

2040-S

Sponsor(s): House Committee on Financial Institutions & Insurance
(originally sponsored by Representatives Santos and Benson; by
request of Insurance Commissioner)

Brief Description: Establishing liability for taxes on unlawful or
delinquent insurers or taxpayers.

HB 2040-S - DIGEST

(DIGEST AS ENACTED)

Establishes liability for taxes on unlawful or delinquent
insurers or taxpayers.

Provides that, in addition to the penalties set forth in RCW
48.14.060(1), interest will accrue on the amount of the unpaid tax
or prepayment at the maximum legal rate of interest permitted under
RCW 19.52.020 commencing sixty-one days after the tax is due until
paid. This interest will not accrue on taxes imposed under RCW
48.15.120.

Provides that this act applies to any insurer or taxpayer, as
defined in RCW 48.14.0201, violating or failing to comply with RCW
48.05.030(1), 48.17.060(1) or (2), 48.36A.290(1), 48.44.015(1), or
48.46.027(1).

Provides that, if an insurance contract, health care services
contract, or health maintenance agreement covers risks or
exposures, or enrolled participants only partially in this state,
the tax payable is computed on the portion of the premium that is
properly allocated to a risk or exposure located in this state, or
enrolled participants residing in this state.

Provides that this act does not apply to premiums on insurance
procured by a licensed surplus line broker under chapter 48.15 RCW.