

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 3058

**FISCAL
NOTE**

BY DELEGATE ROWE

[Introduced March 14, 2017; Referred
to the Committee on Banking and Insurance then
Finance.]

1 A BILL to amend and reenact §33-3-14a of the Code of West Virginia, 1931, as amended, relating
2 to raising the insurance premium tax for two years.

Be it enacted by the Legislature of West Virginia:

1 That §33-3-14a of the Code of West Virginia, 1931, as amended, be amended and
2 reenacted to read as follows:

ARTICLE 3. LICENSING, FEES AND TAXATION OF INSURERS.

§33-3-14a. Additional premium tax.

1 For the purpose of providing additional revenue for the State General Revenue Fund,
2 there is hereby levied and imposed, in addition to the taxes imposed by section fourteen of this
3 article, an additional premium tax equal to ~~one~~ one and one-half percent of taxable premiums.
4 Except as otherwise provided in this section, all provisions of this article relating to the levy,
5 imposition and collection of the regular premium tax shall be applicable to the levy, imposition and
6 collection of the additional tax. All moneys received from the additional tax imposed by this
7 section, less deductions allowed by this article for refunds and for costs of administration, shall
8 be received by the commissioner and shall be paid by him or her into the State Treasury for the
9 benefit of the state fund: *Provided*, That each year, the first \$833,000 of the portion of taxes
10 received by the commissioner from insurance policies for medical liability insurance as defined in
11 section three, article twenty-f of this chapter and from any insurer on its medical malpractice line,
12 shall be temporarily dedicated to replenishing moneys appropriated from the tobacco settlement
13 account pursuant to subsection (c), section two, article eleven-a of chapter four of this code. Upon
14 determination by the commissioner that these moneys have been fully replenished to the tobacco
15 settlement account, the commissioner shall resume depositing taxes received from medical
16 malpractice premiums as provided herein. The increase in the premium tax enacted during the
17 2017 regular session of the Legislature shall be placed in the General Revenue Fund and shall
18 expire at the end of two years and the previous rate shall go back into effect.

NOTE: The purpose of this bill is to increase the additional tax on insurance premiums by one-half percent for two years.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.