



December 2023

Dear Captive Managers

As the 2023 Premium Tax filing due date is approaching, April 15th, 2024, Delaware Department of Insurance (DOI) would like to advise you on the revision of the forms and remind you on how to submit the Annual Captive Premium Tax and Fees Report along with the check, if needed. This would aid in you submitting correct account information to assist in the timely and accurate processing of your taxes.

The Tax forms were updated in two sections. In the TAX DEPARTMENT MAILING ADDRESS AND COMPANY INFORMATION section, the forms were updated for you to select from a dropdown box (Yes, or No), if an entity is qualified as a Dormant Captive Insurer or a non-risk bearing Administrative Core pursuant to § 17-218(b), § 18-215(b) of Title 6, § 3804(a) of Title 12, or 18 Del. C. §6902 (17). This selection will support the formation of the entity's formular for calculating its taxes as the forms are now populated with formulars to compute the taxes based on its Dormant status and the financial data submitted on the form. Under the PREMIUM TAX AND FEES SUMMARY FOR CALENDAR YEAR 2023 section, formulars were added (the grey areas) to compute the information provided. Not providing the correct information will generate the situation of not having the correct amount of taxes computed to be paid or refunded.

Make sure that reports have all the sections completed as indicated and ensure:

1. To Select the correct year form for which the entity is filing its tax.
2. To have the Correct Captive FEIN reported on the tax form of each entity to assure proper recording of filing.
3. To have the tax report Contact name and Email address of each entity written on each Report as requested so that DOI can communicate with the contact person if needed.
4. To select if the entity is a Dormant or a non-risk bearing Administrative Core. Yes or No.
5. To have the reports completed with all the sections including the Premiums Written and Unabsorbed Premium included so that the Net Taxable Premiums can be computed correctly.
6. To have the report accompanied with its Income Statement, Premium Schedule, and Reinsurance Schedule that is associated with the Annual report for which it is attached. A copy of the dormancy approval letter from DOI should be attached if it's paying dormancy rate as indicated on the Captive Forms for each category to include Standard, Series and Sponsored.
7. To have a signed Check (Payable to Delaware Insurance Department), the Annual Captive Tax and fees Report, and attachments submitted as one package, rather than mailing separately, to ensure proper processing of documents and posting of information to the account in a timely manner.

In addition, for those who are filing 2024 Annual Captive Premium Tax and Fee report, please utilize the forms that are available on the website. **DO NOT** utilize a prior year form with alteration to the Tax year and the dates on it. If the entity is dissolving, an Annual Captive Report for that year should be submitted. If the company dissolving is a dormant entity; it should file a zero-filing report (which will have only information in the Tax Department Mailing Address and Company information and the Affidavit section filled out). A certificate will not be issued until all the financial requirements are met.

Please use the following website to obtain the most current captive Premium Tax and Fees Report forms if needed:

<https://insurance.delaware.gov/information/premiumtaxes/> Contact Paulette Morris, [paulette.morris@delaware.gov](mailto:paulette.morris@delaware.gov) if you have any questions or concerns about the Annual Captive Tax and Fees Reports.

Thank you for your cooperation with this matter. Your help is greatly appreciated.