

**South Carolina
Department of Insurance**

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BULLETIN 2010-11

TO: Insurers Writing Bail Bond Premiums in South Carolina

FROM: Scott H. Richardson, CPCU 
Director

SUBJECT: Bail Bond Premiums Reporting

DATE: October 12, 2010

The South Carolina Department of Insurance (Department) finds that a significant portion of bail bond premiums is retained by the licensed bail bond agents or licensed managing general agents. For purposes of reporting in financial statements required to be filed with the Department pursuant to S.C. Code Ann. § 38-13-80 (2008), insurers writing bail bond premiums may report, in lieu of compliance with SSAP No. 53 of the Accounting Practices and Procedures Manual of the National Association of Insurance Commissioners (NAIC), direct written premiums for bail bonds in this state net of any amounts retained by the licensed bail bond agents or licensed managing general agents. The insurer may also recognize the total premiums as earned on the effective date of the bonds.

Insurers reporting premiums using this method must file a supplemental Schedule T with their annual statement setting forth the gross premiums by state for insurance premium tax purposes. Insurers shall keep complete and accurate records of the total consideration paid for all bail bonds written.

Any questions about the content of this bulletin should be directed to the Department's Office of Taxation at (803) 737-6082.

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.