



# SENATE BILL 99: Appropriations Act of 2018, Sec. 22.2: Insurance Regulatory Fee

2017-2018 General Assembly

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<b>Committee:</b>		<b>Date:</b>	August 6, 2018
<b>Introduced by:</b>		<b>Prepared by:</b>	Kristen L. Harris Staff Attorney
<b>Analysis of:</b>	Sec. 22.2 of S.L. 2018-5		

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**OVERVIEW:** North Carolina law requires an annual insurance regulatory charge be levied on each insurance company, other than a captive insurance company. Sec. 22.2 of S.L. 2018-5 sets the percentage rate to be used in calculating the insurance regulatory charge at 6.5% for the 2019 calendar year.

*This act was vetoed by the Governor on June 6, 2018, and that veto was overridden by the General Assembly on June 12, 2018. This section became effective on July 1, 2018.*

**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 6.5% for the 2019 calendar year.

**EFFECTIVE DATE:** This section became effective July 1, 2018.

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