

2016 Insurance Premium Tax Return for Life and Health Companies Due March 1, 2017

Check if: Amended Return

Name of Insurance Company, Mailing Address, City, State, Zip Code, Email Address, FEIN, NAIC Number, Contact Person, Daytime Phone, Fax Number, Type of Premiums, Type of Company

Table with 3 columns: Description, A - State of Incorporation Basis, B - Minnesota Basis. Rows 1-8: Part 1 - Life Premiums

Table with 3 columns: Description, A - State of Incorporation Basis, B - Minnesota Basis. Rows 9-17: Deductions

Table with 3 columns: Description, A - State of Incorporation Basis, B - Minnesota Basis. Rows 18-20: Part 2 - Accident and Health

Table with 3 columns: Description, A - State of Incorporation Basis, B - Minnesota Basis. Rows 21-23: Amount Due or Refund

If you owe additional tax: Payment method: Electronic payment Check. Enter amount paid, Date paid. If you overpaid: 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, Signature of Preparer, Print Name of Preparer, Date, Daytime Phone. I authorize the Minnesota Department of Revenue to discuss this tax return with the preparer.

A
State of Incorporation Basis

B
Minnesota Basis

Part 1 — Life Premiums

24	Net taxable business (enter amount from line 17)	24	_____	_____
25	Premium tax percentage rate	25	_____ %	_____ 1.5%
26	Life premium tax liability (multiply line 24 by percentage on line 25) . .	26	_____	_____

Part 2 — Accident and Health

27	Net taxable business — Part 2 (enter amount from line 20)	27	_____	_____
28	Premium tax percentage rate	28	_____ %	_____ 2%
29	Accident and health premium tax liability (multiply line 27 by the percentage on line 28)	29	_____	_____
30	Total premium tax liability (add lines 26 and 29)	30	_____	_____
31	Other taxes (itemize on a separate schedule)	31	_____	_____
32	Licenses and fees (from M11B, line 10. Attach form M11B)	32	_____	_____
33	Total taxes, licenses and fees (add lines 30 thru 32)	33	_____	_____
34	Enter amount from line 33, Column A or B, whichever is greater	34	_____	_____
35	Total licenses and fees paid to Minnesota (from M11B, line 11. Attach form M11B)	35	_____	_____
36	Subtract line 35 from line 34 (if zero or less, skip line 37 and enter this amount on line 38)	36	_____	_____
37	Minnesota Guaranty Fund Association offset (see instructions)	37	_____	_____
38	Tax before refundable credits. If line 36 is zero or less, enter the amount from line 36. If line 36 is positive, subtract any amount on line 37 from line 36. (If result is less than zero, enter zero) .	38	_____	_____
39	Historic structure rehabilitation credit (must attach credit certificate) enter NPS project number: _____	39	_____	_____
40	Tax liability (subtract line 39 from line 38)	40	_____	_____

Figure Your Adjusted Liability

Tax Prepayments and Amount Due

41	a Prior year's overpayment	41a	_____	
	b Estimated payment March 15	41b	_____	
	c Estimated payment June 15	41c	_____	
	d Estimated payment Sept. 15	41d	_____	
	e Estimated payment Dec. 15	41e	_____	
	Add lines 41a through 41e	41	_____	_____
42	Tax due (or overpaid) (subtract line 41 from line 40). Enter on line 21, page 1	42	_____	_____

Additional Charge, Penalty, Interest

43	a Additional charge for underpaying estimated tax (determine from worksheet in the instructions) 43a	_____	
	b Penalty (see instructions) 43b	_____	
	c Interest (see instructions) 43c	_____	
	Total additional charge, penalty and interest (add lines 43a through 43c). Enter on line 22, page 1	43	_____

2016 Insurance Premium Tax Return for Life and Health Companies

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 do not 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 life and health insurance companies licensed in Minnesota during the tax year must file a premium tax return even if they have not transacted insurance business in Minnesota during the tax year. Unlicensed insurance companies collecting premiums on Minnesota risks must also file a premium tax return. 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.

File Electronically

Options are available to electronically prepare and file your premium tax return. Electronic filing is a secure, fast and easy way to file. For more information, visit our website at www.revenue.state.mn.us.

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 electronically, go to the department's website at www.revenue.state.mn.us and log in 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're not required to pay electronically and are paying by check, visit our website at www.revenue.state.mn.us and click on "Make a Payment" and then "By check" to create a voucher. Print and mail the voucher with a check made payable to Minnesota Revenue.

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 cancelled check.

If you make your payments electronically, do not send in the 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're not required to pay electronically and are paying by check, visit our website at www.revenue.state.mn.us and click on "Make a Payment" and then "By check" to create a voucher. Print and mail the voucher with a check made payable to Minnesota Revenue.

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 cancelled check.

Note: If no amount is due or if you pay electronically, do not send in a voucher.

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.

2016 Form M11L Instructions (continued)

Columns A and B

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

Foreign and alien insurers (*except Arizona, Hawaii, Massachusetts New York, 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. If these premiums were included on line 8, you may deduct them on line 15; if they were included on line 18, you may deduct them on line 19.

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 28 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 37 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 36), 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 38 Tax Before Refundable Credits

The amount on line 38 can only be negative due to return premiums. It cannot be negative due to guaranty fund association offsets (*see instructions for line 37*).

Line 39 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 39. You must include the credit certificate when you file your Form M11L.

Lines 41a Through 41e 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 43a 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 40 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 43a.

Line 43b Penalty

Late Payment. If you file on time but do not 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.

2016 Form M11L Instructions (continued)

Line 43c 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 2017 is 4 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

This material is available in alternate formats.

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

Website: www.mn.gov/commerce
 Email: licensing.commerce@state.mn.us
 Phone: 651-539-1599 or 1-800-657-3978
 Fax: 651-539-0107

Worksheet: Additional Charge for Underpaying Estimated Tax

- 1 Enter 80 percent of your total annual tax liability from line 40 of your 2016 Form M11L. If your tax liability was \$500 or less, you do not owe an additional charge. **1** _____
- 2 Enter the amount from line 41 of your 2015 Form M11L. If you were not required to file a 2015 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 worksheet instructions) . 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, 2017, 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 × interest (see below) × step 7) . . 10	_____	_____	_____	_____
11 TOTAL. Add amounts in each column of step 10. Enter the result here and on Form M11L, line 43a 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 M11L.

Interest: 2016 = .03; 2017 = .04

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.