AN ACT concerning insurance; relating to premium tax; adjusting the basis upon which certain premium tax calculations are made; requiring such premium taxes to be paid 90 days after each calendar year and basing such premium taxes upon the gross premiums collected for the previous calendar year; amending K.S.A. 12-2624 and 44-588 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 12-2624 is hereby amended to read as follows: 12-2624. In addition to the fees required to be paid in K.S.A. 12-2622, 12-2623, and amendments thereto, and as a condition precedent to the continuation of the certificate of authority provided in this act, all group-funded pools shall pay no later than 90 days after the end of each fiscal calendar year a tax upon the annual Kansas gross premium collected by the pool at the rate of 1% per annum applied to the collective premium relating to all Kansas members of the pool for the preceding fiscal calendar year. In the computation of the tax, all pools shall be entitled to deduct any annual Kansas gross premiums returned on account of cancellation or dividends returned to members of such pools or expenditures used for the purchase of specific and aggregate excess insurance, as provided in subsection (h) of K.S.A. 12-2618(h), and amendments thereto.

Sec. 2. K.S.A. 44-588 is hereby amended to read as follows: 44-588. In addition to the fees required to be paid in K.S.A. 44-587, and amendments thereto, and as a condition precedent to the continuation of the certificate of authority provided in this act, all group-funded workers' compensation funds shall pay no later than 90 days after the end of each fiscal calendar year a tax upon the annual Kansas gross premium collected by the pool at the rate of 1% per annum applied to the collective premium relating to all Kansas members of the pool for the preceding fiscal calendar year. In the computation of the tax, all pools shall be entitled to deduct any annual Kansas gross premiums returned on account of cancellation or dividends returned to members of such pools or expenditures used for the purchase of specific and aggregate excess insurance, as provided in subsection (a) of K.S.A. 44-582(a), and amendments thereto.
Sec. 3. K.S.A. 12-2624 and 44-588 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.