



MAINE REVENUE SERVICES
SURPLUS LINES PREMIUMS TAX
ANNUAL RECONCILIATION / RETURN



1032000

Maine Surplus Lines Account Number, Period Covered (January 1 - December 31, 2010), Due Date (March 15, 2011)

PRODUCER'S NAME, ADDRESS AND NAME OF PRODUCER'S COMPANY OR EMPLOYER; CHECK ALL THAT APPLY: Initial return, Amended return, Made estimated payments during the year, Change of name/address

Tax Computation

Table with 10 rows for tax computation: 1. Gross Direct Surplus Line Premiums, 2. DEDUCTIONS (2a. Return premiums, 2b. Dividends paid), 3. Total Deductions, 4. Amount Taxable, 5. Premiums Tax, 6. Less: Estimated Payments, 7. Balance Due, 8. Overpayment, 9a. Portion of overpayment to be APPLIED, 9b. Portion of overpayment to be REFUNDED

2011 Quarterly Estimated Tax

The 2011 quarterly tax payments may be on an estimated basis, as long as the April 30 and June 25 installments each equal at least 35% of the total tax paid for 2010 or 35% of the total tax due for 2011.

AFFIDAVIT AND SIGNATURE

This return is made in compliance with the provisions of 36 MRSA § 2521-A. The amount of all surplus lines premiums on insurance written by this producer on risks located in, or received from risks resident of, the State of Maine during the above period has been reported.

Date: Signature: Phone #: Must be signed by the Producer with Surplus Lines Authority.

Date: Preparer's Signature: ID Number:



If enclosing a check, make check payable to: Treasurer, State of Maine and MAIL WITH RETURN TO: MAINE REVENUE SERVICES, P.O. BOX 1065, AUGUSTA, ME 04332-1065

If not enclosing a check, MAIL RETURN TO: MAINE REVENUE SERVICES, P.O. BOX 1064, AUGUSTA, ME 04332-1064

Office use only

GENERAL INSTRUCTIONS

WHO MUST FILE

Every licensed producer with surplus lines authority who provides contracts written on risks located or resident in the State of Maine.

Election to Report on Behalf of Employee Producers. An agency may elect to report and pay surplus lines premiums tax on behalf of all of its employee producers. To make this election, the agency must file an Application for Tax Registration, completing sections 1 and 11. Enter the name and federal ID number of the agency in section 1 and enter a note in section 11 stating that the agency is electing to file on behalf of its producers.

WHEN TO FILE

The annual return and the final tax payment for 2010 are due March 15, 2011.

ESTIMATED PAYMENT OF TAX

Insurers must make estimated tax payments for the calendar year. Required estimated payments for **2011** may be based either on the 2011 tax liability or the 2010 tax liability. April and June installments must each equal at least 35% of either the 2010 total tax liability or 35% of the 2011 tax due. The October installment must equal 15% of either the 2010 total tax liability or 15% of the 2011 tax due and the balance due must be submitted with the 2011 Form INS-7. An insurance company with an annual tax liability not exceeding \$1,000 may file only an annual return with payment.

INTEREST AND PENALTIES

For calendar year 2011, the interest rate is 7% , compounded monthly. The penalty for failure to file a return on time is the

greater of \$25 or 10% of the tax due, unless the return is filed more than 30 days after the receipt of a demand notice from the State Tax Assessor, in which case the failure-to-file penalty is 100% of the tax otherwise due. The penalty for failure to pay a tax liability timely is 1% of the outstanding liability for each month or fraction thereof during which the failure continues, to a maximum of 25% of the outstanding liability.

WHOLE DOLLAR AMOUNTS

Enter money items as whole dollar amounts. Drop any amount under 50 cents to the lower dollar amount and increase any amount 50 cents through 99 cents to the higher dollar amount.

FOR INFORMATION AND FORMS

Web site: www.maine.gov/revenue

Address: Maine Revenue Services
PO Box 1060
Augusta, ME 04332-1060

Telephone: (207) 624-9753
Monday-Friday, 8 a.m.- 5 p.m.

Order Forms: (207) 624-7894

STATUTORY REFERENCES

Title 36 MRS §§ 2512 through 2530.

SUPPORTING RECORDS

Taxpayers should be prepared to provide supporting documentation for reported amounts. Adequate records must be maintained in a manner that ensures their accessibility by the State Tax Assessor for a period of at least six years.

NOTE: Certain taxpayers with large annual tax liabilities are required to remit tax payments electronically. See Maine Rule 102 on the MRS web site (select Laws & Rules) for details.

LINE INSTRUCTIONS

Line 1. Gross Direct Surplus Lines Premiums

Enter the gross direct premiums upon risks located or resident in Maine. A premium is an amount paid or payable for an insurance policy, including all fees, such as membership, policy, survey, inspection, service and finance fees in consideration for an insurance policy.

NOTE: Agencies reporting on behalf of employee producers must attach a schedule indicating the name, social security number and portion of taxable premiums attributable to each producer for whom the agency is filing.

DEDUCTIONS

2a. Return premiums

Enter the amount of direct return premiums that were returned to the policyholder during the tax year. Include return premiums that were paid and subject to the Maine surplus lines premiums tax in a prior year, as well as those that were paid in 2010 and included on Line 1.

2b. Dividends paid, credited or allowed on direct premiums

Enter the amount of direct dividends paid to the policyholder during the tax year. Include dividends paid that were subject to the Maine surplus lines premiums tax in a prior year, as well as those that were paid in 2010 and included on Line 1.

Lines 6. Prior Payments

Enter the overpayment carried forward from the previous tax year and any estimated payments made for the current tax year.

Line 9a. Portion of overpayment to be APPLIED to next year's ESTIMATED tax

Use this line only if you want to have all or part of the overpayment on line 8 applied as an estimated payment to next year's Maine surplus lines premiums tax.