

## ACT 224

H.B. NO. 1323

A Bill for an Act Relating to Captive Insurance.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Section 431:19-116, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) Each captive insurance company licensed to do business in this State shall pay to the director of finance through the commissioner a tax on gross premiums on or before March 1 of each year, as follows:

- (1) .25 per cent on \$0 to \$25,000,000 of gross premiums for insurance written on all risks or property resident, situated, or located within this State, and on risks and property situated elsewhere upon which no premium tax is otherwise paid during the year ending on the preceding December 31, less return premiums and less any reinsurance accepted;
- (2) .15 per cent on more than \$25,000,000, to \$50,000,000 of gross premiums for insurance written on all risks or property resident, situated, or located within this State, and on risks and property situated else-

**ACT 224**

where upon which no premium tax is otherwise paid during the year ending on the preceding December 31, less return premiums and less any reinsurance accepted; [and]

- (3) .05 per cent on more than \$50,000,000, to \$250,000,000 of gross premiums for insurance written on all risks or property resident, situated, or located within this State, and on risks and property situated elsewhere upon which no premium tax is otherwise paid during the year ending on the preceding December 31, less return premiums and less any reinsurance accepted[-]; and
- (4) 0.00 per cent on more than \$250,000,000 of gross premiums for insurance written on all risks or property resident, situated, or located within this State, and on risks and property situated elsewhere upon which no premium tax is otherwise paid during the year ending on the preceding December 31, less return premiums and less any reinsurance accepted;

provided that the annual maximum aggregate tax on gross premiums to be paid by a captive insurance company shall not exceed \$200,000.’’

SECTION 2. New statutory material is underscored.<sup>1</sup>

SECTION 3. This Act shall take effect on July 1, 2007.

(Approved June 28, 2007.)

**Note**

- 1. Should be Ramseyer both.