



25 Sigourney Street Ste 2
Hartford CT 06106-5032

ANNOUNCEMENT

Assessments Refunded by the Connecticut Insurance Guaranty Association

Purpose: This Announcement informs each insurer that is a member (member insurer) of the Connecticut Insurance Guaranty Association (CIGA) that on or before February 18, 2014, the member insurer must pay a portion of the recently refunded assessments, as described in this Announcement, to the Department of Revenue Services (DRS).

Effective Date: Upon issuance.

Statutory Authority: Conn. Gen. Stat. §38a-841(c)(1).

Payment by Member Insurers Required On or Before February 18, 2014: On or about January 2, 2014, CIGA mailed to member insurers an Assessment Statement with a January 2, 2014 Assessment Date (January 2, 2014 Assessment Statement) and refunded to its member insurers a portion of prior CIGA assessments made to meet CIGA’s obligations with respect to Mission National Insurance Company (2005 base year), Acceleration National Insurance Company, Reliance Insurance Company, and Legion Insurance Company.

For Connecticut insurance premiums tax purposes, a CIGA assessment paid by a member insurer during a calendar year beginning on or after January 1, 2000 is permitted to be offset against the member insurer’s Connecticut insurance premiums tax liability for the five calendar years following the calendar year during which the CIGA assessment was paid (with 20% of the assessment permitted to be offset in each of those five calendar years) provided that if a CIGA assessment paid during a calendar year beginning on or after January 1, 2000 is refunded to a member insurer, the member insurer is required to pay the amount of the refunded assessment to DRS.

Each member insurer is now required to pay to DRS the total of:

- The amount entered in parentheses in the row for “Mission National Insurance Company” for the 2005 base year under the column headed “Amount

Payable” on the January 2, 2014 Assessment Statement;

- The amount entered in parentheses in the row for “Acceleration National Insurance Company” under the column headed “Amount Payable” on the January 2, 2014 Assessment Statement;
- The amount entered in parentheses in the row for “Reliance Insurance Company” under the column headed “Amount Payable” on the January 2, 2014 Assessment Statement; **and**
- The amount entered in parentheses in the row for “Legion Insurance Company” for “Auto” and in the row for “Legion Insurance Company” for “Other” under the column headed “Amount Payable” on the January 2, 2014 Assessment Statement.

The prior CIGA assessments made to meet CIGA’s obligations with respect to Transit Casualty Company, Midland Insurance Company, and Mission National Insurance Company (1986 base year) 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 insurer during calendar years beginning prior to January 1, 2000 were not permitted to be offset against the member insurer’s Connecticut insurance premiums tax liability. Therefore, no amount of the assessments shown on the January 2, 2014 Assessment Statement as refundable to the member insurer with respect to Transit Casualty Company, Midland Insurance Company, and Mission National Insurance Company (1986 base year) is required to be paid to DRS.

Payment Due Date: Payment is due to DRS on or before February 17, 2014. Since February 17, 2014, is a legal holiday, payment is due to DRS on or before the next business day, February 18, 2014. If the amount that a member insurer is required to pay to DRS is not paid on or before February 18, 2014, interest will accrue on the amount not paid at the rate

of 1% (.01) per month or fraction of a month from February 18, 2014.

Make your check payable to **Commissioner of Revenue Services**.

DRS may submit your check to your bank electronically.

To insure the proper crediting of your payment:

- 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 insurer's January 2, 2014 Assessment Statement must be enclosed with the payment; **and**
- Payment must be sent to:
 - Department of Revenue Services
 - Audit Division Attn: Eloise Perry
 - State of Connecticut
 - 25 Sigourney Street Ste 2
 - Hartford Connecticut 06106-5032

Member Insurers That Did Not Offset Original Assessment: If a member insurer did not offset any portion of an original assessment by CIGA with respect to Mission National Insurance Company (2005 base year), Acceleration National Insurance Company, Reliance Insurance Company, and Legion Insurance Company against its Connecticut insurance premiums tax liability for any calendar year, the member insurer must promptly advise DRS of this fact.

Effect on Other Documents: None.

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.

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Insurance Premiums Tax
CIGA
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For More Information Regarding Refunded CIGA Assessments: Call the Public Services Unit at **860-541-3225** Monday through Friday between 8:30 a.m. and 4:30 p.m.

For Other 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: Visit the DRS website at www.ct.gov/DRS to download and print Connecticut tax forms and publications.

Paperless Filing/Payment Methods (fast, easy, free, and confidential):

Taxpayers can use the **Taxpayer Service Center (TSC)** at www.ct.gov/TSC to file a variety of tax returns, update account information, and make payments online.

File Electronically: Follow the prompts to log into the **TSC** to file returns and pay taxes.

Pay Electronically: Use the **TSC** to make payments for most Connecticut taxes, even ones that cannot be filed electronically.

DRS E-Alerts Service: Get connected to the latest news. **DRS E-Alerts** provide information about employer's withholding tax, Press Releases, and the Top 100 Delinquency List. Visit the DRS website at www.ct.gov/DRS and select *e-alerts* from the left navigation bar.