

House Bill 530

By: Representatives Royal of the 140<sup>th</sup>, Sims of the 130<sup>th</sup> and Borders of the 142<sup>nd</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 8 of Title 33 of the Official Code of Georgia Annotated, relating to fees  
2 and taxes, so as to change certain provisions regarding the amount and method of computing  
3 certain taxes on insurance premiums; to provide an effective date; to repeal conflicting laws;  
4 and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Chapter 8 of Title 33 of the Official Code of Georgia Annotated, relating to fees and taxes,  
8 is amended by striking Code Section 33-8-4, relating to the amount and method of computing  
9 certain taxes on insurance premiums, which reads as follows:

10 "33-8-4.

11 (a) All foreign, alien, and domestic insurance companies doing business in this state shall  
12 pay a tax of 2 1/4 percent upon the gross direct premiums received by them on and after  
13 July 1, 1955. The tax shall be levied upon persons, property, or risks in Georgia, from  
14 January 1 to December 31, both inclusive, of each year without regard to business ceded  
15 to or assumed from other companies. The tax shall be imposed upon gross premiums  
16 received from direct writings without any deductions allowed for premium abatements of  
17 any kind or character or for reinsurance or for cash surrender values paid, or for losses or  
18 expenses of any kind; provided, however, deductions shall be allowed for premiums  
19 returned on change of rate or canceled policies; provided, further, that deductions may be  
20 permitted for return premiums or assessments, including all policy dividends, refunds, or  
21 other similar returns paid or credited to policyholders and not reapplied as premium for  
22 additional or extended life insurance. The term 'gross direct premiums' shall not include  
23 annuity considerations.

24 (b) For purposes of this chapter, annuity considerations received by nonprofit corporations  
25 licensed to do business in this state issuing annuities to fund retirement benefits for

1 teachers and staff personnel of private secondary schools and colleges and universities shall  
2 not be considered gross direct premium."

3 and inserting in its place a new Code Section 33-8-4 to read as follows:

4 "33-8-4.

5 (a) All foreign, alien, and domestic insurance companies doing business in this state shall  
6 pay a tax of 2 1/4 percent upon the gross direct premiums received by them on and after  
7 July 1, 1955. The tax shall be levied upon persons, property, or risks in Georgia, from  
8 January 1 to December 31, both inclusive, of each year without regard to business ceded  
9 to or assumed from other companies. The tax shall be imposed upon gross premiums  
10 received from direct writings without any deductions allowed for premium abatements of  
11 any kind or character or for reinsurance or for cash surrender values paid, or for losses or  
12 expenses of any kind; provided, however, deductions shall be allowed for premiums  
13 returned on change of rate or canceled policies; provided, further, that deductions may be  
14 permitted for return premiums or assessments, including all policy dividends, refunds, or  
15 other similar returns paid or credited to policyholders and not reapplied as premium for  
16 additional or extended life insurance. The term 'gross direct premiums' shall not include  
17 annuity considerations.

18 (b) For purposes of this chapter, annuity considerations received by nonprofit corporations  
19 licensed to do business in this state issuing annuities to fund retirement benefits for  
20 teachers and staff personnel of private secondary schools and colleges and universities shall  
21 not be considered gross direct premium."

22 **SECTION 2.**

23 This Act shall become effective upon its approval by the Governor or upon its becoming law  
24 without such approval.

25 **SECTION 3.**

26 All laws and parts of laws in conflict with this Act are repealed.