



HOUSE BILL 1030: 2016 Appropriations Act, Sec. 23.1: Insurance Regulatory Charge

2015-2016 General Assembly

Committee:		Date:	August 4, 2016
Introduced by:		Prepared by:	Kristen L. Harris Staff Attorney
Analysis of:	Sec. 23.1 of S.L. 2016-94		

OVERVIEW: *G.S. 58-6-25 requires an annual insurance regulatory charge be levied on each insurance company, other than a captive insurance company. Sec. 23.1 of S.L. 2016-94 sets the percentage rate to be used in calculating the insurance regulatory charge at 6.5% for the 2017 calendar year.*

This section became effective July 1, 2016.

CURRENT LAW: G.S. 58-6-25 requires an annual insurance regulatory charge be levied on each insurance company, other than a captive insurance company. The rate of the charge for each taxable year must be the percentage rate established by the General Assembly. The charge levied is in addition to all other fees and taxes and is applied to the company's premium tax liability for the taxable year. The proceeds of the charge go to the Insurance Regulatory Fund which is under the control of the Office of the State Budget and Management. All money credited to the Fund must be used to reimburse the General Fund for the appropriations identified in G.S. 58-6-25(d).

BILL ANALYSIS: The percentage rate to be used in calculating the insurance regulatory charge under G.S. 58-6-25 is six and one-half percent (6.5%) for the 2017 calendar year.

EFFECTIVE DATE: This section became effective July 1, 2016.

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