

**BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA**

**IN RE: ELECTRONIC FILING OF)
QUARTERLY PREMIUM TAX)
REMITTANCE AND ANNUAL)
STATEMENT IN THE STATE OF)
OKLAHOMA)
)**

Case No. 16-0353-PRJ

**TO: ALL SURPLUS LINES BROKERS LICENSED
IN THE STATE OF OKLAHOMA**

FILE

APR 15 2016

INSURANCE COMMISSIONER
OKLAHOMA

JURISDICTION

1. The Insurance Commissioner, John D. Doak, is charged with the duty of administering and enforcing the provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., pursuant to 36 O.S. § 307.

2. Notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format. 36 O.S. § 350.

FINDINGS OF FACT

1. All taxes due on any insurance policy issued as a surplus lines policy, through any non-admitted insurer, shall be collected by the surplus lines broker who procures such policy's issuance. Such taxes shall, in each instance be collected in full on or before the issuance of the policy to the insured. All such taxes shall be duly remitted to the State of Oklahoma, through the Insurance Commissioner, on or before the end of each month following each calendar quarter by letter of transmittal accompanying such tax remittance. O.A.C 365: 25-3-13(d).

2. Each surplus lines licensee or broker licensed or transacting business in Oklahoma shall on or before April 1 of each year file with the Insurance Commissioner a verified annual statement of all surplus lines insurance transacted by the broker during the preceding calendar year where Oklahoma is the home state of the insured. The statement shall be on a form prescribed and furnished by the Insurance Commissioner and shall show such information required to be submitted as established by the Insurance Commissioner. 36 O.S. § 1114.

3. On November 1, 2014, the following statutory provision in the Oklahoma Insurance Code took effect:

DUTY TO FILE OR DELIVER PAYMENTS ELECTRONICALLY

Notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format. 36 O.S. § 350.

4. This provision of law provides the Insurance Commissioner with the authority, by appropriate order, to require certain forms and associated payments to be filed electronically with the Insurance Department.

5. The Insurance Commissioner finds it proper to prescribe that all quarterly surplus lines premium tax remittance forms and all accompanying premium tax payments be filed by electronic format effective with the third quarter filing, and each quarterly remittance thereafter, pursuant to 36 O.S. § 350, as approved by the Commissioner.

6. The Insurance Commissioner further finds that all surplus lines annual statements be filed by electronic format effective with the 2016 annual statement due in 2017 and thereafter, pursuant to 36 O.S. § 350, as approved by the Commissioner.

CONCLUSIONS OF LAW

1. All taxes due on any insurance policy issued as a surplus lines policy, through any non-admitted insurer, shall be collected by the surplus lines broker who procures such policy's issuance. Such taxes shall, in each instance be collected in full on or before the issuance of the policy to the insured. All such taxes shall be duly remitted to the State of Oklahoma, through the Insurance Commissioner, on or before the end of each month following each calendar quarter by letter of transmittal accompanying such tax remittance. O.A.C 365: 25-3-13(d).

2. Each surplus lines licensee or broker licensed or transacting business in Oklahoma shall on or before April 1 of each year file with the Insurance Commissioner a verified annual statement of all surplus lines insurance transacted by the broker during the preceding calendar year where Oklahoma is the home state of the insured. The statement shall be on a form prescribed and furnished by the Insurance Commissioner and shall show such information required to be submitted as established by the Insurance Commissioner. 36 O.S. § 1114.

3. Pursuant to 36 O.S. § 350, notwithstanding any other provision of law that requires a particular form and associated payment to be filed with the Insurance Department in paper form, or to be mailed or hand-delivered to the Insurance Department, the Insurance Commissioner may, by appropriate order, require that all filings of that specific type be filed or delivered in electronic format.

ORDER

IT IS THEREFORE ORDERED, based upon the foregoing Findings of Fact and Conclusions of Law, that all surplus lines quarterly premium tax remittance forms and all quarterly premium tax payments be filed by electronic format effective with 2016 third quarter filing and each quarterly remittance thereafter, pursuant to 36 O.S. § 350, as approved by the Commissioner pursuant to 36 O.S. § 350. **IT IS FURTHER ORDERED** that all surplus lines annual statements be filed by electronic format effective with the 2016 annual statement filed in 2017 and thereafter, pursuant to 36 O.S. § 350, as approved by the Commissioner.

IT IS SO ORDERED.

WITNESS My Hand and Official Seal this 15th day of April 2016.



A handwritten signature in cursive script that reads "James A. Mills".

JAMES MILLS
CHIEF OF STAFF
STATE OF OKLAHOMA