

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 217

Introduced by Hadley, 37.

Read first time January 13, 2015

Committee: Revenue

- 1 A BILL FOR AN ACT relating to revenue and taxation; to amend section
- 2 77-918, Revised Statutes Cumulative Supplement, 2014; to recodify
- 3 provisions; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 77-918, Revised Statutes Cumulative Supplement,
2 2014, is amended to read:

3 77-918 (1) Insurers transacting insurance in this state whose
4 annual tax for the preceding taxable year was four thousand dollars or
5 more shall make prepayments of the annual taxes imposed pursuant to
6 Chapter 77, article 9, and related retaliatory taxes imposed pursuant to
7 Chapter 44, article 1.

8 (2) Each insurer required to make prepayments shall remit such
9 prepayments on or before April 15, June 15, and September 15 of the
10 current taxable year. Remittance for such prepayments shall be
11 accompanied by a prepayment form prescribed by the director.

12 (3) The amount of each such prepayment shall be at least one-fourth
13 of either (a 1) the total tax paid for the immediately preceding taxable
14 year or (b 2) eighty percent of the actual tax due for the current
15 taxable year.

16 (4) The director, for good cause shown, may extend for not more than
17 ten days the time for making a prepayment. The extension may be granted
18 at any time if a request for such extension is filed with the director
19 within or prior to the period for which the extension may be granted.
20 Insurers who fail to pay any premium or retaliatory tax, including
21 prepayments, when due shall pay interest at the rate prescribed by
22 section 45-104.02, as such rate may from time to time be adjusted, until
23 such tax is paid. Any insurer who fails to make the prepayments within
24 the prescribed time period or to obtain an extension shall be subject to
25 the penalties prescribed in section 77-911.

26 (5) The director shall immediately deposit one-half of the
27 prepayments received in the Premium and Retaliatory Tax Suspense Fund,
28 which fund is hereby created, and one-half of the prepayments received in
29 the General Fund. Commencing with the premium and related retaliatory
30 taxes for the taxable year ending December 31, 2001, and for each taxable
31 year thereafter, the director shall determine the amount of the premium

1 and related retaliatory taxes imposed by section 44-150 or 77-908 paid by
2 insurers writing health insurance in this state, except as otherwise set
3 forth in subdivisions (1) and (2) of section 77-912, and such amount
4 shall be credited to the Comprehensive Health Insurance Pool Distributive
5 Fund. Except as provided in subsection (5) of section 44-4225, on May 1
6 of each year the director shall transfer all of the interest earned in
7 the Premium and Retaliatory Tax Suspense Fund on the immediately
8 preceding year's prepayments to the General Fund and transfer the balance
9 of the preceding year's prepayments deposited in the Premium and
10 Retaliatory Tax Suspense Fund to the Insurance Tax Fund. Any money in the
11 Premium and Retaliatory Tax Suspense Fund available for investment shall
12 be invested by the state investment officer pursuant to the Nebraska
13 Capital Expansion Act and the Nebraska State Funds Investment Act.

14 Sec. 2. Original section 77-918, Revised Statutes Cumulative
15 Supplement, 2014, is repealed.