

Form 207C

Insurance Premiums Tax Return Captive Insurance Companies

2012

Complete this return in blue or black ink only.

Taxpayer Type or Print	Taxpayer Name			Connecticut Tax Registration Number ▶	
	Address		Number and Street	PO Box	
	City or Town		State	ZIP Code	
				Federal Employer ID Number (FEIN) ▶	
				Date Received (DRS Use Only) ▶	
A. <input type="checkbox"/> Check if you are filing as a sponsored captive insurance company and enter the number of protected cells covered by this return: ▶ _____ B. <input type="checkbox"/> Check if you are filing a consolidated return for two or more companies and enter the number of companies included in this return: ▶ _____ C. <input type="checkbox"/> Check if this is an amended return.					

Computation of Tax Due on Insurance

1. Gross direct premiums collected or contracted for	▶ 1.	00
2. Other charges (please specify).....	▶ 2.	00
3. Total Premiums: Add Lines 1 and 2	▶ 3.	00
4. Return Premiums.....	▶ 4.	00
5. Other deductions (please specify)	▶ 5.	00
6. Total Deductions: Add Lines 4 and 5	▶ 6.	00
7. Net Taxable Premiums: Subtract Line 6 from Line 3	▶ 7.	00
8. Tax on Direct Insurance Premiums from Tax Rate Schedule (Direct Rate).....	▶ 8.	00
9. Tax on Reinsurance Premiums from Line 25.....	▶ 9.	00
10. Total Tax: Add Lines 8 and 9.....	▶ 10.	00
11. Enter the amount from Line 10 If Line 10 is more than \$200,000, enter \$200,000; or If Line 10 is less than \$7,500, enter \$7,500;.....	▶ 11.	00
12. If this is the first year of license in Connecticut, enter \$7,500.00.....	▶ 12.	00
13. Net tax: Subtract Line 12 from Line 11. If less than zero, enter zero "0"	▶ 13.	00
14. Payments made with extension request Form 207C EXT	▶ 14.	00
15. Subtract Line 14 from Line 13.....	▶ 15.	00
16. If late: penalty ▶(16a) \$ _____ .. plus interest ▶(16b) \$ _____ See instructions ...	▶ 16.	00
17. Balance due with this return	▶ 17.	00

Computation of Tax Due on Reinsurance

18. Assumed Reinsurance Premiums collected or contracted for	▶ 18.	00
19. Other charges (please specify).....	▶ 19.	00
20. Total Assumed Reinsurance Premiums: Add Lines 18 and 19	▶ 20.	00
21. Return premiums	▶ 21.	00
22. Other deductions (please specify)	▶ 22.	00
23. Total Deductions: Add Lines 21 and 22	▶ 23.	00
24. Net Assumed Reinsurance Premiums: Subtract Line 23 from Line 20.....	▶ 24.	00
25. Enter amount due from Tax Rate Schedule (Assumed Rate).....	▶ 25.	00

Declaration: I declare under penalty of law that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return or document to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

Sign Here Keep a copy of this return for your records.	Signature of principal officer		Title	Date
	Print Name of principal officer			Telephone Number ()
	Email Address of principal officer ▶			
	Paid Preparer's Signature		Date	Preparer's SSN or PTIN
	Firm's Name and Address			FEIN

Instructions

All direct premiums written by a Connecticut captive insurance company are subject to Connecticut premiums tax regardless of the taxability of the premiums by another state.

No reinsurance premium tax is payable in connection with the receipt of assets in exchange for the assumption of loss reserves and other liabilities of another insurer under common ownership and control if the transaction is part of a plan to discontinue the operations of that insurer and if the parties intend to renew or maintain such business with the captive insurance company.

Minimum and Maximum Tax

The annual minimum tax is \$7,500.00. The annual maximum aggregate tax is \$200,000.00. The maximum aggregate tax to be paid by a sponsored insurance company applies to each protected cell and not to the sponsored captive insurance company as a whole.

Tax Rate Schedules

Direct Rate

If Line 7 Is:	The Amount of the Tax Is:
\$20,000,000 or less	Line 7 multiplied by 0.0038
Over \$20,000,000 but not over \$40,000,000	\$76,000 plus the excess over \$20,000,000 multiplied by 0.00285
Over \$40,000,000 but not over \$60,000,000	\$133,000 plus the excess of \$40,000,000 multiplied by 0.0019
Over \$60,000,000	\$171,000 plus the excess over \$60,000,000 multiplied by 0.00072

Assumed Rate

If Line 24 Is:	The Amount of the Tax Is:
\$20,000,000 or less	Line 24 multiplied by 0.00214
Over \$20,000,000 but not over \$40,000,000	\$48,200 plus the excess over \$20,000,000 multiplied by 0.00143
Over \$40,000,000 but not over \$60,000,000	\$71,400 plus the excess of \$40,000,000 multiplied by 0.00048
Over \$60,000,000	\$81,000 plus the excess over \$60,000,000 multiplied by 0.00024

Consolidated Return

Two or more captive insurance companies under **common ownership and control** may file a single return (consolidated return) and pay tax as a single captive insurance company. A special purpose financial captive insurance company may not be consolidated with another captive insurance company that is not a special purpose financial captive insurance company. Captive insurance companies filing a consolidated return must attach a list which contains the name and federal employer identification number of the companies included on the consolidated return.

Common ownership and control means ownership and control of two or more captive insurance companies by the same person or group of persons.

Ownership and control is defined as:

For stock corporations:

The direct or indirect ownership of 80% or more of the outstanding voting stock of the insurer;

For mutual or nonprofit corporations:

The direct or indirect ownership of 80% or more of the surplus and voting power of the corporation

For limited liability companies:

The direct or indirect ownership of 80% or more of the membership interests in the company;

For sponsored captive insurance companies:

A protected cell shall be treated as a separate captive insurance company owned and controlled by the protected cell's participants

(New 01/13)

When to File

This return is due on or before March 1, 2013, for insurance premiums tax liability for calendar year 2012.

Late Payment

The late payment penalty is the greater of 10% of the tax due or \$50. Late payments are subject to interest at the rate of 1% per month or fraction of a month until the tax is paid in full.

Rounding Off to Whole Dollars

You must round off cents to the nearest whole dollar on your return and schedules. If you do not round, DRS will disregard the cents.

Round down to the next lowest dollar all amounts that include 1 through 49 cents. Round up to the next highest dollar all amounts that include 50 through 99 cents. However, if you need to add two or more amounts to compute the amount to enter on a line, include cents and round off only the total.

Example: Add two amounts (\$1.29 + \$3.21) to compute the total (\$4.50) to enter on a line. \$4.50 is rounded to \$5.00 and entered on a line.

Where to File

Make check payable to:

Commissioner of Revenue Services. To ensure payment is applied to your account, write "2012 Form 207C" and your Connecticut Tax Registration Number on the front of your check. DRS may submit your check to your bank electronically.

Mail to: Department of Revenue Services
State of Connecticut
PO Box 2990
Hartford CT 06104-2990

Signature

A principal officer of the company must sign this return.

Paid Preparer Signature

A paid preparer must sign and date 207C. Paid preparers must also enter their Social Security Number (SSN) or Preparer Tax Identification Number (PTIN), and their firm's Federal Employer Identification Number (FEIN) in the spaces provided.



Pay Electronically

Visit www.ct.gov/TSC to make a direct tax payment. Using this option authorizes DRS to electronically withdraw a payment from your bank account (checking or savings) on a date you select up to the due date. If you pay electronically, you must still file your return on or before the due date.

For Further Information

Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only); **or**
- **860-297-5962** (from anywhere).

TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications

Forms and publications are available anytime by:

- **Internet:** Visit the DRS website at www.ct.gov/DRS to preview and download forms and publications; **or**
- **Telephone:** Call **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only) and select **Option 2** from a touch-tone phone, or call **860-297-4753** (from anywhere).