deposit requirement. No such company, officer, director, employee or agent shall be subject to liability by reason of any such compliance or payment either heretofore or hereafter made, if at a later date the Supreme Court of the United States declares such tax or deposit to be unconstitutional.

#### **§2521-A. Returns; payment of tax**

Every insurance company, association, producer or attorney-in-fact of a reciprocal insurer subject to the tax imposed by this chapter shall make payment of estimated tax on or before the last day of each April, the 25th day of each June and the last day of each October. Each April and June estimated tax payment must equal 35% of the total tax paid for the preceding calendar year or at least 35% of the total tax to be paid for the current calendar year and each October estimated tax payment must equal 15% of the total tax paid for the preceding calendar year or at least 15% of the total tax to be paid for the current calendar year except that, for the tax on nonadmitted insurance premiums under section 2531, the surplus lines producer or the insured may elect to determine the estimated tax payment for each estimated tax period on the basis of premiums on contracts written during each estimated tax period of the current calendar year. A final return must be filed on or before March 15th covering the prior calendar year. [PL 2023, c. 441, Pt. C, §1 (AMD); PL 2023, c. 441, Pt. C, §11 (AFF).]

At the time of filing the returns, each insurance company, association, producer or attorney-in-fact of a reciprocal insurer shall pay to the assessor the amount of tax shown due. [PL 2007, c. 627, §54 (RPR); PL 2007, c. 627, §96 (AFF).]

An insurance company, association, producer or attorney-in-fact of a reciprocal insurer whose annual tax liability under this chapter does not exceed \$1,000 may file an annual return with payment on or before March 15th covering the prior calendar year. [PL 2007, c. 627, §54 (RPR); PL 2007, c. 627, §96 (AFF).]

#### SECTION HISTORY

PL 1973, c. 727, §11 (NEW). PL 1975, c. 377 (AMD). PL 1977, c. 679, §11 (AMD). PL 1981, c. 364, §30 (AMD). PL 1989, c. 702, §E13 (AMD). PL 1991, c. 528, §§PPP1,2 (AMD). PL 1991, c. 528, §§PPP5,RRR (AFF). PL 1991, c. 591, §§PPP1,2 (AMD). PL 1991, c. 591, §PPP5 (AFF). PL 1991, c. 846, §27 (AMD). PL 1993, c. 410, §OO1 (AMD). PL 1997, c. 435, §5 (AMD). PL 1999, c. 414, §26 (AMD). PL 2005, c. 218, §31 (AMD). PL 2007, c. 240, Pt. KKKK, §5 (AMD). PL 2007, c. 240, Pt. KKKK, §7 (AFF). PL 2007, c. 437, §12 (AMD). PL 2007, c. 437, §22 (AFF). PL 2007, c. 627, §54 (RPR). PL 2007, c. 627, §96 (AFF). PL 2015, c. 300, Pt. A, §29 (AMD). PL 2023, c. 441, Pt. C, §1 (AMD). PL 2023, c. 441, Pt. C, §11 (AFF).

**§2521-B. Self-insurers; return for calendar year 1982**

**(REPEALED)**

**SECTION HISTORY**

PL 1981, c. 706, §25 (NEW). PL 1983, c. 479, §2 (RP). RR 1991, c. 1, §53 (COR). PL 1991, c. 528, §PPP3 (NEW). PL 1991, c. 528, §§PPP4,5,RRR (AFF). PL 1991, c. 591, §PPP3 (NEW). PL 1991, c. 591, §§PPP4,5 (AFF).

**§2521-C. Returns; payment of tax**

**(REPEALED)**

**SECTION HISTORY**

RR 1991, c. 1, §53 (RNU). PL 1991, c. 591, §PPP3 (NEW). PL 1991, c. 591, §§PPP4,5 (AFF). PL 1991, c. 846, §28 (AMD). PL 1991, c. 846, §41 (AFF). PL 1993, c. 410, §OO2 (RP).

**§2521-D. Limitation on credit or refund**

If a claim for credit or refund of an overpayment of any tax imposed by this chapter is filed by the taxpayer, the amount of the credit or refund may not exceed the portion of the tax that was paid within the 3 years immediately preceding the filing of the claim plus the period of any extension of time for filing the return. If a claim is not filed, any credit or refund allowed upon an audit of the taxpayer may not exceed the amount that would be allowable under this section if a claim had been filed by the taxpayer on the date the credit or refund is allowed upon the audit. [PL 2017, c. 375, Pt. B, §1 (NEW).]

**SECTION HISTORY**

PL 2017, c. 375, Pt. B, §1 (NEW).

**§2521-E. Interest on overpayment**

**1. General.** Interest at the rate determined pursuant to section 186 must be paid on any refund of an overpayment of the tax imposed by this chapter from the date the return requesting a refund of the overpayment was filed or the date the payment was made, whichever is later. [PL 2017, c. 375, Pt. B, §1 (NEW).]

**2. Date of return or payment.** For purposes of this section:

A. A return that is filed before the last day prescribed for the filing of a return is deemed to be filed on that last day, determined without regard to any extension of time granted the taxpayer; and [PL 2017, c. 375, Pt. B, §1 (NEW).]

B. A tax that is paid by the taxpayer before the last day prescribed for its payment or paid by the taxpayer as estimated tax for a taxable year is deemed to have been paid on the last day prescribed for its payment. [PL 2017, c. 375, Pt. B, §1 (NEW).]

[PL 2017, c. 375, Pt. B, §1 (NEW).]

**3. Exceptions.** Notwithstanding subsection 1, interest may not be paid by the assessor on an overpayment of the tax imposed by this chapter that is refunded within 60 days after the last date

prescribed, or permitted by extension of time, for filing the return of that tax or within 60 days after the date the return requesting a refund of the overpayment was filed, whichever is later.

[PL 2017, c. 375, Pt. B, §1 (NEW).]

#### SECTION HISTORY

PL 2017, c. 375, Pt. B, §1 (NEW).

#### §2522. Assessment of tax; notice; suspension for nonpayment

The State Tax Assessor shall notify the several companies and attorneys-in-fact of a reciprocal insurer mentioned in section 2520, and unless the tax, penalty and interest is paid, the Superintendent of Insurance shall suspend the right of the company or attorney-in-fact of a reciprocal insurer to do any further business in the State until the tax, penalty or interest is paid. [PL 1973, c. 727, §12 (RPR).]

#### SECTION HISTORY

PL 1973, c. 585, §12 (AMD). PL 1973, c. 727, §12 (RPR).

#### §2523. Taxation of workers' compensation insurers

**1. Tax on insurance companies.** Every insurance company or association which does business or collects premiums or assessments for workers' compensation insurance in this State shall, for the privilege of doing business in this State and in addition to any other taxes imposed for that privilege, pay a tax of 2% upon all gross direct premiums written, whether in cash or in notes absolutely payable on contracts written on risks located or resident in the State for workers' compensation insurance, less return premiums thereon and less all dividends paid to policyholders.

The tax levied under this section is in lieu of the taxes levied under section 2513, insofar as those taxes are based on workers' compensation insurance premiums.

[PL 1985, c. 783, §14 (RPR).]

**2. Returns.** Insurance companies and associations shall file a separate return under section 2521-A for the tax levied by this section.

[PL 1983, c. 479, §3 (NEW).]

**3. Fund.** Taxes collected under this section shall be paid forthwith by the State Tax Assessor to the General Fund.

[PL 1983, c. 479, §3 (NEW).]

#### SECTION HISTORY

PL 1983, c. 479, §3 (NEW). PL 1985, c. 783, §14 (AMD).

#### §2524. Credit for employer-assisted day care

**1. Credit allowed.** A taxpayer under this chapter constituting an employing unit is allowed a credit against the tax imposed by this chapter for each taxable year equal to the lowest of:

A. Five thousand dollars; [PL 1987, c. 343, §8 (NEW).]

B. Twenty percent of the costs incurred by the taxpayer in providing day care service for children of employees of the taxpayer; or [PL 1987, c. 343, §8 (NEW).]

C. One hundred dollars for each child of an employee of the taxpayer enrolled on a full-time basis, or each full-time equivalent, throughout the taxable year in day care service provided by the taxpayer or in the first year that the taxpayer provides day care services, for each child enrolled on a full-time basis, or each full-time equivalent, on the last day of the year. [PL 1987, c. 343, §8 (NEW).]

[PL 1989, c. 502, Pt. B, §48 (AMD).]

**2. Definitions.** As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043. [PL 1987, c. 343, §8 (NEW).]

B. "Providing day care services" means expending funds to build, furnish, license, staff, operate or subsidize a day care center licensed by the Department of Health and Human Services to provide day care services to children of employees of the taxpayer at no profit to the taxpayer or to contract with a day care facility licensed by or registered with the department to provide day care services to children of the employees of the taxpayer. "Providing day care services" also includes the provision of day care resource and referral services to employees and the provision of vouchers by an employer to an employee for purposes of paying for day care services for children of the employee. [PL 1987, c. 343, §8 (NEW); PL 2003, c. 689, Pt. B, §6 (REV).]

C. "Quality child care services" has the meaning set forth in section 5219-Q, subsection 1. [PL 2001, c. 396, §25 (AMD).]  
[PL 2001, c. 396, §25 (AMD); PL 2003, c. 689, Pt. B, §6 (REV).]

**3. Carryover; carry back.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this section. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years or it may be carried back for a period not to exceed 3 years.  
[PL 1987, c. 343, §8 (NEW).]

**4. Quality child care services.** The credit allowed under subsection 1 doubles in amount if the day care service provided by the taxpayer constitutes quality child care services.  
[PL 2001, c. 358, Pt. D, §1 (AFF); PL 2001, c. 396, §26 (AMD).]

**5. Application.** Except for the unused credit carried over pursuant to subsection 3, a tax credit is not allowed under this section for tax years beginning on or after January 1, 2016.  
[PL 2015, c. 390, §6 (NEW).]

#### SECTION HISTORY

PL 1987, c. 343, §8 (NEW). PL 1989, c. 502, §B48 (AMD). PL 1999, c. 401, §§NNN1,2 (AMD). PL 1999, c. 401, §§NNN8,9 (AFF). PL 2001, c. 358, §D1 (AFF). PL 2001, c. 396, §§25,26 (AMD). PL 2003, c. 689, §B6 (REV). PL 2015, c. 390, §6 (AMD).

#### §2525. Employer-provided long-term care benefits

**1. Credit.** A taxpayer under this chapter constituting an employing unit is allowed a credit against the tax imposed by this chapter for each taxable year that begins on or after July 10, 1989 and before January 1, 2000 equal to the lowest of the following:

A. Five thousand dollars; [PL 1989, c. 556, Pt. B, §6 (NEW).]

B. Twenty percent of the costs incurred by the taxpayer in providing long-term care policy coverage as part of a benefit package; or [PL 1989, c. 556, Pt. B, §6 (NEW).]

C. One hundred dollars for each employee covered by an employer-provided long-term care policy.  
[PL 1989, c. 556, Pt. B, §6 (NEW).]

[PL 1999, c. 521, Pt. C, §1 (AMD); PL 1999, c. 521, Pt. C, §9 (AFF).]

**2. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Long-term care policy" has the same meaning as in Title 24-A, section 5051. [PL 1989, c. 556, Pt. B, §6 (NEW).]

B. "Employing unit" has the same meaning as in Title 26, section 1043. [PL 1989, c. 556, Pt. B, §6 (NEW).]

[PL 1989, c. 556, Pt. B, §6 (NEW).]

**3. Limitation.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this chapter. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years.

[PL 1989, c. 556, Pt. B, §6 (NEW).]

#### SECTION HISTORY

PL 1989, c. 556, §B6 (NEW). PL 1999, c. 521, §C1 (AMD). PL 1999, c. 521, §C9 (AFF).

#### §2525-A. Employer-provided long-term care benefits on and after January 1, 2000

**1. Credit.** A taxpayer under this chapter constituting an employing unit is allowed a credit against the tax imposed by this chapter for each taxable year equal to the lowest of the following:

A. Five thousand dollars; [PL 1999, c. 521, Pt. C, §2 (NEW); PL 1999, c. 521, Pt. C, §9 (AFF).]

B. Twenty percent of the costs incurred by the taxpayer in providing eligible long-term care insurance as part of a benefit package; or [PL 2001, c. 679, §2 (AMD); PL 2001, c. 679, §6 (AFF).]

C. One hundred dollars for each employee covered by employer-provided eligible long-term care insurance. [PL 2001, c. 679, §2 (AMD); PL 2001, c. 679, §6 (AFF).]

[PL 2001, c. 679, §2 (AMD); PL 2001, c. 679, §6 (AFF).]

**2. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Employing unit" has the same meaning as in Title 26, section 1043. [PL 1999, c. 521, Pt. C, §2 (NEW); PL 1999, c. 521, Pt. C, §9 (AFF).]

B. [PL 2001, c. 679, §2 (RP); PL 2001, c. 679, §6 (AFF).]

C. "Eligible long-term care insurance" means:

(1) For tax years beginning on or after January 1, 2000, a qualified long-term care insurance contract as defined in the Code, Section 7702B(b); and

(2) For tax years beginning on or after January 1, 2002, a contract specified in subparagraph (1) or a long-term care insurance policy certified by the Superintendent of Insurance under Title 24-A, section 5075-A. [PL 2001, c. 679, §2 (NEW); PL 2001, c. 679, §6 (AFF).]

[PL 2001, c. 679, §2 (AMD); PL 2001, c. 679, §6 (AFF).]

**3. Limitation.** The amount of the credit that may be used by a taxpayer for a taxable year may not exceed the amount of tax otherwise due under this chapter. Any unused credit may be carried over to the following year or years for a period not to exceed 15 years.

[PL 1999, c. 521, Pt. C, §2 (NEW); PL 1999, c. 521, Pt. C, §9 (AFF).]

**4. Application.** Except for the unused credit carried over pursuant to subsection 3, a tax credit is not allowed under this section for tax years beginning on or after January 1, 2016.

[PL 2015, c. 390, §7 (NEW).]

#### SECTION HISTORY

PL 1999, c. 521, §C2 (NEW). PL 1999, c. 521, §C9 (AFF). PL 2001, c. 679, §2 (AMD). PL 2001, c. 679, §6 (AFF). PL 2015, c. 390, §7 (AMD).

#### §2526. Solid waste reduction investment tax credit

**(REPEALED)**

## SECTION HISTORY

PL 1989, c. 927, §1 (NEW). RR 1991, c. 2, §134 (COR). PL 1991, c. 528, §§R8,9 (AMD). PL 1991, c. 528, §§R19,RRR (AFF). PL 1991, c. 591, §§R8,9 (AMD). PL 1991, c. 591, §R19 (AFF). PL 1991, c. 846, §§29,30 (AMD). PL 1993, c. 433, §1 (AMD). PL 1995, c. 368, §NN1 (AMD). PL 1995, c. 656, §§A14,15 (AMD). PL 1997, c. 24, §C5 (AMD). PL 2007, c. 438, §52 (RP).

**§2527. Educational attainment investment tax credit****(REPEALED)**

## SECTION HISTORY

PL 2001, c. 700, §2 (NEW). PL 2001, c. 700, §§10,11 (AFF). PL 2003, c. 20, §DD3 (AMD). PL 2003, c. 451, §JJ3 (AMD). PL 2005, c. 12, §Q3 (AMD). PL 2007, c. 1, Pt. O, §§3, 4 (AMD). PL 2007, c. 1, Pt. O, §9 (AFF). PL 2007, c. 539, Pt. RR, §1 (RP).

**§2528. Recruitment credit****(REPEALED)**

## SECTION HISTORY

PL 2001, c. 700, §2 (NEW). PL 2001, c. 700, §§10,11 (AFF). PL 2003, c. 20, §DD4 (AMD). PL 2003, c. 451, §JJ4 (AMD). PL 2005, c. 12, §Q4 (AMD). PL 2007, c. 1, Pt. O, §5 (AMD). PL 2007, c. 1, Pt. O, §9 (AFF). PL 2007, c. 539, Pt. SS, §1 (RP).

**§2529. Pine Tree Development Zone tax credit**

**1. Credit allowed.** A taxpayer that is a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5250-I, subsection 17 is allowed a credit in the amount of:

A. One hundred percent of the tax that would otherwise be due under this chapter upon premiums that are attributable to a qualified business activity as defined in Title 30-A, section 5250-I, subsection 16 for each of the first 5 tax years beginning with the tax year in which the taxpayer commences its qualified business activity; and [PL 2005, c. 351, §10 (RPR); PL 2005, c. 351, §26 (AFF).]

B. For a business located in a tier 1 location, as defined in Title 30-A, section 5250-I, subsection 21-A, 50% of the tax that would otherwise be due under this chapter upon premiums that are attributable to a qualified business activity as defined in Title 30-A, section 5250-I, subsection 16 for each of the 5 tax years following the time period in paragraph A. [PL 2009, c. 627, §8 (AMD); PL 2009, c. 627, §12 (AFF).]

[PL 2009, c. 627, §8 (AMD); PL 2009, c. 627, §12 (AFF).]

**2. Apportioned credit in certain circumstances.** In the case of a qualified Pine Tree Development Zone business as defined in Title 30-A, section 5250-I, subsection 17 that engages in both qualified and nonqualified business activities in the State, the credit provided for in this section is limited to that portion that is attributable to the qualified business activity. The limitation is calculated by an apportionment. The apportionment is determined by a fraction, the numerator of which is the property value plus the payroll for the taxable year attributed to the qualified business activity of the business and the denominator of which is the statewide property value plus payroll for the taxable year of the business.

If the apportionment provisions of this subsection do not fairly reflect the amount of the credit associated with the taxpayer's qualified business activity, the taxpayer may petition for, or the State Tax Assessor may require, in respect to all or any part of the taxpayer's business activity, the employment

of another reasonable method to effectuate an equitable apportionment of the credit associated with the taxpayer's qualified business activity.

[PL 2005, c. 351, §11 (RPR); PL 2005, c. 351, §26 (AFF).]

**3. Limitation.** The credit provided by this section may not be claimed for calendar years beginning on or after January 1, 2035.

[PL 2023, c. 412, Pt. J, §10 (AMD).]

**4. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Property" means the average value of the taxpayer's real and tangible personal property that is owned or rented and used during the tax period. Property owned by the taxpayer is valued at its original cost. Property rented by the taxpayer is valued at 8 times the net annual rental rate. The net annual rental rate is the annual rental rate paid by the taxpayer. [PL 2005, c. 351, §12 (NEW).]

B. "Payroll" means the total amount paid in this State during the tax period by the taxpayer for compensation, including wages, pretax employee contributions made to a benefit package and employer contributions made to an employee benefit package. [PL 2005, c. 351, §12 (NEW).]

[PL 2005, c. 351, §12 (NEW).]

#### SECTION HISTORY

PL 2003, c. 451, §NNN4 (NEW). PL 2003, c. 451, §NNN8 (AFF). PL 2003, c. 688, §D4 (AMD). PL 2005, c. 351, §§10-12 (AMD). PL 2005, c. 351, §26 (AFF). PL 2009, c. 627, §§8, 9 (AMD). PL 2009, c. 627, §12 (AFF). PL 2017, c. 440, §11 (AMD). PL 2021, c. 398, Pt. III, §5 (AMD). PL 2023, c. 412, Pt. J, §10 (AMD).

#### §2530. Maine Life and Health Insurance Guaranty Association credit

A taxpayer is allowed a credit against the tax otherwise due under this chapter as determined under Title 24-A, section 4621. [PL 2005, c. 346, §15 (NEW); PL 2005, c. 346, §16 (AFF).]

#### SECTION HISTORY

PL 2005, c. 346, §15 (NEW). PL 2005, c. 346, §16 (AFF).

#### §2531. Taxation of nonadmitted insurance coverage

**1. Generally.** All gross direct insurance premiums and annuity considerations on contracts written by insurers that do not have certificates of authority to do business in this State issued by the Superintendent of Insurance pursuant to Title 24-A are subject to taxation in accordance with this section if this State is the insured's home state, as defined in the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203, Section 527. This section does not apply to reinsurance premiums paid by an authorized domestic insurer.

[PL 2023, c. 441, Pt. C, §2 (AMD); PL 2023, c. 441, Pt. C, §11 (AFF).]

**2. Rate and incidence of tax.** Except as otherwise provided in section 2532, the rate of taxation is 3% of the premiums subject to tax under this section. For all coverage placed in accordance with Title 24-A, chapter 19, the tax must be paid by the surplus lines producer. For all other nonadmitted insurance, the tax must be paid by the insured.

[PL 2023, c. 372, §1 (AMD).]

**3. Returns.** Except as otherwise provided in accordance with a multistate agreement entered into pursuant to section 2532, every producer holding surplus lines authority in this State shall file a return and pay the tax due in accordance with section 2521-A and every insured subject to tax in accordance with this section shall file a return and pay the tax due subject to the same requirements as provided in section 2521-A. An insurance agency may elect to collect and pay the tax on surplus lines premiums on behalf of all of its employees who are surplus lines producers and file a single return.

[PL 2011, c. 548, §19 (RPR); PL 2011, c. 548, §36 (AFF).]

#### SECTION HISTORY

PL 2011, c. 331, §14 (NEW). PL 2011, c. 331, §§16, 17 (AFF). PL 2011, c. 380, Pt. Q, §5 (NEW). PL 2011, c. 380, Pt. Q, §7 (AFF). PL 2011, c. 453, §4 (NEW). PL 2011, c. 548, §19 (RPR). PL 2011, c. 548, §36 (AFF). PL 2021, c. 630, Pt. A, §2 (AMD). PL 2023, c. 372, §1 (AMD). PL 2023, c. 441, Pt. C, §2 (AMD). PL 2023, c. 441, Pt. C, §11 (AFF).

#### §2532. Authority to enter into multistate agreement

**1. Authority; multistate agreement.** The State Tax Assessor may, after consultation with the Department of Professional and Financial Regulation, Bureau of Insurance, enter into a multistate agreement, in accordance with the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203, Section 521, for the reporting of nonadmitted insurance premiums and the collection and allocation of nonadmitted insurance taxes. For any nonadmitted insurance premiums that are subject to taxation by this State and interstate allocation of taxes in accordance with the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203, Section 521, the rate of taxation on each participating state's share of the premium must be that state's applicable nonadmitted insurance premium tax rate.

[PL 2011, c. 331, §15 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

**2. Fiscal analysis; consultation.** The State Tax Assessor may not enter into a multistate agreement pursuant to subsection 1 unless the assessor has:

A. Completed a fiscal analysis of the impact of the agreement that examines the expected effects on the State's gross receipt of premium tax; and [PL 2011, c. 331, §15 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

B. Concluded, after consultation with representatives of surplus lines insurers, admitted insurers and surplus lines producers, that entering into the agreement:

(1) Is in this State's financial best interest;

(2) Does not significantly increase administrative burden and cost to the State, surplus lines insurers and insureds; and

(3) Is consistent with the requirements of the federal Nonadmitted and Reinsurance Reform Act of 2010, Public Law 111-203. [PL 2011, c. 331, §15 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

[PL 2011, c. 331, §15 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

#### SECTION HISTORY

PL 2011, c. 331, §15 (NEW). PL 2011, c. 331, §§16, 17 (AFF).

#### §2533. New markets capital investment credit

A person that is subject to tax under this chapter, or would be subject to tax under this chapter if it did business or collected premiums or assessments in this State, that holds a qualified equity investment certified by the Finance Authority of Maine pursuant to Title 10, section 1100-Z, subsection 3, paragraph G is allowed a credit equal to the amount determined in accordance with section 5219-HH against the tax otherwise due under this chapter. Section 5219-HH governs the allowance of the credit and limitations on the amount, refundability, carry-over and recapture of the credit. [PL 2011, c. 548, §20 (NEW); PL 2011, c. 548, §35 (AFF).]

#### SECTION HISTORY

PL 2011, c. 548, §20 (NEW). PL 2011, c. 548, §35 (AFF).

#### §2534. Credit for rehabilitation of historic properties and affordable housing

A taxpayer is allowed credits against the tax otherwise due under this chapter as determined under sections 5219-BB and 5219-WW. [PL 2019, c. 555, §5 (AMD).]

#### SECTION HISTORY

PL 2011, c. 548, §21 (NEW). PL 2011, c. 548, §36 (AFF). PL 2019, c. 555, §5 (AMD).

#### **§2535. Credit for educational opportunity**

A taxpayer is allowed a credit against the tax otherwise due under this chapter as determined under section 5217-D. The credit provided by this section, including any carryover of excess credit from prior years, may not be claimed for tax years beginning on or after January 1, 2022. [PL 2021, c. 635, Pt. H, §13 (AMD).]

#### SECTION HISTORY

PL 2017, c. 211, Pt. C, §1 (NEW). PL 2021, c. 635, Pt. H, §13 (AMD).

#### **§2536. Employer credit for family and medical leave**

For tax years beginning on or after January 1, 2018, a person is allowed a credit against the tax otherwise due under this chapter in an amount equal to the federal employer credit for paid family and medical leave allowed to that person under the Code, Section 45S as a result of wages paid to employees based in the State during the taxable year. For purposes of this section, "employees based in the State" means employees that perform more than 50% of employee-related activities for the employer at a location in the State. [PL 2021, c. 253, Pt. A, §2 (AMD).]

The credit allowed under this section may not reduce the tax otherwise due under this chapter to less than zero. The credit may not be carried forward or carried back to any other tax year. [PL 2017, c. 474, Pt. H, §1 (NEW).]

#### SECTION HISTORY

PL 2017, c. 474, Pt. H, §1 (NEW). PL 2021, c. 253, Pt. A, §2 (AMD).

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