

ORDINANCE NO.: 2004-098

Amending the 1998 Code of Ordinances of the City of Columbia, South Carolina, Chapter 11, Licenses, Permits and Miscellaneous Business Regulations, Article II, Business and Professional Licenses, Sec. 11-49, Classification rate schedules, INSURANCE to provide for provisions for insurance companies and for brokers for non-admitted fire and casualty insurers

BE IT ORDAINED by the Mayor and Council of the City of Columbia, South Carolina this 10th day of November, 2004, that Chapter 11, Licenses, Permits and Miscellaneous Business Regulations, Article II, Business and Professional Licenses, Sec. 11-49, Classification rate schedules, INSURANCE is amended to read by changing the provisions for insurance companies and for brokers for non-admitted fire and casualty insurers to read as follows:

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SECTION 1.

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Insurance Companies: Except as to fire insurance, "gross premiums" means gross premiums collected (1) on policies on property or risks located in the municipality, and (2) on policies, wherever the insured property or risk is located, that are sold, solicited, negotiated, taken, transmitted, received, delivered, applied for, produced or serviced by the insurance company's office located in the municipality or by the insurance company's employee doing business within the municipality or by the office of the insurance company's licensed or appointed producer (agent) located in the municipality or by the insurance company's licensed or appointed producer (agent) doing business within the municipality. As to fire insurance, "gross premiums" means gross premiums (1) collected in the municipality, and/or (2) realized from risks located within the limits of the municipality.

Gross premiums shall include new and renewal business without deductions for any dividend, credit, return premiums or deposit.

Solicitation for insurance, receiving or transmitting an application or policy, examination of a risk, collection or transmitting of a premium, adjusting a claim, delivering a benefit, or doing any act in connection with a policy or claim shall constitute doing business within the municipality whether or not an office is maintained therein. A premium collected on property or a risk located within the municipality shall be deemed to have been collected within the municipality. Declining rates shall not apply.

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| 631-632 | 52411 | <u>Life, Health and Accident</u> | 0.75% of Gross Premiums |
| 633-635 | 524126 | <u>Fire and Casualty</u> | 2% of Gross Premiums |
| 636 | 524127 | <u>Title Insurance</u> | 2% of Gross Premiums |
| 6411 | 524210 | <u>Brokers for Fire and Casualty Insurers - Non-admitted:</u> | |

As to brokers for non-admitted fire and casualty insurers, "gross premiums" means gross premiums collected by or for fire and casualty insurers not licensed in South Carolina (1) on policies on property or risks located in the municipality and/or (2) on policies, wherever the insured property or risk is located, that are sold, solicited, negotiated, taken, transmitted, received, delivered, applied for, produced or serviced by a broker located in or doing business within the municipality. Brokers shall provide, with their payment of the tax, a copy of the report required by the State Department of Insurance showing the locations of the property or risks insured. 2% of Gross Premiums

[Premiums for non-admitted business are not included in broker's gross commissions for other business. Declining rates shall not apply.]

SECTION 2.

Notwithstanding any other provisions of this ordinance, license taxes for insurance companies and brokers for non-admitted fire and casualty insurers shall be payable on or before May 31 in each year without penalty. The penalty for delinquent payments shall be 5% of the tax due per month, or portion thereof, after the due date until paid.

SECTION 3.

Any exemptions in the business license ordinance for income from business in interstate commerce are hereby repealed. Gross income from interstate commerce shall be included in the gross income for every business subject to a business license tax.

SECTION 4.

The Agreement with the Municipal Association of South Carolina, pursuant to S. C. Code section 5-7-300, for collection of current and delinquent license taxes from insurance companies and brokers for non-admitted fire and casualty insurers shall continue in effect.

All ordinances in conflict with this ordinance are hereby repealed.

This ordinance shall be effective on the date of second reading.

Requested by:

Municipal Association of South Carolina



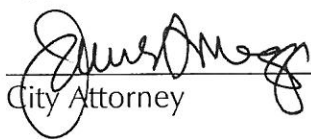
MAYOR

Approved by:




City Manager

Approved as to form:



City Attorney

ATTEST:



City Clerk

Introduced: 11/3/2004

Final Reading: 11/10/2004

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