

SPECIAL BULLETIN

DATE: March 24, 2005

TO: All Surplus Lines Licensees

FROM: Kenneth A. Rudert – Executive Director/ *KAR*

SUBJECT: **Additional Information on the Pennsylvania Department of Revenue's Surplus Lines Gross Premium Tax Exemption Policy**

On November 8th, 2004, PSLA issued a Special Bulletin describing changes to the Pennsylvania Department of Revenue's Surplus Lines Gross Premium Tax Exemption Policy (link to original bulletin: <http://www.pasla.org/Bulletins/1104.pdf>). Afterwards, a number of questions were received from the Pennsylvania Surplus Lines Community on this topic.

After communicating these questions to the Pennsylvania Department of Revenue, they released additional, helpful information clarifying their Surplus Lines Gross Premium Tax Exemption Policy. We urge all resident and non-resident Pennsylvania Surplus Lines Licensees to review this information on the Pennsylvania Department of Revenue's website: <http://www.revenue.state.pa.us/revenue/cwp/view.asp?a=11&q=243575>.

We also remind you that the responsibility to obtain the tax exemption determination rests with the insured. The responsibility to collect and remit the 3% Surplus Lines premium tax (if applicable) rests with you, the Surplus Lines Licensee/agency.

Any questions regarding this policy or a specific risk should be addressed directly with the Pennsylvania Department of Revenue at 717-783-6031.

KAR/mt