SUPPLEMENT TO BULLETIN 2011-10
MISSISSIPPI DEPARTMENT OF INSURANCE

CLARIFICATION OF BULLETIN 2011-8;
REPORTING AND COLLECTION OF PREMIUM TAXES FOR
MULTI-STATE SURPLUS LINES POLICES
FOR THE THIRD AND FOURTH QUARTERS OF 2011

Supplemental Information

November 2, 2011

On Friday, October 28, 2011, the Mississippi Department of Insurance ("Department") issued Bulletin 2011-10, "Clarification of Bulletin 2011-8; Reporting and Collection of Premium Taxes for Multi-State Surplus Lines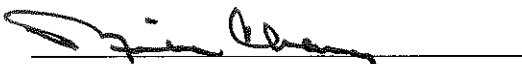 Policies for the Third and Fourth Quarters of 2011". Bulletin 2011-10 provided that for the third and fourth quarters of 2011, the tax allocation provisions of NIMA as required under Bulletin 2011-8 will not apply. Under the provisions of the NIMA Agreement, as amended on October 21, 2011, and Bulletin 2011-10, the taxes and fees due under a multi-state policy would be remitted entirely to the home state of the insured, pursuant to that state's statutory and regulatory requirements.

It has come to the Department's attention that the changes in allocation methodology may result in a substantial hardship to the parties in some cases. Therefore, pursuant to the Department's authority in Miss. Code Ann. § 83-21-18 to establish procedures for the allocation of premium taxes and fees, the Department will review such matters on a case by case basis.

In a hardship situation, the surplus lines insurance producer is advised to contact the Department to seek a resolution of the issue. The surplus lines insurance producer may contact the Department directly at 601-359-3569, or by e-mail at nima@mid.state.ms.us .

MIKE CHANEY
COMMISSIONER OF INSURANCE