

2013 Insurance Premium Tax Return and Firetown Report for Township Mutual

Combined Report for Township Mutual Insurance Companies

Due March 1, 2014

| | | | | | | |
|---------------|---------------------------|-----------------|---|--|--------------------------------|-----------------------------|
| Print or Type | Name of insurance company | | | Check if: <input type="checkbox"/> Amended return <input type="checkbox"/> No activity | FEIN | Minnesota tax ID (required) |
| | Mailing address | | Check if new address <input type="checkbox"/> | NAIC number | State/country of incorporation | |
| | City | State | Zip code | Contact person | Daytime phone | |
| | Email address | Website address | | Fax number | Date licensed in Minnesota | |

| | |
|--|---|
| Premium Tax and Payments | 1 Gross direct premiums, including policy fees, premium finance and other charges (from annual statement filed with the Minnesota Department of Commerce; attach a copy) 1 _____ |
| | 2 Premium tax percentage rate 2 _____ 1% |
| | 3 Premium tax liability (multiply line 1 by line 2) 3 _____ |
| | 4 Credit for historic structure rehabilitation (attach credit certificate) and enter NPS project number: <input type="text"/> 4 _____ |
| | 5 Tax liability (subtract line 4 from line 3) 5 _____ |
| | 6 Premium tax prepayments |
| | a Prior year's overpayment 6a _____ |
| | b Estimated payment March 15 6b _____ |
| | c Estimated payment June 15 6c _____ |
| | d Estimated payment Sept. 15 6d _____ |
| e Estimated payment Dec. 15 6e _____ | |
| Total payments (add lines 6a through 6e) 6 _____ | |
| 7 Tax due (or overpaid) (subtract line 6 from line 5) 7 _____ | |
| 8 a Additional charge for underpaying estimated tax (determine from worksheet in the instructions) 8a _____ | |
| b Penalty (see instructions) 8b _____ | |
| c Interest (see instructions) 8c _____ | |
| Total (add lines 8a through 8c) 8 _____ | |
| 9 TOTAL AMOUNT DUE (or overpaid) (add lines 7 and 8) 9 _____ | |

| | |
|--|--|
| Amount Due/ Overpaid | If you owe additional tax: |
| | 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 amount due on line 9, attach an explanation.) |
| | If you overpaid: |
| Amount on line 9 to be credited to next year's estimated tax _____ | |
| Amount on line 9 to be refunded _____ | |

I declare that this return is correct and complete to the best of my knowledge and belief.

| | | | | | |
|-----------|-----------------------|------------------------|------|---------------|--|
| Sign Here | 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 | |

2013 Insurance Premium Tax Return and Firetown Report for Township Mutual Instructions

Includes instructions for Form M11T

For insurance tax laws, see *Minnesota Statutes, Chapter 297I* at 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 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 Minnesota township mutual insurance companies must file Form M11T, a combined premium tax return and firetown premium report.

(M.S. 297I.05, *subd.* 2)

Due Date

File Form M11T 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 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 sales or withholding tax.

To pay over the Internet, go to the department's website at 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 estimated premium tax is more than \$500, you must make estimated payments based on the entire estimated amount. 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 of the voucher 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 M11T, 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 M11T. 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 of the voucher 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 M11T

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.

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.

Line 4

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.

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 4. You must include the credit certificate when you file your Form M11T.

Line 8a

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 5 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 8a.

Line 8b

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.

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 8c

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.

Email: insurance.taxes@state.mn.us

Phone: 651-556-3024

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

2013 Form M11T Instructions (continued)

Worksheet: Additional Charge for Underpaying Estimated Tax for 2013

1 Enter 80 percent of your total annual tax liability from line 5 of your 2013 Form M11T. If your tax liability was \$500 or less, you do not owe an additional charge. **1** _____

2 Enter the amount from line 5 of your 2012 Form M11T. If you were not required to file a 2012 return, you do not owe an additional charge **2** _____

| | Due Dates | | | |
|---|-----------|---------|----------|---------|
| | March 15 | June 15 | Sept. 15 | Dec. 15 |
| 3 Enter one-fourth of step 1 or step 2 (whichever is less) in each column 3 | _____ | _____ | _____ | _____ |
| 4 Amounts paid on or before the due date for each period. Include credits applied, such as prior year's overpayment 4 | _____ | _____ | _____ | _____ |
| 5 Overpayment of previous installment (see <i>worksheet instructions</i>) . 5 | _____ | _____ | _____ | _____ |
| 6 Add steps 4 and 5 6 | _____ | _____ | _____ | _____ |
| 7 Underpayment (or overpayment). Subtract step 6 from step 3 7 | _____ | _____ | _____ | _____ |
| 8 Date underpayment is paid or March 1, 2014, whichever is earlier. . . . 8 | _____ | _____ | _____ | _____ |
| 9 Number of days from the due date to the date on step 8 9 | _____ | _____ | _____ | _____ |
| 10 Additional charge (step 9 ÷ 365 × <i>interest</i> (see <i>below</i>) × step 7) . . 10 | _____ | _____ | _____ | _____ |
| 11 TOTAL. Add amounts in each column on step 10. Enter the result here and on Form M11T, line 8a 11 | _____ | _____ | _____ | _____ |

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 M11T.

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 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.

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.