

**Department of State**  
**Division of Publications**  
 312 Rosa L. Parks, 8th Floor Snodgrass/TN Tower  
 Nashville, TN 37243  
 Phone: 615.741.2650  
 Email: publications.information@tn.gov

**For Department of State Use Only**

Sequence Number: 01-13-16  
 Notice ID(s): 2439  
 File Date: 1/12/16

# Notice of Rulemaking Hearing

*Hearings will be conducted in the manner prescribed by the Uniform Administrative Procedures Act, T.C.A. § 4-5-204. For questions and copies of the notice, contact the person listed below.*

<b>Agency/Board/Commission:</b>	Department of Commerce and Insurance
<b>Division:</b>	Insurance
<b>Contact Person:</b>	Kathleen Dixon, Assistant General Counsel
<b>Address:</b>	The Davy Crockett Tower 500 James Robertson Parkway, 8th Floor Nashville, Tennessee 37243
<b>Phone:</b>	615-532-6830
<b>Email:</b>	kathleen.dixon@tn.gov

*Any Individuals with disabilities who wish to participate in these proceedings (to review these filings) and may require aid to facilitate such participation should contact the following at least 10 days prior to the hearing:*

<b>ADA Contact:</b>	Don Coleman
<b>Address:</b>	The Davy Crockett Tower 500 James Robertson Parkway, 8th Floor Nashville, Tennessee 37243
<b>Phone:</b>	615-741-0481
<b>Email:</b>	don.coleman@tn.gov

**Hearing Location(s)** (for additional locations, copy and paste table)

Address 1:	500 James Robertson Parkway		
Address 2:	Davy Crockett Tower, 8 <sup>th</sup> Floor, Conference Room 8-C		
City:	Nashville, Tennessee		
Zip:	37243		
Hearing Date :	03/08/2016		
Hearing Time:	10:00 AM	<input checked="" type="checkbox"/> CST/CDT	<input type="checkbox"/> EST/EDT

**Additional Hearing Information:**

--

**Revision Type (check all that apply):**

- Amendment
- New
- Repeal

**Rule(s)** (ALL chapters and rules contained in filing must be listed. If needed, copy and paste additional tables to accommodate more than one chapter. Please enter only **ONE** Rule Number/Rule Title per row.)

Chapter Number	Chapter Title
0780-01-50	Relating to the Timely Filing of Premium Tax Returns

Rule Number	Rule Title
0780-01-50-.01	Definitions
0780-01-50-.02	Purpose
0780-01-50-.03	Scope
0780-01-50-.04	Identification of Taxes, Fees and Other Obligations Covered
0780-01-50-.05	Filing Returns and Payment of Taxes
0780-01-50-.06	Severability Provision

Chapter 0780-01-50  
Relating to the Timely Filing of Premium Tax Returns

Amendments

Chapter 0780-01-50, Relating to the Timely Filing of Premium Tax Returns, is amended by deleting the chapter in its entirety and substituting the following language so that, as amended, the chapter shall read:

Chapter 0780-01-50  
Relating to Timely Filing of Premium Tax Returns

Table of Contents

0780-01-50-.01 Definitions  
0780-01-50-.02 Purpose  
0780-01-50-.03 Scope  
0780-01-50-.04 Identification of Taxes, Fees and Other Obligations Covered  
0780-01-50-.05 Filing Returns and Payment of Taxes  
0780-01-50-.06 Severability Provision

0780-01-50-.01 Definitions.

- (1) "Commissioner," as used herein, means the commissioner of commerce and insurance.
- (2) "Department" means the department of commerce and insurance.
- (3) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.
- (4) "Gross premiums," as used in this chapter, means maximum gross premiums as provided in the policy contracts, new and renewal, including policy or membership fees, whether paid in part or in whole by cash, automatic premium loans, dividends applied in any manner whatsoever, and without deduction or exclusion of dividends in any manner; but excluding premiums returned on cancelled policies, or on account of reduction in rates, or reductions in the amount insured or experience rating refunds on life insurance policies and disability insurance policies.
- (5) "Immediately available funds," as used in this chapter, shall mean funds which are available to OPTins pursuant to rule 0780-01-50-.05.
- (6) "NAIC" means the National Association of Insurance Commissioners.
- (7) "OPTins" means the NAIC's Online Premium Tax for Insurance tax filing and payment program.
- (8) "Signature of attestation" means the taxpayer's certification that the tax return, and any accompanying forms or payments, have been examined and are, to the best of the taxpayer's knowledge, information, and belief, a true, correct, and complete tax return made in good faith, as evidenced by the taxpayer's mark either through an electronic verification on the OPTins tax form, or through submission of an electronic copy of a hand-signed form.

Authority: T.C.A. §§ 56-1-501, 56-1-701, 56-2-301, 56-4-205, 56-4-216, and 2015 Public Acts, Chapter Number 155.

0780-01-50-.02 Purpose.

The purpose of this chapter is to establish the method required by the department for the filing of premium tax returns and the payment of premium taxes and other fees by electronic means.

Authority: T.C.A. §§ 56-1-501, 56-1-701, 56-2-301, 56-4-205, 56-4-216, and 2015 Public Acts, Chapter Number 155.

0780-01-50-.03 Scope.

Every entity required to file returns, reports or other documents and make payments pursuant to the taxes listed in rule 0780-01-50-.04 shall file such returns, reports or other documents and make such payments of premium taxes, fees or other obligations identified herein in the electronic format as specified by this chapter, no later than the date such payment or remittance of funds is required, in funds which are immediately available to OPTins pursuant to rule 0780-01-50-.05 on the due date of payment no later than the close of business.

Authority: T.C.A. §§ 56-1-501, 56-1-701, 56-2-301, 56-4-205, 56-4-216, and 2015 Public Acts, Chapter Number 155.

0780-01-50-.04 Identification of Taxes, Fees and Other Obligations Covered.

Payments for the following taxes, fees or other obligations will be subject to payment pursuant to this chapter:

- (1) Gross premium tax as found in T.C.A. § 56-4-205;
- (2) Workers' Compensation gross premium tax as found in T.C.A. § 56-4-206;
- (3) Additional payment for fire insurance as found in T.C.A. § 56-4-208;
- (4) Retaliatory tax as found in T.C.A. § 56-4-218;
- (5) Taxation on Health Maintenance Organizations as found in T.C.A. § 56-32-124;
- (6) Tax on title insurance risk rate charges as found in T.C.A. § 56-35-107
- (7) Any other tax or fee, including the fee under rule 0780-01-50-.05(6) as may be associated with the payment of the above listed taxes.

Authority: T.C.A. §§ 56-1-501, 56-1-701, 56-2-301, 56-4-205, 56-4-206, 56-4-208, 56-4-216, 56-32-124, 56-35-107, and 2015 Public Acts, Chapter Number 155.

0780-01-50-.05 Filing Returns and Payment of Taxes.

- (1) Every entity required to file a return, report or other document with the department, in conjunction with the taxes listed in rule 0780-01-50-.04, shall file any such return, report or other document with the department electronically, no later than the date such return, report or other document is required by law to be filed with the department. Such return, report or document filed electronically with the department shall be filed through OPTins and signed by the taxpayer by means of an acceptable signature of attestation.
  - (a) Filings made to OPTins on or before the day the tax payment is due shall be deemed received by the department on the date received by OPTins.
- (2) Every entity required to file a return shall also pay any taxes owed through OPTins by any means accepted by OPTins.
  - (a) Payments remitted through Automated Clearing House Debit (ACH-debit) payable to OPTins on or before the day the tax payment is due shall be deemed received by the

department and paid to the department on the date the ACH-debit is initiated.

- (b) Payments made through Automated Clearing House Credit (ACH-credit) payable to OPTins shall be deemed received by the department and paid to the department, so long as the ACH-credit is received by OPTins on or before the day the tax payment is due.
  - (c) The commissioner may waive rule 0780-01-50-.05(2)(a) and (b) in the event OPTins has been subject to some kind of catastrophic event.
- (3) Failure to timely make such payment in immediately available funds shall subject the taxpayer to penalty and interest as provided by law for delinquent or deficient tax payments pursuant to T.C.A. § 56-4-216. If payment is timely made in other than immediately available funds, such that payment is not received by the state on the date payments are due, penalty and interest shall be added to the amount of tax due from the due date of the tax payment to the date that funds from the tax payment become available to the state.
  - (4) If a tax payment due date falls on a Saturday, Sunday or banking holiday, the electronic payment must be made so that the funds are immediately available on the first business day after the due date.
  - (5) The requirement to make electronic payments does not change the requirement to file returns, reports and documents associated with said payments in the manner prescribed by rule 0780-01-50-.05(1).
  - (6) Every entity required to file a return shall be responsible for paying a convenience fee of up to Ten Dollars (\$10.00) per filing to cover the department's actual costs incurred by accepting electronic filings through OPTins. Such convenience fee shall be assessed in addition to any applicable penalty and interest. Such convenience fee shall be in addition to the premium tax.
  - (7) In the event an entity believes the correct calculation of its taxes contemplated in rule 0780-01-50-.04 is different from the taxes calculated by OPTins, that entity retains the right to dispute the tax calculation after payment of the tax as assessed.

Authority: T.C.A. §§ 56-1-501, 56-1-701, 56-2-301, 56-4-205, 56-4-216, and 2015 Public Acts, Chapter Number 155.

#### 0780-01-50-.06 Severability Provision.

If any provision of this chapter or the application thereof to any person or circumstances is for any reason held to be invalid, the remainder of the chapter and the application of such provision to other persons or circumstances shall not be affected thereby.

Authority: T.C.A. §§ 56-1-501, 56-1-701, 56-2-301, 56-4-205, 56-4-216, and 2015 Public Acts, Chapter Number 155.

I certify that the information included in this filing is an accurate and complete representation of the intent and scope of rulemaking proposed by the agency.

Date: January 12, 2016

Signature: Kathleen Dixon

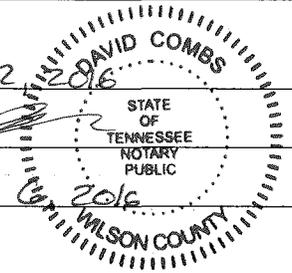
Name of Officer: Kathleen Dixon

Title of Officer: Assistant General Counsel

Subscribed and sworn to before me on: January 12, 2016

Notary Public Signature: [Signature]

My commission expires on: December 6, 2016



**Department of State Use Only**

Filed with the Department of State on: 1/12/16

[Signature]

Tre Hargett  
Secretary of State

RECEIVED  
2016 JAN 12 PM 3:56  
SECRETARY OF STATE  
PUBLICATIONS