

# 2013 Insurance Premium Tax Return for Life and Health Companies

Due March 1, 2014

		Check if: <input type="checkbox"/> Amended return <input type="checkbox"/> No activity		
Print or Type	Name of insurance company		FEIN	Minnesota tax ID (required)
	Mailing address		NAIC number	State/country of incorporation
	City		State	Zip code
	Email address		Website address	Contact person
			Daytime phone	Fax number
Type of premiums (check all that apply)		Type of company	Date licensed in Minnesota	
<input type="checkbox"/> Health/Accident <input type="checkbox"/> Life <input type="checkbox"/> Other _____		<input type="checkbox"/> Stock <input type="checkbox"/> Mutual		

		A - State of Incorporation Basis	B - Minnesota Basis
Figure Your Income	<b>Part 1 – Life Premiums</b>		
	1 Life premiums	1	
	2 Annuity considerations	2	
	3 Total Minnesota direct business (add lines 1 and 2)	3	
	4 Minnesota business assumed from unauthorized insurers (reinsurance)	4	
	5 Current dividends applied (see instructions)	5	
	6 Dividends previously left on deposit applied	6	
	7 Other additions (itemize on a separate schedule)	7	
	8 Gross taxable business (add lines 3 through 7)	8	
	9 Deductible annuity considerations	9	
	10 Dividends paid in cash (see instructions)	10	
	11 Dividends to pay renewal premiums or reduce current premiums	11	
Deductions	12 Dividends applied to provide extended and paid-up additions or shorten the premium paying period	12	
	13 Dividends left on deposit to accumulate interest	13	
	14 Unabsorbed portion of premiums credited to policyholders	14	
	15 Other nontaxable business and dividends (attach a schedule)	15	
	16 Total deductions (add lines 9 through 15)	16	
	17 Net taxable business – Part 1 (subtract line 16 from line 8)	17	
	Part 2	<b>Part 2 – Accident and Health</b>	
18 Accident, health and other premiums		18	
19 Dividends paid in cash (accident and health)		19	
20 Net taxable business – Part 2 (subtract line 19 from line 18)	20		
<b>Continue on line 24 of page 2.</b>			
Amount Due or Refund	21 Tax due (or overpaid) (enter amount from line 43)	21	
	22 Total additional charge, penalty and interest (enter amount from line 44)	22	
	23 <b>TOTAL AMOUNT DUE (or overpaid)</b> (add lines 21 and 22)	23	
	<b>If you owe additional tax:</b>		
Payment method: <input type="checkbox"/> Electronic payment <input type="checkbox"/> Check (payable to Minnesota Revenue; write MN tax ID number on check; attach Form PV42)			
Enter amount paid _____ Date paid _____ (If amount paid is different from line 23, attach an explanation.)			
<b>If you overpaid:</b>			
Amount on line 23 to be credited to next year's estimated tax _____			
Amount on line 23 to be refunded _____			

I declare that this return is correct and complete to the best of my knowledge and belief.  
 I confess judgment to the state of Minnesota for the amount of tax shown due to the extent not timely paid.

Authorized signature	Title	Date	Daytime phone	<input type="checkbox"/> I authorize the Minnesota Department of Revenue to discuss this tax return with the preparer.
Signature of preparer	Print name of preparer	Date	Daytime phone	

**A** State of Incorporation Basis **B** Minnesota Basis

**Part 1 – Life Premiums and Other Taxes**

<b>24</b>	Net taxable business (enter amount from line 17) .....	<b>24</b>		
<b>25</b>	Premium tax percentage rate .....	<b>25</b>	%	1.5%
<b>26</b>	Premium tax liability (multiply line 24 by percentage on line 25) .....	<b>26</b>		
<b>27</b>	Other taxes (itemize on a separate schedule) .....	<b>27</b>		
<b>28</b>	Life premium tax liability (add lines 26 and 27) .....	<b>28</b>		

**Part 2 – Accident and Health**

<b>29</b>	Net taxable business – Part 2 (enter amount from line 20) .....	<b>29</b>		
<b>30</b>	Premium tax percentage rate .....	<b>30</b>	%	2%
<b>31</b>	Accident and health premium tax liability (multiply line 29 by the percentage on line 30) .....	<b>31</b>		
<b>32</b>	Total premium tax liability (add lines 28 and 31) .....	<b>32</b>		
<b>33</b>	Licenses and fees paid to the Minnesota Commerce Department and home state (from M11B, line 10; or if domiciled in Minnesota, Hawaii, Massachusetts, New York or Rhode Island, enter zero) .....	<b>33</b>		
<b>34</b>	Total taxes, licenses and fees (add lines 32 and 33) .....	<b>34</b>		
<b>35</b>	Enter amount from line 34, Column A or B, whichever is greater .....	<b>35</b>		
<b>36</b>	Total licenses and fees paid to Minnesota (from M11B, line 11; or if domiciled in Minnesota, Hawaii, Massachusetts, New York or Rhode Island, enter zero) .....	<b>36</b>		
<b>37</b>	Subtract line 36 from line 35 (if zero or less, skip line 38 and enter this amount on line 39) .....	<b>37</b>		
<b>38</b>	Minnesota Guaranty Fund Association offset (see instructions) .....	<b>38</b>		
<b>39</b>	Tax before refundable credits. If line 37 is zero or less, enter the amount from line 37. If line 37 is positive, subtract any amount on line 38 from line 37. (If result is less than zero, enter zero) . . .	<b>39</b>		
<b>40</b>	Historic structure rehabilitation credit (attach credit certificate) and enter NPS project number: .....	<b>40</b>		
<b>41</b>	Tax liability (subtract line 40 from line 39) .....	<b>41</b>		

Figure Your Adjusted Liability

Tax Prepayments and Amount Due

<b>42 a</b>	Prior year's overpayment .....	<b>42a</b>		
<b>b</b>	Estimated payment March 15 .....	<b>42b</b>		
<b>c</b>	Estimated payment June 15 .....	<b>42c</b>		
<b>d</b>	Estimated payment Sept. 15 .....	<b>42d</b>		
<b>e</b>	Estimated payment Dec. 15 .....	<b>42e</b>		
	Add lines 42a through 42e .....	<b>42</b>		
<b>43</b>	Tax due (or overpaid) (subtract line 42 from line 41). Enter on line 21, page 1 .....	<b>43</b>		
<b>44 a</b>	Additional charge for underpaying estimated tax (determine from worksheet in the instructions) . .	<b>44a</b>		
<b>b</b>	Penalty (see instructions) .....	<b>44b</b>		
<b>c</b>	Interest (see instructions) .....	<b>44c</b>		
	Total additional charge, penalty and interest (add lines 44a through 44c). Enter on line 22, page 1 . .	<b>44</b>		

Additional Charge, Penalty, Interest

## 2013 Insurance Premium Tax Return for Life and Health Companies

Includes instructions for Form M11L

For insurance tax laws, see *Minnesota Statutes, Chapter 297I* at [www.leg.state.mn.us](http://www.leg.state.mn.us).

### Before You File

#### You Need a Minnesota Tax ID

Your Minnesota tax ID is the seven-digit number you're assigned when you register with the Department of Revenue. You must include your Minnesota tax ID on your return so that your filing and any payments you make are properly credited to your account.

If you don't have a Minnesota tax ID, apply online at [www.revenue.state.mn.us](http://www.revenue.state.mn.us) or call 651-282-5225 or 1-800-657-3605.

It is also important to enter your federal ID number and NAIC number on your return, but not in place of your Minnesota tax ID number.

### Filing Requirements

All life and health insurance companies licensed in Minnesota during the tax year must file a premium tax return even if they have not actually transacted insurance business in Minnesota during the tax year. Insurers with a premium tax liability of more than \$500 must also make estimated tax payments. (*M.S. 297I.05, subd. 14*)

Insurance companies are exempt from Minnesota corporation franchise tax. (*M.S. 290.05, subd. 1c*)

**Annual Financial Statements.** Insurance companies that do not file statements with the NAIC are required to file a copy of their statement with the Department of Revenue (9" x 14" version). If any premiums or deductions reported on Form M11L cannot be verified from the annual statement, you must attach documentation to your tax return substantiating the amounts.

### Which Form to File

Life and health insurance companies use Form M11L to file premium taxes.

Property, casualty and title insurance companies use Form M11 to file premium taxes.

### Due Date

File your Form M11L with all required attachments and pay any tax due by March 1. Payment extensions are not allowed.

The U.S. postmark date, or date recorded or marked by a designated delivery service, is considered the filing date (private postage meter marks are not valid). When the due date falls on a Saturday, Sunday or legal holiday, returns and payments electronically made or postmarked the next business day are considered timely. When a return or payment is late, the date it is received at the Department of Revenue is treated as the date filed or paid.

**Extension for Filing Return.** If good cause exists, you may request a filing extension.

### Payments

#### Electronic Payments

If your total insurance taxes and surcharges due for the last 12-month period ending June 30 is \$10,000 or more, you are required to pay your tax electronically in all subsequent years.

You must also pay electronically if you're required to pay *any* Minnesota business tax electronically, such as withholding tax.

To pay over the Internet, go to the department's website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and login to e-Services. If you don't have Internet access, call 1-800-570-3329 to pay by phone. You'll need your user name, password and bank routing and account numbers. When paying electronically, you must use an account not associated with any foreign banks.

If you use other electronic payment methods, such as ACH credit method or Fed Wire, instructions are available on our website or by calling Business Registration Office at 651-282-5225 or 1-800-657-3605.

#### Estimated Tax Payments

If your total annual tax liability is more than \$500, you must make estimated payments. To avoid an additional charge for underpaying the tax, your payments must be made on time and be at least one-fourth of the prior year's total annual tax liability, or one-fourth of 80 percent of the current year's total annual tax liability.

Estimated payments are due quarterly on March 15, June 15, Sept. 15 and Dec. 15. When the due date falls on a weekend or legal holiday, payments made electronically or postmarked on the next business day are considered timely.

If you are not required to pay electronically and you choose to pay by check, you must mail a personalized M19 payment voucher along with your estimated tax payment to help ensure the payment is credited correctly. Download the M19 voucher from our website, type in the required information while the form is on the screen and print a copy. A personalized scan line will be printed on the bottom using the information you entered.

When you pay by check, your check authorizes us to make a one-time electronic fund transfer from your account, and you may not receive your canceled check.

If you make your payments electronically, do not send in the M19 vouchers.

If you do not pay the correct amount of estimated tax by the due dates and your tax liability is more than \$500, you may have to pay an additional charge for underpaying. Complete the worksheet on page 3. Overpayments from prior years or prior estimated overpayments should be applied before underpayment charges are figured.

#### Return Payment

If there is an amount due on Form M11L, either pay it electronically or by check.

If you are not required to pay electronically and you choose to pay by check, you must complete a Form PV42 payment voucher and include it with your check when you file Form M11L.

Download the PV42 voucher from our website, type in the required information while the form is on the screen and print a copy. A personalized scan line will be printed on the bottom using the information you entered.

When you pay by check, your check authorizes us to make a one-time electronic fund transfer from your account, and you may not receive your canceled check.

**Note:** If no amount is due or if you pay electronically, do not send in Form PV42.

## Completing Form M11L

### Check Boxes

At the top of the form, check if the return is:

- an **Amended Return**: Check only if you are amending a previously filed return for the same period. Include all original and corrected premiums on the amended return.
- for **No Activity**: Check only if you did not have any tax activity during the year.

### Columns A and B

All domestic, foreign and alien insurers must complete Column B (Minnesota basis).

Foreign and alien insurers (except Hawaii, New York, Massachusetts and Rhode Island domiciled companies) must also complete Column A (for purposes of applying Minnesota retaliatory laws) and Schedule M11B.

**Note:** All premiums, deductions and resulting taxes listed in Column A must be in accordance with the laws of the state or country of incorporation as they would apply to a Minnesota insurer licensed and doing business in that state or country. If the taxing authority of the state or country of incorporation requires a supplemental schedule to support tax computations, the same type of schedule (applying to business in Minnesota) must be attached to Minnesota Form M11L.

In Column B (Minnesota basis), include direct premiums; stop-loss premiums; assessments; deposits; policy, membership and survey fees; and dues, dividends and interest applied to reduce current premiums, pay renewal premiums, shorten the premium paying period or provide extended and paid-up additional insurance.

Exclude employer contributions credited for the insurer's employees' and agents' life, accident and health insurance plans; and all return premiums on policies not taken, except cash surrender values paid upon the cancellation and surrender of policies or certificates of life insurance.

### Line instructions

Round amounts to the nearest dollar. Decrease any amount less than 50 cents and increase any amount that is 50 cents or more to the next higher dollar.

If the reported premiums are different from the premiums on the state page or Schedule T, attach a schedule reconciling the difference.

### Lines 5 and 6 Dividends

Enter the dividends to be included in the gross taxable business. If dividends listed differ from your annual statement, attach a statement explaining the differences.

### Line 7 Other Additions

Attach a separate schedule itemizing the additions and amounts included on this line.

### Lines 10 through 15 Dividends

Enter dividends only if returned to the insured person or entity paying the premium.

### Lines 25 and 30 Premium Tax Percentage Rate

If premiums are taxed at more than one rate, enclose a schedule showing rates and premiums. Life insurance premiums are taxed at 1.5 percent and accident and health premiums are taxed at 2 percent.

### Line 38 Guaranty Fund Assessment

Twenty percent of assessments (less any refunds) made and paid to the Minnesota Life and Health Guaranty Association or the Minnesota Insurance Guaranty Association are allowable offsets against the tax liability for the five years following the payment of the assessment. Contact our office if you have questions about carrying forward credits.

If assessments are more than your tax liability (positive amount on line 37), use only the amount necessary to reduce your tax liability to zero; the remaining amount may be deducted in future tax years.

If you receive a refund for an assessment from the association, the refund must be subtracted from the paid assessment amount. If a refund is more than the assessment, the excess must be paid to Minnesota.

### Line 39 Tax Before Refundable Credits

The amount on line 39 can only be negative due to return premiums. It cannot be negative due to guaranty fund association offsets (see instructions for line 38).

### Line 40 Historic Structure Rehabilitation Credit

A refundable credit is available to taxpayers who are eligible for the Federal Historic Rehabilitation Credit for improving a certified historic structure located in Minnesota. The credit is equal to 100 percent of the federal

credit, and it may be transferred or assigned to others, including insurance companies.

To qualify for the Minnesota credit, the project developer must apply for approval from the State Historic Preservation Office (SHPO) of the Minnesota Historical Society before any rehabilitation of the structure begins. For eligibility requirements and information on how to apply for approval, go to the SHPO website at [www.mnhs.org/shpo](http://www.mnhs.org/shpo).

Once the approved project has been completed and placed into service, the SHPO will issue a credit certificate. From the credit certificate you received from the SHPO, enter the five-digit NPS project number and the amount of your credit on line 40. You must include the credit certificate when you file your Form M11L.

### Lines 42a Through 42e Estimated Tax Payments

If any line contains more than one payment, you must attach a schedule.

If payments are included from a merged company, attach a schedule listing the merged company name, NAIC number, payment amounts and payment dates.

### Line 44a Additional Charge for Underpaying Estimated Tax

If you did not pay the correct amount of estimated tax by the due dates and your tax liability on line 41 is more than \$500, you may have to pay an additional charge for underpaying. Complete the worksheet on page 3 to determine the amount to enter on line 44a.

### Line 44b Penalty

**Late Payment.** If you file on time but don't pay all the tax due by the due date, a late payment penalty is due. The penalty is 5 percent of the unpaid tax for any part of the first 30 days the payment is late, and 5 percent for each additional 30-day period, up to a maximum of 15 percent.

**Late Filing.** Add a late filing penalty to the late payment penalty if your return is not filed by the due date. The penalty is 5 percent of the unpaid tax. When added to the late payment penalty, the maximum combined penalty is 20 percent.

**2013 Form M11L Instructions (continued)**

**Payment Method.** If you are required to pay electronically and do not, an additional 5 percent penalty applies to payments not made electronically, even if a paper check is sent on time.

**Line 44c Interest**

**Interest.** You must pay interest on the unpaid tax plus penalty from the due date until the total is paid. The interest rate for calendar year 2014 is 3 percent. The rate may change for future years.

To figure how much interest you owe, use the following formula with the appropriate interest rate:

$$\text{Interest} = (\text{tax} + \text{penalty}) \times \# \text{ of days late} \times \text{interest rate} \div 365$$

**Mailing Your Return**

Mail your return and all required attachments to: Minnesota Revenue, Mail Station 1780, St. Paul, MN 55145-1780.

For express deliveries, use our street address: 600 N. Robert St., St. Paul, MN 55101

**Business Information Changes**

Be sure to let us know within 30 days if you change mailing addresses, phone numbers, or any other business information. To do so, go to our website, login to e-Services and update your profile information. By

notifying us, we will be able to let you know of any changes in Minnesota tax laws and filing requirements.

**Information and Assistance**

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)  
 Email: [insurance.taxes@state.mn.us](mailto:insurance.taxes@state.mn.us)  
 Phone: 651-556-3024

We'll provide information in other formats upon request to persons with disabilities.

**For questions about licensing and regulations,** contact the Minnesota Department of Commerce:

Website: [www.insurance.mn.gov](http://www.insurance.mn.gov)  
 Email: [companylic.commerce@state.mn.us](mailto:companylic.commerce@state.mn.us)  
 Phone: 651-296-6319 or 1-800-657-3602

**Worksheet: Additional Charge for Underpaying Estimated Tax for 2013**

<b>1</b>	Enter 80 percent of your total annual tax liability from line 41 of your 2013 Form M11L. If your tax liability was \$500 or less, you do not owe an additional charge. . . . .	<b>1</b>	_____				
<b>2</b>	Enter the amount from line 41 of your 2012 Form M11L. If you were not required to file a 2012 return, you do not owe an additional charge . . . . .	<b>2</b>	_____				
				<b>Due Dates</b>			
				<b>March 15</b>	<b>June 15</b>	<b>Sept. 15</b>	<b>Dec. 15</b>
<b>3</b>	Enter one-fourth of step 1 or step 2 (whichever is less) in each column . . . . .	<b>3</b>	_____	_____	_____	_____	_____
<b>4</b>	Amounts paid on or before the due date for each period. Include credits applied, such as prior year's overpayment . . . . .	<b>4</b>	_____	_____	_____	_____	_____
<b>5</b>	Overpayment of previous installment (see <i>worksheet instructions</i> ) . . . . .	<b>5</b>	_____	_____	_____	_____	_____
<b>6</b>	Add steps 4 and 5 . . . . .	<b>6</b>	_____	_____	_____	_____	_____
<b>7</b>	Underpayment (or overpayment). Subtract step 6 from step 3 . . . . .	<b>7</b>	_____	_____	_____	_____	_____
<b>8</b>	Date underpayment is paid or March 1, 2014, whichever is earlier. . . . .	<b>8</b>	_____	_____	_____	_____	_____
<b>9</b>	Number of days from the due date to the date on step 8 . . . . .	<b>9</b>	_____	_____	_____	_____	_____
<b>10</b>	Additional charge (step 9 ÷ 365 × interest (see below) × step 7) . . . . .	<b>10</b>	_____	_____	_____	_____	_____
<b>11 TOTAL.</b>	Add amounts in each column of step 10. Enter the result here and on Form M11L, line 44a . . . . .	<b>11</b>	_____	_____	_____	_____	_____

If step 11 is zero, keep this worksheet for your records. If it is more than zero, attach a copy of the worksheet to your Form M11L.

**Interest:** 2013 = .03; 2014 = .03

**Worksheet Instructions**

**Step 5**

Payments of estimated tax are applied against any underpayments of required estimated payments in the order that the estimated payments were due.

For example, if your first estimated payment is underpaid by \$100 and you deposit \$200 for your second estimated payment, \$100 of your second payment is applied to the first estimated payment. The additional charge for the first estimated payment is computed

from the first estimated payment's due date to the date the second payment is made.

Also, the second estimated payment will then be underpaid by \$100 (assuming that the second payment is \$200) until sufficient repayments are received to eliminate the underpayment.

If more than one payment has been made for a required estimated payment, attach a separate computation for each payment.

If there are payments included from a merged company, attach a schedule listing the merged company name, NAIC number, payment amounts and payment dates.

Credit the excess of any overpayment for a period on step 5 of the next payment period.

**Step 10**

If there is no underpayment on step 7, enter "none" on step 10 for that period.