

# **WEST VIRGINIA LEGISLATURE**

**2017 REGULAR SESSION**

**Introduced**

## **Senate Bill 464**

BY SENATORS HALL AND PLYMALE

[Introduced February 28, 2017; Referred  
to the Committee on Finance]

1 A BILL to amend and reenact §33-3-15 of the Code of West Virginia, 1931, as amended, relating  
2 to eliminating taxation on annuity considerations collected and received by a life insurer.

*Be it enacted by the Legislature of West Virginia:*

1 That §33-3-15 of the Code of West Virginia, 1931, as amended, be amended and  
2 reenacted to read as follows:

**ARTICLE 3. LICENSING, FEES AND TAXATION OF INSURERS.**

**§33-3-15. Annuity tax.**

1 (a) For the taxable years beginning on or after January 1, 2017, the tax imposed by this  
2 section is discontinued.

3 ~~(a)~~ (b) Every life insurer transacting insurance in West Virginia shall make a return to the  
4 commissioner annually on a form prescribed by the commissioner, on or before March 1, under  
5 the oath of its president or secretary, of the gross amount of annuity considerations collected and  
6 received by it during the previous calendar year on its annuity business transacted in this state  
7 and stating the amount of tax due under this section, together with payment in full for the tax due.

8 The tax is the sum equal to one per centum of the gross amount of the annuity considerations,  
9 less annuity considerations returned and less termination allowances on group annuity contracts.

10 All the taxes received by the commissioner shall be paid into the insurance tax fund created in  
11 subsection (b), section fourteen of this article. In the case of funds accepted by a life insurer under  
12 an agreement which provides for an accumulation of money to purchase annuities at future dates,  
13 annuity considerations may be either considered by the life insurer to be collected and received  
14 upon receipt or upon actual application to the purchase of annuities. Any earnings credited to  
15 money accumulated while under the latter alternative will also be considered annuity  
16 considerations. For purposes of this election, the alternative which the life insurer elected to file  
17 its tax return for the 2001 tax year or which it elects when it enters the state, whichever is later,  
18 shall be considered the life insurer's election between these alternatives. A life insurer filing a year  
19 2001 tax return shall provide written notice to the commissioner of its election within ninety days

20 of the effective date of this enactment. Otherwise, a life insurer shall provide written notice to the  
21 commissioner of its election within ninety days after it enters the state. Thereafter, a life insurer  
22 may not change its election without the consent of the Insurance Commissioner. The Insurance  
23 Commissioner may develop forms to assure compliance with this subsection.

24 ~~(b) The amendment to this section enacted during the regular session of the Legislature~~  
25 ~~in the year 1998 is effective on July 1, 1998.~~

NOTE: The purpose of this bill is to eliminate taxation on annuity considerations collected and received by a life insurer.

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