

**Form INS-7
2022**

**Maine Revenue Services
Nonadmitted Premiums Tax
(Self-Procured & Surplus Lines)
Annual Reconciliation / Return**



99

2232000

Period:
January 1 - December 31, 2022
Due Date: March 15, 2023

NOTE: If the Producer is filing, enter name (last, first, middle initial) and SSN. If the Agency is filing on behalf of the Producer, enter the Agency Name and EIN. Self-Procured filers: if individual, enter SSN; if entity, enter EIN. **Do not enter producer's license number below.**

CHECK ALL THAT APPLY:

Producer or Self-Procured Individual: XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX 9999999999
Last Name First name MI SSN

Initial return

OR
Agency or Self-Procured Entity: XXXXXXXXXXXXXXXXXXXX 9999999999
Name EIN

Amended return

Mailing Address: XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX
City State ZIP Code Contact Name Company/ Employer*
*Individual Producer's name of employer or agency.

Made estimated payments during the year

Change of name/ address

Check this box if reporting self-procured premiums on line 1.

Tax Computation

1. Nonadmitted Gross Direct Insurance Premiums	1.	99999999999999	.00
2. Deductions			
2a. Return premiums	2a.	99999999999999	.00
2b. Dividends paid, credited or allowed on direct premiums	2b.	99999999999999	.00
3. Total Deductions (line 2a plus line 2b).....	3.	99999999999999	.00
4. Amount Taxable (line 1 minus line 3). If less than zero, enter 0.	4.	99999999999999	.00
5. Maine Premiums Tax (line 4 x 0.03)	5.	99999999999999	.00
6. Estimated Payments	6.	99999999999999	.00
7. Balance Due (If line 5 is greater than line 6, line 5 minus line 6)	7.	99999999999999	.00
8. Overpayment (If line 6 is greater than line 5, line 6 minus line 5)	8.	99999999999999	.00
9a. Portion of overpayment on line 8 to be applied to next year's estimated tax	9a.	99999999999999	.00
9b. Portion of overpayment on line 8 to be refunded (line 8 minus line 9a)	9b.	99999999999999	.00

2023 Estimated Tax

The 2023 tax payments must be on an estimated basis. The April and June installments must each equal at least 35% of the total tax paid for 2022 or 35% of the total tax due for 2023. The October installment must equal 15% of the total tax paid for 2022 or 15% of the total tax due for 2023. See Form INS-6 for details. (36 M.R.S. § 2521-A).

AFFIDAVIT AND SIGNATURE

This return is made in compliance with the provisions of 36 M.R.S. § 2521-A. The amount of all nonadmitted insurance premiums on insurance subject to Maine tax for the above period has been reported. Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Date: _____ Signature: _____ Phone #: _____
Must be signed by the Self-Procured Person or Producer with Nonadmitted Insurance Authority.
Date: _____ Preparer's Signature: _____ ID Number: _____



If enclosing a check, make check payable to: Treasurer, State of Maine and MAIL WITH RETURN TO: MAINE REVENUE SERVICES, P.O. BOX 1065 AUGUSTA, ME 04332-1065
If not enclosing a check, MAIL TO: MAINE REVENUE SERVICES, P.O. BOX 1064 AUGUSTA, ME 04332-1064

GENERAL INSTRUCTIONS

Who Must File. Every licensed producer and self-procured person/entity that has nonadmitted gross direct insurance premiums as described in the instructions for line 1 below must file Form INS-7. A fraternal benefit society, order, or lodge, as defined in 24-A.M.R.S. section 4101(1) is exempt from Maine insurance premiums taxes.

Election to Report on Behalf of Employee Producers. An agency may elect to report and pay nonadmitted insurance premiums tax on behalf of all of its employee producers. To make this election, the agency must include a statement listing the name and social security number of the licensed producer(s)/employee(s).


When to File. The annual return and the final tax payment for 2022 are due **March 15, 2023**.

Estimated Payment of Tax. Insurers must make estimated tax payments during the calendar year. Estimated tax payments for 2023 are due May 2, June 27, and October 31, 2023, and are filed using Form INS-6 (Maine Estimated Payment for Nonadmitted Premiums Tax).

The payments due on May 2 and June 27 must each equal 35% of the total tax liability for 2022 or at least 35% of the total tax liability for 2023. The October installment must equal 15% of the total tax liability for 2022 or 15% of the total tax liability for 2023 and the balance due must be submitted with the 2023 Form INS-7.

An insurance company with an annual tax liability not exceeding \$1,000 is not required to pay estimated payments.

Self-procured filers must base each estimated payment on actual premiums for the period.

Maine  Electronic Filing. Use the Maine Tax Portal **TAX PORTAL** ("MTP") to create and manage your Maine insurance tax account, file tax returns, and pay Maine estimated premiums tax at www.revenue.maine.gov.

Interest and Penalties. For calendar year 2023, the interest rate is 7%, compounded monthly. The penalty for failure to file a return on time is the greater of \$25 or 10% of the tax due, unless the return is filed more than 60 days after the receipt of a demand notice from the State Tax Assessor, in which case the failure-to-file penalty is the greater of \$25 or 25% of the tax due. The penalty for failure to pay a tax liability timely is 1% of the outstanding liability for each month or fraction thereof during which the failure continues, to a maximum of 25% of the outstanding liability.

Whole Dollar Amounts. Enter money items as whole dollar amounts. Drop any amount under 50 cents to the lower dollar amount and increase any amount 50 cents through 99 cents to the higher dollar amount.

For Information and Forms:

Website: www.maine.gov/revenue
Telephone: (207) 624-9753
Monday-Friday, 9 a.m.- 12 p.m.
Order Forms: (207) 624-7894

Statutory References. 36 M.R.S. §§ 2512 through 2536.

Supporting Records. Taxpayers should be prepared to provide supporting documentation for reported amounts. Adequate records must be maintained in a manner that ensures their accessibility by the State Tax Assessor for a period of at least six years.

Note: Certain taxpayers with large annual tax liabilities are required to remit tax payments electronically. See MRS Rule 102 on the MRS website at www.maine.gov/revenue/publications/rules for details.

Maine Surplus Lines Account Number. The Maine Surplus Lines Account Number is the nine digit identification number comprised of the producer's SSN or, if an agency is filing on behalf of its employees, the agency's federal EIN. If self-procured filer, enter the individual's SSN or entity EIN.

Line 1. Nonadmitted Gross Direct Insurance Premiums. **Licensed producers** enter the gross direct premiums received from persons whose principal place of business or principal residence is in Maine and whose insured risk is entirely or partially in Maine. In addition, regardless of the location of the insured risk, enter gross direct premiums received with respect to insurance policies that meet all of the following: **1)** the policy is held by a person whose principal place of business or principal residence is outside Maine; **2)** none of the insured risk of the policy is located in the state of the insured's principal place of business or principal residence; and **3)** the greater percentage of the insured risk of the policy is in Maine.

Self-procured persons whose principal place of business or principal residence is in Maine and whose insured risk is entirely or partially in Maine: enter the total gross direct premiums received, regardless of the location of the risk.

Self-procured persons whose principal place of business or principal residence is outside Maine: Regardless of the location of the risk, enter gross direct premiums received with respect to insurance policies that meet both of the following: **1)** none of the insured risk of the policy is located in the state of the insured's principal place of business or principal residence; and **2)** the greater percentage of the insured risk of the policy is in Maine.

A premium is an amount paid or payable for an insurance policy, including all fees (except provider fees paid for service contracts), such as membership, policy, survey, inspection, service and finance fees in consideration for an insurance policy.

Note: Agencies reporting on behalf of employee producers must attach a schedule with the name, social security number and portion of taxable premiums attributable to each producer for whom the agency is filing.

2a. Return premiums. Enter the amount of direct return premiums that were returned to the policyholder during the tax year. Include return premiums paid that were subject to the Maine surplus lines premiums tax in a prior year, as well as return premiums that were paid in 2022 and included on line 1.

2b. Dividends paid, credited or allowed on direct premiums. Enter the amount of direct dividends paid to the policyholder during the tax year. Include dividends paid that were subject to the Maine surplus lines premiums tax in a prior year, as well as dividends that were paid in 2022 and included on line 1.

Line 6. Estimated Payments. Enter the overpayment carried forward from 2021 and any estimated payments made during 2022.

Line 9a. Portion of overpayment to be applied to next year's estimated tax. Use this line only if you want to have all or part of the overpayment on line 8 applied as an estimated payment to your 2023 Maine surplus lines premiums tax.