



STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES

AN 2008(2)

25 Sigourney Street
Hartford CT 06106-5032

ANNOUNCEMENT

Assessments Refunded by Connecticut Insurance Guaranty Association

Purpose: This Announcement informs each member insurer that is a member of the Connecticut Insurance Guaranty Association (CIGA) of the member's obligation to pay a portion of the recently refunded assessments as described in this Announcement to the Department of Revenue Services (DRS) on or before Monday, February 11, 2008.

Effective Date: Upon issuance.

Statutory Authority: Conn. Gen. Stat. §38a-841 (3)(A).

Payment by Member Insurers Required on or before February 11, 2008: On or about December 27, 2007, CIGA mailed to its members an Assessment Statement with a December 27, 2007 Assessment Date (December 27, 2007 Assessment Statement), and refunded to its members a portion of prior CIGA assessments made to meet CIGA's obligations with respect to Ideal Mutual Insurance Company, Transit Casualty Insurance Company, Integrity Insurance Company, and LMI Insurance Company.

The prior CIGA assessments made to meet CIGA's obligations with respect to Ideal Mutual Insurance Company, Transit Casualty Insurance Company, and Integrity Insurance Company were payable by a member insurer during a calendar year beginning prior to January 1, 2000. For Connecticut insurance premiums tax purposes, CIGA assessments paid by a member during calendar years beginning prior to January 1, 2000, were not permitted to be offset against the member's Connecticut insurance premiums tax liability. Therefore, no amount of the

assessments shown on the December 27, 2007 Assessment Statement as refundable to the member with respect to Ideal Mutual Insurance Company, Transit Casualty Insurance Company, and Integrity Insurance Company must be paid to DRS.

However, the prior CIGA assessment made to meet CIGA's obligations with respect to LMI Insurance Company were payable by a member insurer during a calendar year beginning on or after January 1, 2000. For Connecticut insurance premiums tax purposes, CIGA assessments paid by a member during calendar years beginning on or after January 1, 2000, were permitted to be offset against the member's Connecticut insurance premiums tax liability. Therefore, the portion of the assessments shown on the December 27, 2007 Assessment Statement as refundable to the member with respect to LMI Insurance Company must be paid to DRS.

- If a member paid the original CIGA assessment with respect to LMI Insurance Company during 2000 and offset 20% of the assessment against its 2001, 2002, 2003, 2004, and 2005 Connecticut insurance premiums tax liability, the member should pay to DRS the amount of the refunded assessment entered in parentheses in the row for "LMI Insurance Company" under the column headed "Amount Payable."
- If a member paid the original CIGA assessment with respect to LMI Insurance Company during 2001, and offset 20% of the assessment against its 2002, 2003, 2004, 2005, and 2006 Connecticut insurance premiums tax liability, the member should pay to DRS the amount of the refunded assessment entered in parentheses in the row for "LMI Insurance Company" under the column headed "Amount Payable."

Payment Due Date: Payment is due to DRS on or before Monday, February 11, 2008. (Ordinarily, the due date is the 45th day after the date of mailing of the refunds, but the 45th day (February 10, 2008) is a Sunday.) If the amount that a member insurer is required to pay to DRS is not paid on or before February 11, 2008, interest will accrue on the amount not paid at the rate of 1% per month or fraction of a month from February 11, 2008, to the date of payment.

Make your check or money order payable to: **Commissioner of Revenue Services.** DRS may submit your check to your bank electronically.

To avoid any problems with the proper crediting of your payment, pay close attention to the following mailing instructions:

Mail payment to:

Department of Revenue Services
State of Connecticut
25 Sigourney Street
Hartford Connecticut 06106-5032

Attn: Hugh Whittingham, Audit Division
Excise & Public Services Subdivision

The member insurer's Connecticut Tax Registration Number and "Refunded Assessment" must be written in the lower left corner of the check. A copy of the member's December 27, 2007 Assessment Statement must be enclosed with the payment.

If a member insurer did not offset any portion of an original assessment by CIGA with respect to LMI Insurance Company against its Connecticut insurance premiums tax liability for any calendar year, and a portion of the original assessment with respect to that insolvent insurer is subsequently refunded to the member by CIGA, the member insurer must promptly advise DRS of this fact.

Effect on Other Documents: None affected

Effect of This Document: Announcements alert taxpayers to new developments, other than newly enacted or amended Connecticut or federal laws or newly released judicial decisions, including new administrative positions, policies, or practices.

For Further Information Concerning Refunded CIGA Assessments: Call Robert Cournoyer during business hours, Monday through Friday, at 860-541-3234.

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 download and print Connecticut tax forms; **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).
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Paperless Filing/Payment Methods (fast, easy, free, and confidential):

- **For business returns, tax payments, and electronic bill payments:** Use the *Taxpayer Service Center (TSC)* to file a variety of tax returns and extensions, as well as to pay taxes or bills over the Internet. Visit the DRS website at www.ct.gov/DRS and click on the *TSC* logo or on *File/Register OnLine* for a complete list of taxes that can be electronically filed and paid.
 - **For income tax returns, extensions, estimated payments, and electronic bill payments:** Use the *Taxpayer Service Center (TSC)* to file personal income tax returns and extensions, or to make estimated payments and electronic bill payments over the Internet. Visit the DRS website at www.ct.gov/DRS and click on the *TSC* logo or on *File/Register OnLine*.
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