



Ohio Revised Code

Section 5729.04 Gross premiums of mutual and stock insurance companies.

Effective: September 29, 2013

Legislation: House Bill 59 - 130th General Assembly

To compute franchise taxes on gross premiums to be paid under any law of this state by any mutual insurance company authorized to do business under the laws of this state, or by any stock insurance company so authorized, doing business on the plan of distributing back to its policyholders at the end of the policy year refunds of a portion of the premium collected, the amount of premium deposits received by the company upon any risk written pursuant to section 3925.34 or division (A)(1), (2), (7), or (14) of section 3929.01 of the Revised Code, within this state in excess of the net cost of insurance to the insured shall not be included where the excess deposit is returned ratably by the company to its policyholders; but the amount of gross or aggregate premiums received by the company is deemed the balance remaining after deducting from the gross amount of premium deposits received or collected by it on risks in this state during the preceding calendar year that portion of gross premium deposits returned by it to policyholders during the preceding calendar year, upon the cancellation or expiration of risks upon property situated within this state. In addition to the matters of return required to be made by insurance companies for the purpose of computing taxes, any company shall also return for such purpose in its annual statement:

(A) The gross amount of premium deposits received or collected by it on risks in this state during the preceding calendar year;

(B) The total amount of gross premium deposits returned to policyholders during such preceding calendar year upon cancellation and upon expiration of risks upon property situated within this state.

Where insurance against fire is included with insurance against other perils at an undivided premium, a reasonable allocation from the entire premium shall be made for the fire portion of the coverage in such manner as the superintendent of insurance may direct.
