



2012 Insurance Premium Tax Information for Schedules XII and XIII, Form DR-908

DR-350900
R. 01/13

Rule 12B – 8.003
Florida Administrative Code
Effective 01/13

The Department of Revenue has created a database that insurers may use in assigning premiums and policies to the various participating local taxing jurisdictions. It is available for free at <http://geotax.state.fl.us>. This database was created pursuant to sections 175.1015 and 185.085, Florida Statutes (F.S.). In addition to completing Schedules XII and XIII, you must answer Question B on Form DR-908, Page 2, about your use of the Department’s database.

These statutes provide that insurers who exercise due diligence in using the Department’s database to assign premiums to the participating local taxing jurisdictions shall be held harmless from any liability, including but not limited to liability for taxes, interest, or penalties that would otherwise be due as a result of an assignment of premiums to an incorrect local taxing jurisdiction. Sections 175.1015 and 185.085, F.S., specify that insurance companies that do not use the electronic database provided by the Department and do not exercise due diligence in applying the electronic database (for policies written or renewed during 2006 and thereafter), are subject to a .5 percent (.005) penalty on the total premium per policy that is improperly assigned.

We review the figures reported on Schedules XII and XIII of your 2012 *Insurance Premium Taxes and Fees Return* (Form DR-908). **You should include a written explanation with your return if a significant variance exists between the figures reported on your 2011 and 2012 returns. A significant variance is considered an increase or decrease of greater than 10 percent for any municipality or fire control district.**

Your explanation should contain specific information. All explanations are subject to review by the Department of Management Services and the Department of Financial Services. Generally, more precise information than explanations such as “shift of business” or “business transfers” is required. If you are not sure your explanation will be acceptable, call the Department of Management Services at 850-922-0667.

Give careful attention to the amounts reported on Schedules XII and XIII. The monies reported by your company for each of these cities and districts fund retirement benefits for their police officers and firefighters. The money

is distributed back to each local taxing jurisdiction based on the information reported.

When completing Schedules XII and XIII:

- ✓ Report premiums based on the actual physical location of the property.
- ✓ Do not use ZIP codes to report premiums as they may not identify the appropriate city or district and can result in an inaccurate allocation of premiums.

Premiums must be reported accurately and timely. The Department of Financial Services, in Informational Memorandum 99-111M, reminded insurers authorized to write property and casualty insurance in the State of Florida of the requirements contained in Chapters 175 and 185, F.S. Insurers are required to keep an accurate account of all premiums sold within the city limits or fire control district boundaries for those cities and districts listed on Schedules XII and XIII. Each risk required to be reported to the Department of Revenue must be coded with the proper identifying fire district or municipality code in order for the Department of Management Services to accurately distribute premium tax allocations to the participating pension funds. Sections 175.151 and 185.13, F.S., provide that an insurer’s certificate of authority may be cancelled or revoked if an insurer fails to comply with the provisions of Chapters 175 and 185, F.S.

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2012 Additions, Deletions, and Changes to Schedules XII and XIII

Deletions			
Code	City/District	County	Type
745	Palm Beach	Palm Beach	Fire/Police
798	Ponce Inlet	Volusia	Fire

Chapters 175 and 185, F.S., taxes are administered by three different state agencies:

- The Florida Department of Financial Services, Office of Insurance Regulation has the authority to impose the .5% (.005) penalty relating to the address database and insured risks not properly assigned to participating local taxing jurisdictions.
- The Florida Department of Management Services, Division of Retirement, Municipal Police Officers' and Firefighters' Retirement Trust Funds Office:
 - o Administers the retirement trust funds.
 - o Distributes monies to the local taxing jurisdictions.
 - o Notifies the Office of Insurance Regulation when insurers fail to comply.
- The Florida Department of Revenue:
 - o Administers the database.
 - o Produces, distributes, and processes the insurance premium tax forms.
 - o Collects Chapters 175 and 185, F.S., taxes on Forms DR-907 and DR-908.
 - o Contacts insurers when there is a variance in reported premiums between the current year and prior year for the local taxing jurisdictions. This review helps ensure that the proper amount(s) are reported by the insurer to the proper local taxing jurisdictions.

Need Assistance?

Information and forms are available on our Internet site at:

www.myflorida.com/dor

To speak with a Department of Revenue representative, call Taxpayer Services, Monday through Friday, 8 a.m. to 7 p.m., ET, at 800-352-3671.

For a written reply to **tax questions**, write:

Taxpayer Services
Florida Department of Revenue
5050 W Tennessee St Mail Stop 3-2000
Tallahassee FL 32399-0112

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- Tax Information Publications (TIPs).
- *Facts on Tax*, a quarterly publication.
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Sign up at: **www.myflorida.com/dor**

Types of Premiums subject to Form DR-908 Schedules XII (Firefighters' Pension Trust Funds) and XIII (Police Officers' Retirement Trust Funds)		
Annual Statement Line Number & Line of Business	Premiums Subject to Firefighters' Pension Trust Fund (DR-908, Schedule XII)	Premiums Subject to Police Officers' Retirement Trust Fund (DR-908, Schedule XIII)
1 Fire	YES	
2.1 Allied Lines	YES	
2.3 Federal Flood	YES	
3 Farmowners multiple peril	YES (70%)	YES (30%)
4 Homeowners multiple peril	YES (70%)	YES (30%)
5.1 Commercial multiple peril (non-liability portion)	YES (70%)	YES (30%)
5.2 Commercial multiple peril (liability portion)	YES (70%)	YES (30%)
12 Earthquake	YES	
19.1 Private passenger auto no-fault (personal injury protection)		YES
19.2 Other private passenger auto liability		YES
19.3 Commercial auto no-fault (personal injury protection)		YES
19.4 Other commercial auto liability		YES
21.1 Private passenger auto physical damage		YES
21.2 Commercial auto physical damage		YES
22 Aircraft (all perils)	YES	
23 Fidelity		YES
26 Burglary and theft		YES
34 Aggregate write-ins for other lines of business (meeting the definition of property insurance in section 624.604, F.S.).	YES	