

Surplus Lines Frequently Asked Questions

➤ **Do I have to submit surplus lines premium tax payments monthly, quarterly or annually?**

Individual surplus lines brokers are required to report policies (ID-12) within 30 days in which the business was transacted through the Surplus Lines Broker Login at <https://aldoi.gov/SurplusLineWeb/BrokerLogin.aspx>.

Each individual surplus lines broker is required to file on or before March 1st an annual ID-15 tax form and payment with a policy report for all surplus lines insurance transacted during the preceding calendar year through OPTins at <https://www.optins.org/>. The tax form ID-15 and payment with a policy report can be submitted monthly, quarterly, or annually. View Surplus Lines filing requirements at <https://aldoi.gov/SurplusLineWeb/PDF/SLProcessInstructions.pdf>

➤ **What is the deadline for monthly/quarterly filing?**

The annual ID-15 tax form and payment with a policy report can be submitted monthly, quarterly, and/or annually. There is not a filing date associated with monthly/quarterly filing.

➤ **Are Surplus Lines Brokers required to file an annual ID-15 tax form for zero business transacted?**

Yes. Each individual surplus lines broker is required to file an annual ID-15 tax form and payment with a policy report for all surplus lines insurance transacted during the preceding calendar year by March 1st through OPTins at <https://www.optins.org/>. **It is required for surplus lines brokers to submit an annual ID-15 tax form to report zero business transacted.** View Surplus Lines filing requirements at <https://aldoi.gov/SurplusLineWeb/PDF/SLProcessInstructions.pdf>.

➤ **Is there a way to access a report of ID-12s submitted monthly, etc.?**

There is a feature “view/edit” to view ID-12s for a specific period. Once you select the period, you are able to export data to a text file where you can view information.

➤ **What are the filing requirements for Risk Purchasing Groups?**

Risk Purchasing Groups are required to file manually submitting the ID-14 tax form and payment. View Risk Purchasing Filing instructions at <https://aldoi.gov/Companies/PurchasingTaxReturn.aspx>.

If the filing is not submitted by the RPG, but by the surplus lines broker, the individual surplus lines broker is required to follow the filing requirements and instructions for the Alabama licensed surplus line broker. **NOTE: The four percent premium tax rate for RPGs will change to the six percent premium tax rate for surplus lines brokers. In addition, individual surplus lines brokers are required to report policies within 30 days in which the business was transacted.** View Surplus Lines Broker filing instructions at <https://aldoi.gov/SurplusLineWeb/BrokerInfo.aspx>.

➤ **Are there any exceptions to the diligent efforts requirements?**

Section 27-10-20 1(b) <http://alisondb.legislature.state.al.us/alison/codeofalabama/1975/coatoc.htm> addresses the requirements for diligent efforts. Three declinations satisfy the diligent efforts requirement for placing business in the non-admitted market. When submitting the ID-12, indicate these efforts in the required field.

The only exemptions in regards to diligent effort requirements are surplus lines coverage for an exempt commercial purchaser.... or wind and hail coverage in portions of Baldwin and Mobile Counties
<http://www.aldoi.gov/PDF/Legal/2010-01%20-%20Surplus%20Lines.pdf>.

➤ **Are there any exemptions to the surplus lines insurance tax law?**

Except for those outlined in Section 27-10-34,
<http://alisondb.legislature.state.al.us/alison/codeofalabama/1975/coatoc.htm> there are no exceptions to the surplus line insurance tax law. The tax imposed is against the broker for the privilege of transacting business.

➤ **I am a Surplus Lines Broker Agency, am I required to file the annual ID-15 tax form on or before March 1st of each year?**

There is no requirement for surplus lines broker agencies to complete the annual ID-15 tax form. Filings are only required for the individual surplus lines broker.

➤ **What are the filing requirements for the Insurer?**

The insurer (Unauthorized Insurance Company) is required to submit the Form PR with the audit examination fee, and a broker policy listing on or before March 1st. View filing requirements for insurers at <https://www.aldoi.gov/PDF/Companies/SurplusInstructionsFilingReq.pdf>

➤ **I can no longer find the annual ID-15 tax form to print or download from the ALDOI website.**

Effective October 1, 2018 premium tax and surplus lines tax filings mandated the use of OPTins at <https://www.optins.org/>. The broker is required to complete the annual ID-15 tax form and submit payments electronically through OPTins at <https://www.optins.org/>. **Paper annual ID-15 tax forms are no longer available through the ALDOI website.**