



South Carolina Department of Insurance

Capital Center
1201 Main Street, Suite 1000
Columbia, South Carolina 29201

NIKKI R. HALEY
Governor

DAVID BLACK
Director of Insurance

Mailing Address:

P.O. Box 100105, Columbia, S.C. 29202-3105
Telephone: (803) 737-6160

BULLETIN 2011-01

To: All Eligible Surplus Lines Brokers Transacting Business in the State of South Carolina

From: David Black *DB*
Director

Subject: New Online Broker Surplus Lines Tax Submission System

Date: May 13, 2011

The purpose of this bulletin is to inform all eligible surplus lines brokers that the South Carolina Department of Insurance (Department) is in the process of developing an online broker surplus lines tax system for submission of policy data and payments of quarterly and annual insurance premium taxes. The new system is scheduled for deployment in February 2012 and until that time, the manual filing system will remain in effect. The first online insurance policy data submission and quarterly premium tax payment are due on April 30, 2012. Quarterly or annual tax information submissions or payments will not be accepted in paper form for filings due on or after April 30, 2012. Acceptable methods of payment will include electronic check (ACH) and major credit cards (i.e., Visa, Mastercard and Discover).

Preceding the deployment of the system, the Department will require all brokers writing surplus lines business to submit, **via spreadsheet provided by the Department**, premium information on a quarterly basis. A spreadsheet template will be available for download on the Department's website, www.doi.sc.gov, under the Companies heading or the Individuals/Agencies heading. Directions to both locations follow:

"Company Information" Heading

Go to www.doi.sc.gov, under the "Companies" heading click on "Taxation." At the bottom of the page under "Broker/Surplus Lines Tax Forms" click on "Surplus Lines Broker Premium Information."

"Individual/Agencies" Heading

Go to www.doi.sc.gov, under the "Individuals/Agencies" heading click on "Surplus Lines Broker." Scroll down to the heading "Premium Tax Forms and Instructions" and click on "Surplus Lines Broker Premium Information."

Please send this spreadsheet directly to the following Department email address: irmmail@doi.sc.gov by May 30, 2011. This submission should contain information pertaining to the first quarter of 2011. The Department is further requiring subsequent submissions, (via the spreadsheet provided by the Department) for the second, third, and fourth quarters of 2011. The updated submissions are due on July 30, 2011, October 30, 2011 and January 30, 2012.

The new system will use email notification to alert brokers of submission errors and discrepancies. Accordingly, to ensure proper notification brokers must subscribe to email notification by visiting the Department's website and following the instructions below:

1. Go to the Department's home page www.doi.sc.gov.
2. At the top of the home page, click on "SCDOI Online Services."
3. Under Registered Individual, click on "Update Individual Demographics." This option requires a User ID & Password. If you require a User ID or Password or need assistance in updating your information, please email irmmail@doi.sc.gov. On the demographics page where you enter your email address, please click on "Subscribe to email notification."

No notices will be mailed through the U.S. mail system. Questions regarding the online surplus lines premium tax filing system should be directed to: Trey Kannaday via email at wkannaday@doi.sc.gov or telephone at 803-737-6279.

Bulletins are the method by which the Director of Insurance formally communicates with persons and entities regulated by the Department. Bulletins are Departmental interpretations of South Carolina insurance laws and regulations and provide guidance on the Department's enforcement approach. Bulletins do not provide legal advice. Readers should consult applicable statutes and regulations or contact an attorney for legal advice or for additional information on the impact of that legislation on their specific situation.