



DIRECTIVE 20-EX-8

TO: ALL UNAUTHORIZED INSURERS, INCLUDING SURPLUS LINES BROKERS,
RISK RETENTION GROUPS, RISK PURCHASING GROUPS AND PERSONS
PROCURING INSURANCE, FILING TAXES IN THE STATE OF GEORGIA

FROM: JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER

DATE: OCTOBER 14, 2020

RE: NEW FILING AND PAYMENT SYSTEM FOR COLLECTION OF PREMIUM
TAX, RELATED PENALTIES, & INTEREST

To enhance the efficiency of the filing experience and provide greater customer service to the taxpayers of the Georgia Office of Insurance (OCI), a new filing and payment system, Surplus Lines Automation Suite (SLAS), will be adopted, effective as of January 1, 2021. This system will allow taxpayers to meet requirements electronically under O.C.G.A. §§ 33-5-29 through 33-5-33, and 33-40-5. Pursuant to the Code sections, each taxpayer shall file their premium tax affidavits with the Commissioner and remit a 4 percent tax on direct premiums.

Filing the policies in SLAS will fulfill the “affidavit” requirement in O.C.G.A. § 33-5-29 and replace previous paper filing methods (except prior to the implementation date of SLAS). To satisfy the notarization requirements under this Code section, the taxpayer will electronically sign (in accordance with O.C.G.A. § 10-12-11) by checking a box on each filing ascertaining his or herself as the taxpayer.

SLAS will make the filing of the affidavit and the payment of the premium tax a two-step process, separating the filing from the payment of tax.

For surplus line brokers and risk retention groups, as part of this procedure, each taxpayer that has received payment on a policy premium transaction during a calendar quarter shall on or before the 45th day following the end of the calendar quarter, file an affidavit with OCI through the Surplus Lines Information Portal (SLIP, the user interface of SLAS). This can be done all at once or as often as necessary as premiums are received. SLIP will electronically provide the

taxpayer with an invoice on the first day after each calendar quarter in which filings were made. The payment due date (Due Date) will be 45 days after the end of the calendar quarter. Any policy filed after SLIP has issued an invoice will be added to the next available invoice. However, an affidavit filed after the 45th day following the end of the calendar quarter in which the policy premium transaction was received is considered late and liable for a penalty. For policies received by taxpayers before January 1, 2021, taxpayers must use the historical way of filing taxes by paper affidavit and ACH payment.

Per O.C.G.A. § 33-5-33, an insured in this state who procures or causes insurance to be procured with an unauthorized insurer (“Direct Procurers”) and Risk Purchasing Groups shall file their policy premium transactions with the Commissioner within 30 days after the effective date of the policy. The invoice for these policies will be issued electronically through SLIP the day following the quarter in which the policy transaction was filed in SLIP. The invoice payment will be due 14 days after the end of each quarter (Due Date) and will be considered late if payment is not made by that date. For policies with effective dates before January 1, 2021, taxpayers must use the historical way of filing taxes by paper affidavit and ACH payment.

DATES TO REMEMBER:

Dates Premiums Received of Policies for Surplus Line Brokers or Risk Retention Groups	Reporting Deadline	Invoice Issue Date	Invoice Due Date
Q1 2021 and thereafter	May 15	April 1	May 15
Q2 2021 and thereafter	August 14	July 1	August 14
Q3 2021 and thereafter	November 14	October 1	November 14
Q4 2021 and thereafter	February 14	January 1	February 14

Effective dates of Premiums of Policies for Direct Procurers or Risk Purchasing Groups	Reporting Deadline	Invoice Issue Date	Invoice Due Date
Q1 2021 and thereafter	30 days after policy effective date	April 1	April 14
Q2 2021 and thereafter	30 days after policy effective date	July 1	July 14
Q3 2021 and thereafter	30 days after policy effective date	October 1	October 14
Q4 2021 and thereafter	30 days after policy effective date	January 1	January 14

OCI will also use SLAS to collect and assess penalties and interest payments:

A penalty can result from either of the following missed deadlines for surplus line brokers and risk retention groups:

- Failure to file the policies within 45 days after the end of the quarter in which the policy premium payment was received, or
- Failure to make a payment on or before the Due Date.

Per O.C.G.A. §§ 33-5-29 and 33-5-32, the above tax delinquencies will result in a penalty of either \$25.00 for each day of delinquency or an amount equal to 100 percent of the tax, whichever is less.

Interest can result from the following missed deadlines for persons procuring insurance with unauthorized insurers and risk purchasing groups:

- Failure to file the policy within 30 days after the effective date of the policy, or
- Failure to make a payment on or before the Due Date.

Per O.C.G.A. § 33-5-33, the above tax delinquencies will result in interest charged at 6% per annum, compounded annually.

Correspondence and SLAS Registration:

Login credentials for SLIP and correspondence regarding premium taxes will be emailed to the taxpayer based on the contact information received by Sircon's Georgia Producer and Agency Portal. Please make sure to keep records updated and a valid email is required. Invoices will be available to the taxpayer by logging into their SLIP account. Instructions to log in will be sent to the email of the contact as noted above.

Additional information regarding filing and payment procedures and training opportunities will be provided before the SLAS implementation on January 1, 2021. If you have any questions or need additional information regarding this Directive, please contact the Premium Tax Division of OCI by email at premiumtax@oci.ga.gov or by phone at (404)-656-7553.



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