

GOV. MSG. NO. 995

EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE GOVERNOR

June 28, 2007

The Honorable Colleen Hanabusa, President and Members of the Senate Twenty-Fourth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813

Dear Madam President and Members of the Senate:

This is to inform you that on June 28, 2007, the following bill was signed into law:

HB1323 SD1

A BILL FOR AN ACT RELATING TO CAPTIVE INSURANCE. (ACT 224)

Sincerely,

LINDA LINGLE

HOUSE OF REPRESENTATIVES TWENTY-FOURTH LEGISLATURE, 2007 STATE OF HAWAII ACT 224
H.B. NO. 1323
S.D. 1

A BILL FOR AN ACT

RELATING TO CAPTIVE INSURANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Section 431:19-116, Hawaii Revised Statutes, is 2 amended by amending subsection (a) to read as follows:
- 3 "(a) Each captive insurance company licensed to do business4 in this State shall pay to the director of finance through the
- 5 commissioner a tax on gross premiums on or before March 1 of each
- 6 year, as follows:

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- 10 .25 per cent on \$0 to \$25,000,000 of gross premiums for insurance written on all risks or property resident, situated, or located within this State, and on risks and property situated elsewhere upon which no premium tax is otherwise paid during the year ending on the preceding December 31, less return premiums and less any reinsurance accepted;
 - (2) .15 per cent on more than \$25,000,000, to \$50,000,000 of gross premiums for insurance written on all risks or property resident, situated, or located within this State, and on risks and property situated elsewhere upon which no premium tax is otherwise paid during the

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1		year ending on the preceding December 31, less return
2		premiums and less any reinsurance accepted; [and]
3	(3)	.05 per cent on more than \$50,000,000, to \$250,000,000
4		of gross premiums for insurance written on all risks or
5		property resident, situated, or located within this
6		State, and on risks and property situated elsewhere
7		upon which no premium tax is otherwise paid during the
8		year ending on the preceding December 31, less return
9		premiums and less any reinsurance accepted[+]; and
10	(4)	0.00 per cent on more than \$250,000,000 of gross
11		premiums for insurance written on all risks or property
12		resident, situated, or located within this State, and
13		on risks and property situated elsewhere upon which no
14		premium tax is otherwise paid during the year ending on
15		the preceding December 31, less return premiums and
16		less any reinsurance accepted;
17	provided	that the annual maximum aggregate tax on gross premiums
18	to be paid	d by a captive insurance company shall not exceed
19	<u>\$200,000.</u> "	
20	SECTION 2. New statutory material is underscored.	
21	SECT	ION 3. This Act shall take effect on July 1, 2007.

APPROVED this 28 day of

JUN

, 2007

GOVERNOR OF THE STATE OF HAWAII