

**FAQ: SURPLUS LINES QUARTERLY REPORTS**

Use same name & license number on forms SL-3a, SL-3b & SL-3c. Either SL Broker & License Number Or SL Agency & License number. The only form that can have different name & license number is form SL-3d.

Effective with 2016 3<sup>rd</sup> Quarter filing, all surplus lines Surplus Lines Brokers/agencies will fill all documentation electronically through OPTins. Please see instructions.

Title 36 O.S. 1100.1(10)	<i>“Surplus lines licensee or broker means an individual, firm or corporation that is licensed in the insured’s home state to sell, solicit, or negotiate insurance, including the agent of record on a nonadmitted insurance policy, on properties, risks or exposures located or to be performed in a state allowing nonadmitted insurers to do business”.</i>
365:25-3-13 (d)	<i>“All taxes due on any insurance policy issued as a surplus line policy, through any non-admitted insurer, shall be collected by the surplus line 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”.</i>
SL-3a	Complete this form for each quarter and year and sign must be licensed Surplus Lines broker or agency name. If submitted electronically through OPTins you will need to submit an electronic signature. <b>Do not submit a quarterly report for \$0.00 business</b>
SL-3b	Verify the Oklahoma Surplus Lines Company is approved through the Oklahoma Insurance Department by going to our website under the following: <a href="http://www.ok.gov/oid">www.ok.gov/oid</a> , Under <b>Regulated Entities, Surplus Lines, List of Oklahoma Approved Surplus Lines Companies</b>
	Enter the correct Oklahoma Company Number received from the list of Approved Surplus Lines Companies with the correct company name. <b>(if alien must be on list by NAIC. They will have a company number such as AA-1234567)</b>
	List <b>each</b> surplus lines <b>policy</b> or <b>endorsement</b> on the form and then subtotal by the surplus lines company/carrier
SL-3c	Complete this form for <b>each</b> policy or endorsement listed above with premium tax due/owed
	Name of Unauthorized Insurer: <b>The Approved Surplus Lines Company on the list of Approved Surplus Lines Companies on our website</b>
	Oklahoma Company Number: <b>Oklahoma Company Number assigned to the Approved Surplus Lines Company (if alien &amp; not on our list, must be on list by NAIC. They will have a company number such as AA-1234567)</b>
	Name/Address of person named in the policy to whom the Commissioner shall send copies of legal process: <b>This will be the Service of Process of the insured if it is a business. If the insured is an individual this will be that individual.</b>
	Name of Insured: <b>The entity that has purchased the policy or endorsement</b>
	Location and Description of Risk: <b>(instances of multi-state exposure, provide the Oklahoma location &amp; description of risk)</b>
	Kind and Class of Coverage: <b>(example: Kind-Professional liability, class-Medical Malpractice)</b>
	Gross Premium: <b>Premium &amp; Fees (includes policy, broker or service fee) 365:25-3-12 (b)(3) <u>Gross Fee</u> means the total of all fees received by an insurance consultant derived by offering any advice, counsel, opinion, or service with respect to the advantages, disadvantages promised under any policy of insurance that could be issued or delivered in this state”.</b>
	6% Tax: <b>6% on 100% of the premium when Oklahoma is the “home state” of the insured</b>

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<b>SL-3d</b>	Complete this form for each <b>policy</b> or <b>endorsement</b> listed on form SL-3b that has a credit or refund
	Quarter submitted: <b>Current quarter you are submitting this credit/refund request in</b>
	Year submitted: <b>Current year you are submitting the request in</b>
	Quarter original tax paid : <b>The quarter you are requesting the credit/refund from</b>
	Year original tax paid: <b>The year you are requesting the credit/refund from</b>
	Name of Unauthorized Insurer: <b>The Approved Surplus Lines Company on the list of Approved Surplus Lines Companies on our website</b>
	Oklahoma Company Number: <b>6 digit Oklahoma Company Number assigned to the Approved Surplus Lines Company (if alien &amp; not on our list, must be on list by NAIC. They will have a company number such as AA-1234567)</b>
	Premium returned to insured: <b>gross premium (fees &amp; premium combined)</b>
	Requested Tax/Refund Credit: <b>6% of the gross premium</b>
	Must state specifically whether you are request a <b>REFUND</b> or a <b>CREDIT (Refund-when negative amount is not deducted from the total owed or there is a negative balance and a check is returned to you for the negative amount) (Credit-when the netative amount is deducted from the total owed or if there is a negative balance remaining a "credit" is issued to the account)</b>
<b>Additional Attachments required with form SL-3d</b>	<ol style="list-style-type: none"> <li>1. Copy of cleared check remitted to the Oklahoma Insurance Department for the tax payment credit/refund you are requesting (if submitted electronically through OPTins attach a copy of the payment showing the name, quarter, year &amp; amount of payment)</li> <li>2. A copy of the Declarations Page issued with the original policy from the insuring company</li> <li>3. Either a notice of cancellation or a notice of premium refund from the insuring company</li> </ol>

All Exempt policies or endorsements are required to be reported on forms SL-3b and SL-3c with the same information as a policy or endorsement. You will enter the **Gross Premium** and **6% Tax** as **\$0.00**. OPTins has specific columns to enter "exempt" and "reason of exemption".

Title 36 Section 1115 (H)	<b><i>"Policies sold to federally recognized Indian Tribes shall be reported as provided in Section 1107 of this title; however, these policies shall be exempt from the surplus line premium tax to the extent that the Insurance Commissioner can identify that coverage is for risks which are wholly owned by a tribe and located within Indian Country, as defined in Section 1151 of Title 18 of the United States Code."</i></b>
Title 36 Section 1115 (J)	<b><i>"Flood insurance policies where Oklahoma is the home state of the insured and the insurance covers properties, risks, or exposures located in Oklahoma shall be exempt from the surplus line premium tax."</i></b>
Title 36 Section 1115 (K) (Effective 11/1/2017)	<b><i>"Policies sold to any city or town in this state, incorporated pursuant to law, shall be exempt from surplus lines premium tax."</i></b>

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Title 36 Section 1106.2	<b><i>“A Surplus Lines licensee or broker is not required to make a due diligence search to determine whether the full amount or type of insurance can be obtained from admitted insurers when the surplus lines licensee or broker is seeking to procure or place flood insurance with a non-admitted insurer.”</i></b>
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For questions about the required information listed above, please contact the Oklahoma Insurance Department::

Sarah McCubbin@oid.ok.gov or call (405) 522-0473

JeanAnn.Parsley@oid.ok.gov or call (405) 521-3967

For any questions on electronic submission through OPTins, you can contact the OPTins help desk at (816)783-8990. This will include entering, amending or making payments.