

Arkansas Insurance Department

Asa Hutchinson
Governor



Allen Kerr
Commissioner

February 20, 2020

[AMENDED]

BULLETIN NO. 3A-2020

TO: ALL LICENSED INSURERS, AUTHORIZED, FORMERLY AUTHORIZED AND UNAUTHORIZED INSURERS, SURPLUS LINES INSURERS AND BROKERS, MANAGING GENERAL AGENTS, NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS, PRODUCER AND INSURANCE COMPANY TRADE ASSOCIATIONS, AND OTHER INTERESTED PARTIES

FROM: ARKANSAS INSURANCE DEPARTMENT

SUBJECT: QUARTERLY PAYMENT OF SURPLUS LINES PREMIUM TAXES PURSUANT TO SECTION 19 OF ACT 521 OF 2019

This Bulletin amends and replaces Bulletin 3-2020 which contained an incorrect date.

This purpose of this Bulletin is to remind surplus lines brokers required by any section of the Arkansas Code to report and pay premium taxes that, pursuant to Section 19 of Act 521 of 2019, the remittance of premium taxes will be on a quarterly basis.

Ark. Code Ann. § 23-65-315(a) now states that (**emphasis added**):

“No later than sixty (60) days following the end of the **calendar quarter** in which surplus lines insurance was procured, the surplus lines broker shall remit to the Treasurer of State through the Insurance Commissioner a tax of four percent (4%) on the direct premiums written, less return premiums and exclusive of sums collected to cover state or federal taxes, on surplus lines insurance subject to tax transacted by the surplus lines broker during the preceding **calendar quarter** for the privilege of transacting business as a surplus lines broker in this state.”

Remittance deadlines for surplus lines premium taxes in 2020 are now:

Quarter Surplus Lines Coverage Procured

Remittance Deadline

First Quarter (ending March 31, 2020)
Second Quarter (ending June 30, 2020)
Third Quarter (ending September 30, 2020)
Fourth Quarter (ending December 31, 2020)

June 1, 2020
August 31, 2020
November 30, 2020
March 1, 2021

This Bulletin does not rescind the mandatory use of OPTins for the filing and paying of surplus lines premium taxes as outlined in [Bulletin 15-2019](#).

The Department reminds surplus lines brokers that submitting tax filings through OPTins is simple and requires no formal training. There are no licensing fees or special software needed. Easy to follow instructions are available at: <http://www.optins.org>.

To implement, contact the OPTins Marketing Team at optinsmktg@naic.org or call (816) 783-8787. Setup of a new account takes 7-10 business days.

If you are already registered to use OPTins for filings in other states, you are set up to file in Arkansas and do not need to contact the OPTins Marketing Team.

Once registered and set up, simply log in, upload filing forms, and submit payment online. There will be no paper checks – everything is electronic and tax forms along with payment are received by the Department immediately upon submission by the company or producer.

There is a nominal charge of 5% of the tax due up to a maximum of ten dollars (\$10.00) to file through OPTins.

For any questions regarding this Bulletin, please contact Devin Shaw in the Accounting Division of the Arkansas Insurance Department at 501-371-2606 or by e-mail at Insurance.Accounting@arkansas.gov.



**ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS**

**February 20, 2020
DATE**