ACT NO. 2012-374

1 SB230

2 125366-3

3 By Senators Brooks, Pittman, Glover, Keahey and Figures

4 RFD: Banking and Insurance

5 First Read: 07-FEB-12
ENROLLED, An Act,

To provide an incentive to encourage private homeowner insurance carriers to write homeowners insurance policies with wind coverage in areas covered by the Alabama Insurance Underwriting Association by providing certain insurance premium tax credits against insurance premium taxes otherwise due by private homeowner insurance carriers who write homeowners insurance policies which include wind coverage in the counties of Alabama which are contiguous to the Gulf of Mexico and Mobile Bay, but only where at the time of the writing the property was insured under the Alabama Insurance Underwriting Association, in an amount of 20 percent of the insurance premium tax otherwise due in Zone 4 and 35 percent of the tax otherwise due in Zones 1, 2, and 3.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) Insurance carriers providing full property and casualty coverage, to specifically include wind and hail coverage, to property owners within the areas defined in Section 27-1-24, Code of Alabama 1975, including any portion of the area as it may be expanded from time to time pursuant to Section 27-1-27, Code of Alabama 1975, but only on properties that as of the time of writing are insured for wind
coverage through the Alabama Insurance Underwriting
Association, may claim as a nonrefundable credit against the
insurance premium tax imposed by Chapter 4A, Title 27 of the
Code of Alabama 1975, in an amount equal to 20 percent of the
insurance premium tax otherwise due on the premium written for
the property owners for the taxable year in Zone 4; and 35
percent of the insurance premium tax otherwise due on the
premium written for the property owners for the taxable year
in Zones 1, 2, and 3.

(b) The credit allowed by this section is available
only to an insurer licensed or authorized to do business in
this state with respect to a property and casualty insurance
policy providing full coverage as defined in subsection (a).

(c) A licensed insurer who claims the credit allowed
by this section shall provide information required by the
Department of Insurance to demonstrate that the taxpayer is
eligible for the credit and that the amount paid for premiums
for which the credit is claimed was not excluded from the
licensed insurer's gross income for the taxable year.

(d) The tax credit allowed under this section for a
taxable year may be claimed only once for any one structure,
regardless of the number of policies written on the structure.

(e) The department shall take the action necessary
to monitor and examine the use of the credit claims under this
section.
(f) This section applies to all new policies issued with an effective date after the effective date of this act.

(g) In order to qualify for the credits contemplated in this act, an insurance carrier shall provide the homeowner a premium payment that is at a minimum twelve percent (12%) less than the premium amount paid by the homeowner under the Alabama Wind Pool Plan.

Section 2. This act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.
SB230

President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB230
Senate 24-APR-12
I hereby certify that the within Act originated in and passed
the Senate, as amended.

Patrick Harris
Secretary

House of Representatives
Passed: 24-APR-12

By: Senator Brooks

Alabama Secretary Of State
Act Num....: 2012-374
Bill Num....: S-230
Recv'd 05/16/12  08:41amSLF
SENATE ACTION

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 230

yeas 25 nays 6 abstain

PATRICK HARRIS, Secretary

HOUSE ACTION

DATE: 4/24/2012

REPORT OF STANDING COMMITTEE

This bill having been referred by the House to its standing committee on Insurance was acted upon by such committee in session, and returned therefrom to the House with the recommendation that it be passed without amendment and sub

PASSED W/AMENDMENT

This 1 day of May 2012

Chairperson

CONFERENCE COMMITTEE

Senate Conferees

DATE: 5/1/2013

RE-REFERRED

Committee

RE-COMMITTED

DATE: 20

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 230

YEAS 34 NAYS 0

GREG PAPPAS, Clerk

FURTHER HOUSE ACTION (OVER)