

October 11, 1967

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 5 (1967)

TO ALL EXCESS LINE BROKERS

Re: Circular Letter No. 5 (1967) Revised

Your attention is called to Section 122 (9) which provides that licensees under such Section shall "Pay to the Superintendent a sum equal to 3% of the gross premiums charged the insured by the insurer". Your particular attention is called to the word "charged".

You are advised that for tax purposes this Department will require that all excess line brokers report premiums charged (written) as opposed to premiums received commencing with business of the calendar year 1968. Any so called installment business which was originally written prior to January 1, 1968 should continue to be reported in the year actually received.

Adoption of this procedure will bring the reporting of taxable premiums into conformity with the Statute and will eliminate any future problem in reporting runoff business by excess line brokers whose licenses have not been renewed.

This revised Circular Letter No. 5 replaces and supersedes Circular Letter No. 5 (1967), dated August 15, 1967.

You are requested to acknowledge receipt of this letter.

/s/ Richard E. Stewart

Superintendent of Insurance