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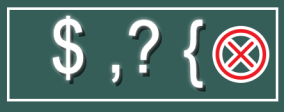
NCDOR NORTH CAROLINA DEPARTMENT OF REVENUE

Instructions for Handwritten Forms

Guidelines

Do not use red ink. Use blue or black ink.

Do not use dollar signs, commas, or other punction marks.



Printing

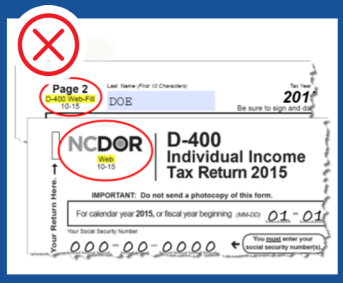
Set page scaling to "none." The Auto-Rotate and Center checkbox should be unchecked.

Do not select "print on both sides of paper."

Before You Send

Do not submit photocopies of returns. Submit originals only.

Do not mix form types



NCDOR
Web
11-25

IB-4A2
Gross Premiums Tax Return
Captive Insurance Companies

To be filed by a Protected Cell Captive Insurance Company or a Special Purpose Captive Insurance Company with a Cell or Series Structure

For tax year beginning *(MM-DD-YY)* __ - __ - __ and ending *(MM-DD-YY)* __ - __ - __

DOR Use Only __ / __ / __

Legal Name of Captive Insurance Company

FEIN/SSN

Mailing Address of Captive Insurance Company

NAIC Number

City **State** **Zip Code**

NCDOI License Number

Principal Place of Business in NC **Date Licensed to do Business in NC**

Type of Captive *(fill in applicable circle):* ○ Special Purpose Captive with a Cell or Series Structure ○ Protected Cell Captive

Fill in Applicable Circle(s): ○ Payment has been made through electronic funds transfer (EFT) ○ Amended Return ○ Final Return

Number and Type of Cells *(Enter number of unincorporated cells and number of incorporated cells):* Number of Unincorporated Cells Number of Incorporated Cells

Date of Withdrawal or Dissolution __ - __ - __

Name of Contact Person **Phone Number** __ - __ - __

Contact Person's Email Address

Legal Name of Captive Manager Firm

Mailing Address of Captive Manager Firm

City **State** **Zip Code**

Part 1. Computation of Tax on Direct Premiums

(Direct premiums are premiums contracted for or collected on policies or contracts of insurance written by the company during the preceding calendar year. In the case of a multiyear policy or contract, the premiums are prorated among the years covered by the policy or contract. All direct premiums written by a North Carolina captive are subject to tax in North Carolina.)

1. Gross Direct Premiums Collected or Contracted For	1.	.00
2. Adjustments *(See instructions)*:		
a. Less Return Premiums, including Dividends, on Unabsorbed Premiums or Premium Deposits Returned or Credited to Policyholders *(Attach schedule)*	2a.	.00
b. Less amount of premiums included in Line 1 that pertain to multi-year contracts that are for coverage in years other than calendar year for which return is being filed *(Attach schedule)*	2b.	.00
c. Add amount of premiums NOT included in Line 1 that pertains to multi-year contracts that are for coverage in calendar year for which return are being filed *(Attach schedule)*	2c.	.00
3. Net Taxable Direct Premiums Line 1 minus Lines 2a and 2b and plus Line 2c	3.	.00
4. Tax on Direct Premiums Multiply Line 3 by the applicable percentage(s) below; add the amounts and enter sum	4.	.00

- Multiply the first $20 million by 0.400%
- Multiply the amount over $20 million by 0.300%

Part 2. Computation of Tax on Assumed Reinsurance Premiums

(No tax on assumed reinsurance premiums is payable in connection with the receipt of assets in exchange for the assumption of loss reserves and other liabilities of one insurer by another insurer if the two insurers are under common control and the Commissioner of Insurance verifies that the transaction between the insurers is: (1) part of a plan to discontinue the operations of one of the insurers, and (2) the intent of the insurers is to renew or maintain business with the captive insurance company.)

5. Assumed Reinsurance Premiums 5. .00

6. Adjustments *(See instructions):*

a. Less amount of assumed reinsurance premiums that are subject to taxation on a direct basis *(Attach schedule)* 6a. .00

b. Less amount of assumed reinsurance premiums in connection with the receipt of assets in exchange for assumption of loss reserves and other liabilities *(Attach schedule)* 6b. .00

7. Net Taxable Assumed Reinsurance Premiums
Line 5 minus Lines 6a and 6b 7. .00

8. Tax on Assumed Reinsurance Premiums
Multiply Line 7 by the applicable percentage(s) below; add the amounts and enter sum 8. .00

- Multiply the first $20 million by 0.225%
- Multiply the amount over $20 million but no more than $40 million by 0.150%
- Multiply the amount over $40 million but no more than $60 million by 0.050%
- Multiply the amount over $60 million by 0.025%

Part 3. Total Premiums Tax for Captive Insurance Company with 10 or Fewer Cells

9. Amount of Calculated Tax
Enter the sum of Part 1, Line 4 and Part 2, Line 8 9. .00

10. Total Premiums Tax For Captive Insurance Company with 10 or Fewer Cells 10. .00

- If the amount on Line 9 is more than $100,000, enter $100,000
- If the amount on Line 9 is less than $5,000, enter $5,000
- If the amount on Line 9 is between $5,000 and $100,000, enter the amount of Line 9 on Line 10

Important: If you complete Part 3, do not complete Part 4. Proceed to Part 5.

Part 4. Total Premiums Tax for Captive Insurance Company with More Than 10 Cells

11. Amount of Calculated Tax
Enter the sum of Part 1, Line 4 and Part 2, Line 8 11. .00

12. Minimum Tax 12. 10000 .00

13. Calculation of Minimum Tax
Compare the amount on Line 11 with the amount on Line 12. If the amount on Line 11 is less than $10,000, enter $10,000 on Line 13. Otherwise, enter amount of Line 11 on Line 13. 13. .00

14. Number of Cells over 10
Enter the number of cells over 10 14.

15. Multiply Line 14 by $5,000
Multiply the number of cells over 10 on Line 14 by $5,000 and enter the result on Line 15. 15. .00

16. Add $100,000 to the amount on Line 15
Enter the sum of the amount on Line 15 and $100,000 16. .00

17. Maximum Tax 17. 200000 .00

18. Compare the Amount on Line 16 with the Amount on Line 17
If the amount on Line 16 is greater than $200,000, enter $200,000 on Line 18. Otherwise, enter amount of Line 16 on Line 18. 18. .00

19. Total Premiums Tax For Captive Insurance Company with More Than 10 Cells
Compare the amount on Line 13 with the amount on Line 18. Enter the lesser of Line 13 or Line 18. 19. .00

Part 5. Total Amount Due with This Return

20. Total Premiums Tax Due Enter the amount from Part 3, Line 10 or Part 4, Line 19	20.	.00
21. Tax Credits Enter total amount of tax credit(s) being claimed. *(Attach completed Form CD-425 and appropriate forms in the NC-478 series.)*	21.	.00
22. Line 20 minus Line 21	22.	.00
23. Penalties: a. Failure to file *(See ncdor.gov for penalty information)*	23a.	.00
b. Failure to pay *(See ncdor.gov for penalty information)*	23b.	.00
24. Interest *(See ncdor.gov for current interest rate)*	24.	.00
25. Total Amount Due with this Return Enter the sum of Lines 22, 23a, 23b, and 24	25.	$ .00

A list of the names and identifying numbers of each cell and a schedule showing direct premiums and assumed reinsurance premiums for each cell along with appropriate pages from the financial statements of each cell filed with North Carolina Commissioner of Insurance in support of premiums reported on this return must be attached.

Printed Name: _____ **Title:** _____

Signature: _____ **Date:** _____
I certify that, to the best of my knowledge, this return is accurate and complete.

Returns are due by the 15th day of the 3rd month following the end of the calendar year. Your check or money order must be in the form of U.S. currency from a domestic bank. Electronic filing of returns is not available.

N.C. Department of Revenue, Insurance Premiums Tax Unit, P.O. Box 25000, Raleigh, NC 27640-0300