**A** **BILL**

TO AMEND SECTION 38‑7‑20, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE IMPOSITION OF THE INSURANCE PREMIUM TAX, SO AS TO PROVIDE THAT SEVEN PERCENT OF THE ANNUAL REVENUE OF THIS TAX MUST BE TRANSFERRED TO THE SOUTH CAROLINA FORESTRY COMMISSION AND USED BY IT FOR FIREFIGHTING AND FIREFIGHTING EQUIPMENT REPLACEMENT AND FOREST INDUSTRY ECONOMIC ENHANCEMENT.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 38‑7‑20 of the 1976 Code, as last amended by Act 73 of 2003, is further amended to read:

“Section 38‑7‑20. (A) In addition to all license fees and taxes otherwise provided by law, there is levied upon each insurance company licensed by the director or his designee an insurance premium tax based upon total premiums, other than workers’ compensation insurance premiums, and annuity considerations, written by the company in the State during each calendar year ending on the thirty‑first day of December. For life insurance, the insurance premium tax levied herein is equal to three‑fourths of one percent of the total premiums written. For all other types of insurance, the insurance premium tax levied in this section is equal to one and one‑fourth percent of the total premiums written. In computing total premiums, return premiums on risks and dividends paid or credited to policyholders are excluded.

(12230DG12) Seven percent of the revenue of the premium taxes collected pursuant to this section must be transferred to the South Carolina Forestry Commission and used by that agency for firefighting, firefighting equipment replacement, and forest industry economic enhancement. The remaining insurance premium taxes collected ~~by the director or his designee~~ pursuant to this section must be deposited ~~by him in~~ to the credit of the general fund of the State.”

SECTION 2. This act takes effect July 1, 2012.

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