

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

Senate Bill 566

FISCAL NOTE

BY SENATOR FERNS

[Introduced February 10, 2016;

Referred to the Committee on Health and Human
Resources.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §33-3-34, relating to creating a new tax on the insurance reserves held by
 3 certain accident and sickness insurance carriers operating in West Virginia; and
 4 authorizing emergency rules.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section, designated §33-3-34, to read as follows:

ARTICLE 3. LICENSING, FEES AND TAXATION OF INSURERS.

**§33-3-34. Additional tax on reserve balances held by certain not- for- profit private accident
 and sickness insurance carriers.**

1 For the purpose of providing additional revenue for the State General Revenue Fund,
 2 effective July 1, 2016, there is imposed, in addition to all other taxes imposed by this article, an
 3 additional tax equal to two and one half percent of the reserve balance held by any not-for-profit,
 4 private accident and sickness insurance carrier operating in West Virginia and regulated by the
 5 commissioner under this article.

6 All moneys received from the additional tax imposed by this section, less deductions
 7 allowed by this article for refunds and for costs of administration, shall be received by the
 8 commissioner and shall be paid by him or her into the State Treasury for the benefit of the state
 9 fund.

10 The commissioner shall promulgate emergency rules pursuant to the provisions of article
 11 three, chapter twenty-nine-a to effectuate the implementation of this section.

NOTE: The purpose of this bill is to create a new tax on the insurance reserves held by certain insurance providers.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.