

Session 115 - (2003-2004)

H 3362 General Bill, By Tripp

Summary: Life and health insurers

A BILL TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 38-7-15 SO AS TO ALLOW LIFE AND HEALTH INSURERS TO ELECT TO PAY THE GENERAL CORPORATE TAX ON NET INCOME INSTEAD OF THE PREMIUM TAX; BY ADDING SECTION 38-7-95 SO AS TO CREATE A LIMITED EMPLOYMENT TAX CREDIT AGAINST EITHER THE PREMIUM TAX OF THE INCOME TAX FOR ALL INSURANCE COMPANIES BASED UPON A PERCENTAGE OF NONCOMMISSION COMPENSATION PAID TO SOUTH CAROLINA EMPLOYEES; BY ADDING SECTION 38-7-97 SO AS TO PROVIDE A CREDIT FOR MUNICIPAL LICENSE FEES AND TAXES FOR INSURANCE COMPANIES ORGANIZED AS LIFE AND HEALTH INSURERS; TO AMEND SECTION 12-6-50, RELATING TO INTERNAL REVENUE CODE SECTIONS SPECIFICALLY NOT ADOPTED BY THE STATE, SO AS TO PRESERVE INTERNAL REVENUE CODE SECTIONS 801 THROUGH 845 FROM EXCLUSION IN THE CASE OF LIFE AND HEALTH INSURERS ELECTING TO PAY THE INCOME TAX; TO AMEND SECTION 12-6-550, RELATING TO CORPORATIONS EXEMPT FROM TAXES IMPOSED BY SECTIONS 12-6-530 AND 12-6-540, SO AS TO EXCLUDE LIFE AND HEALTH INSURERS ELECTING TO PAY THE INCOME TAX FROM THE EXEMPTION; TO AMEND SECTION 12-6-2290, RELATING TO THE APPORTIONMENT OF REMAINING NET INCOME WHERE PRINCIPAL PROFITS OR INCOME DERIVED FROM SOURCES NOT OTHERWISE DESCRIBED, SO AS TO PROVIDE FOR THE APPORTIONMENT OF LIFE AND HEALTH INSURER INCOME ALLOCATED TO SOUTH CAROLINA ACCORDING TO A ONE-FACTOR FORMULA BASED ON PREMIUMS; TO AMEND SECTION 12-6-5020, RELATING TO THE AUTHORIZED FILING OF A CONSOLIDATED CORPORATE INCOME TAX RETURN, SO AS TO PROVIDE RULES PERTAINING TO CONSOLIDATED RETURNS FOR LIFE AND HEALTH INSURERS ELECTING TO PAY THE INCOME TAX; TO AMEND SECTION 38-7-90, RELATING TO RETALIATORY TAXES, SO AS TO PROVIDE AN EXEMPTION UNDER CERTAIN CIRCUMSTANCES FOR LIFE AND HEALTH INSURERS DOMICILED IN ANOTHER STATE; TO AMEND SECTION 38-7-190, RELATING TO TAX CREDITS, SO AS TO PROVIDE THAT SPECIFIED TAX CREDITS MAY NOT BE RECAPTURED FROM FOREIGN INSURANCE COMPANIES THROUGH THE RETALIATORY TAX PROVIDED PURSUANT TO SECTION 38-7-90; AND TO AMEND SECTION 38-29-160, RELATING TO PRODUCTION OF THE CERTIFICATE OF CONTRIBUTIONS, THE OFFSET OF A WRITE-OFF AGAINST TAX LIABILITY, AND THE PAYMENT OF CERTAIN REFUNDS TO THE STATE, SO AS TO EXTEND THE PREMIUM TAX OFFSET FOR LIFE AND HEALTH GUARANTY ASSOCIATION ASSESSMENTS TO THE INCOME TAX.

01/21/03 House Introduced and read first time HJ-6

01/21/03 House Referred to Committee on Ways and Means HJ-6