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Date Received (Official Use Only)

RCT-121C 08-19 PAGE 1 OF 4
GROSS PREMIUMS TAX - FOREIGN CASUALTY OR FOREIGN FIRE INSURANCE COMPANIES

Revenue ID, Federal ID (FEIN), Parent Corporation (FEIN)

Taxpayer Name, First Line of Address, Second Line of Address, City, State, ZIP, Phone, Email

Tax Year Begin:

Tax Year End: 12/31/20\_\_

Due Date: April 15

Check to Indicate a Change of Address, PA Agent Renewal Fees, Amended Report, First Report, Payment Made Electronically, PLHIGA/KOZ/EIP, As Originally Registered with PA Dept. of Insurance, Final Report, Out of Existence Date

USE WHOLE DOLLARS ONLY

- 1a. Foreign Casualty Gross Premiums Tax (Page 2, Line 15)
1b. Foreign Casualty Retaliatory (Page 2, Line 16)
1c. Foreign Fire Gross Premiums Tax (Page 2, Line 15)
1d. Foreign Fire Retaliatory (Page 2, Line 16)
1e. Total Insurance Premiums Tax Liability (Line 1a plus Line 1b plus Line 1c plus Line 1d)
2. Total Estimated Payments
3. Total Payments Carried Forward From Prior Year Return
4. Total "Restricted" Tax Credits
5. Total Credit: (Line 2 plus Line 3 plus Line 4)
6. Tax Due: (If Line 1e is more than Line 5, enter the difference here.)
7. Remittance
8. Overpayment: (If Line 5 is more than Line 1e, enter the difference here.)
9. Refund: (Amount of Line 8 to be refunded after offsetting all unpaid liabilities)
10. Transfer: (Amount of Line 8 to be credited to the next tax year after offsetting all unpaid liabilities)

Grid for entering dollar amounts for lines 1a through 10.



Corporate Officer Information:

Officer Last Name, Officer First Name, Title of Officer, Social Security Number of Officer, Phone, Email

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete report.

Signature of Officer, Date

**RCT-121C** 08-19 PAGE 2 OF 4

ATTACH A COPY OF THE PENNSYLVANIA BUSINESS PAGE AND SCHEDULE T OF THE ANNUAL REPORT FILED WITH THE PENNSYLVANIA INSURANCE DEPARTMENT

USE WHOLE DOLLARS ONLY

C

**Casualty Insurance**

- 1. Gross Direct Premiums Received less Cancellations and Premiums Returned 1.
- 2. Extraordinary Medical Benefit Premiums (Include footnote, see instructions.) 2.
- 3. Dividends to Policy Holders 3.
- 4. Other Deductions (Attach Schedule.) 4.
- 5. Taxable Casualty Insurance Premiums (Line 1 minus Lines 2, 3 and 4) 5.

**Fire Insurance**

- 6. Gross Direct Premiums Received less Cancellations and Premiums Returned 6.
- 7. Dividends to Policy Holders 7.
- 8. Other Deductions (Attach Schedule.) 8.
- 9. Taxable Fire Insurance Premiums (Line 6 minus Lines 7 and 8) 9.

**Accident and Health Insurance**

- 10. Gross Direct Accident and Health Premiums 10.
- 11. Dividends to Policy Holders 11.
- 12. Other Deductions (Attach Schedule.) 12.
- 13. Taxable Accident and Health Insurance Premiums (Line 10 minus Lines 11 and 12) 13.
- 14. Total Taxable Premiums (Add Lines 5, 9 and 13) 14.
- 15. Tax (Line 14 times tax rate - See Instructions.) 15.
- 16. Retaliatory (From Page 3, Line 12) 16.

If registered with the PA Department of Insurance as a Foreign Casualty Insurance Company, enter Line 15 on Page 1, Line 1a and enter Line 16 on Page 1, Line 1b. If registered with the PA Department of Insurance as a Foreign Fire Insurance Company, enter Line 15 on Page 1, Line 1c, and enter Line 16 on Page 1, Line 1d.

- 17. State of Domicile 17.
- 18. NAIC Number 18.



**Preparer's Information:**

Firm Name

Firm FEIN

Address

City

State

ZIP

Individual Preparer Name

Phone

Email

Social Security Number or PTIN

I affirm under penalties prescribed by law, this report, including any accompanying schedules and statements, has been prepared by me and to the best of my knowledge and belief is a true, correct and complete report.

<b>Signature of Preparer</b>	<b>Date</b>
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**RCT-121C** 08-19 PAGE 3 OF 4

**RETLIATORY WORKSHEET - SCHEDULE OF TAXES, ASSESSMENTS,  
LICENSES AND FEES**

C

**USE WHOLE DOLLARS ONLY**

**PENNSYLVANIA**

**STATE OF DOMICILE**

**Premiums Taxes**

1. Casualty and Fire Premiums Tax	1a.	<input type="text"/>	1b.	<input type="text"/>
2. Ocean Marine Gross Profit Tax	2a.	<input type="text"/>	2b.	<input type="text"/>
3. Life Premiums Tax	3a.	<input type="text"/>	3b.	<input type="text"/>
4. Annuities Tax	4a.	<input type="text"/>	4b.	<input type="text"/>
5. Accident and Health Premiums Tax	5a.	<input type="text"/>	5b.	<input type="text"/>
6. Reinsurance Assumed from Unauthorized Companies	6a.	<input type="text"/>	6b.	<input type="text"/>
7. Other Taxes (Add schedule itemizing by type.)	7a.	<input type="text"/>	7b.	<input type="text"/>
8. Worker's Compensation Assessments (Add schedule itemizing by type.)	8a.	<input type="text"/>	8b.	<input type="text"/>
9. Other Assessments (Include copies of assessments.)	9a.	<input type="text"/>	9b.	<input type="text"/>
10. Licenses and Fees (Annual basis, add schedule itemizing by type.)	10a.	<input type="text"/>	10b.	<input type="text"/>
11. Totals (Add Line 1 through Line 10)	11a.	<input type="text"/>	11b.	<input type="text"/>

12. Retaliatory payable to the PA Department of Revenue (11b minus 11a) 12.

13. How many agents are licensed to represent your company in Pennsylvania during the tax year? 13.

14. What are your total state fees for licensing agents of similar Pennsylvania insurers? Provide schedule with a detailed breakdown. 14.

15. Are the fees in Line 14 imposed on the company (Enter "C") or the agent (Enter "A")? If "C" is entered, include Line 14 on Line 10b above. Include total agent licensing fees paid to PA during the tax year on Line 10a above. 15.



**RCT-121C** 08-19 **PAGE 4 OF 4**  
**RCT-121C PLHIGA CALCULATION WORKSHEET**

**Schedule of Guaranteed Premiums**

	Accident & Health	Life	Annuity
Guaranteed	<input type="text"/>	<input type="text"/>	<input type="text"/>
Non-Guaranteed	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Guaranteed Premiums** are those premiums in which the premium rates are guaranteed during the continuance of the respective policies without a right exercisable by the company to increase said premium rates. 40 P.S. § 991.1711(b)

Use the PA Business Page for the year immediately preceding the year of the assessment to complete the Schedule of Guaranteed Premiums.

**PLHIGA Credit Calculation**

Prior Year Assessment Date	Accident & Health Amount	Life Amount	Annuity Amount
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total of Assessments	<input type="text"/>	<input type="text"/>	<input type="text"/>

<u>Guaranteed Premiums</u>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Premiums	<input type="text"/>	<input type="text"/>	<input type="text"/>
Percentage of Qualified Premiums =	<input type="text"/>	<input type="text"/>	<input type="text"/>

Total Credits Allowed	Total of Assessment	X	Percentage of Qualified Premiums	=	Total Credit Allowed
Accident & Health	<input type="text"/>	X	<input type="text"/>	=	<input type="text"/>
Life	<input type="text"/>	X	<input type="text"/>	=	<input type="text"/>
Annuity	<input type="text"/>	X	100%	=	<input type="text"/>
Prior Year Class-A	<input type="text"/>	X	100%	=	<input type="text"/>
Administrative Assessment	<input type="text"/>	X	100%	=	<input type="text"/>
			<b>TOTAL</b>		<input type="text"/>

**Total Credit Allowed Per Year**

Total Credit Allowed	X	20%	=	Total Credit Per Year (Limited to 2% Tax)
<input type="text"/>	X	20%	=	<input type="text"/>

**In order to claim a credit, you must complete the above calculations AND include a copy of the assessment summary, assessment detail, copy of the cancelled check paying the assessment and PA Business Page and Schedule T for the year immediately preceding the year of the assessment. Failure to complete the worksheet and provide the required documentation will result in the denial of the credit.**



# Instructions for RCT-121C

RCT-121C IN 06-22


Gross Premiums Tax - Foreign Casualty or Foreign Fire Insurance Companies

## HIGHLIGHTS

- All RCT-121C gross premiums taxpayers are **required** to make an annual estimated prepayment of tax. Failure to do so will result in an assessment of Underpayment Interest and could result in the taxpayer losing operating authority in the state of Pennsylvania. For Further guidance, refer to the “Estimated Payment Instructions” on Page 3.
- Worksheet for PLHIGA calculation (Page 4 of RCT-121C). In order to claim a credit for a PA Life and Health Insurance Guaranty Association Assessment, the PLHIGA calculation worksheet (Schedule of Guaranteed Premiums and PLHIGA Credit Calculation) must be completed.

## GENERAL INFORMATION

### REMINDER

- Reports should **NOT** be mailed to the PA Department of Insurance – this will delay the processing of your report and does not satisfy the filing requirements. Please see the payment and mailing information section to find the correct mailing address for the PA Department of Revenue.
  - All payments of \$1,000 or more must be made electronically or by certified or cashier’s check remitted in person or by express mail courier.
  - Use only whole dollars when preparing tax reports.
  - Taxpayers may request a 60-day extension to file this report by filing REV-426.
-  **NOTE:** The automatic PA extension provided by Act 52 of 2013 to those with valid federal extensions DOES NOT apply to this tax.
- The penalty imposed for failure to file timely reports is a minimum of \$500, regardless of the determined tax liability, plus an additional 1 percent of any determined tax liability over \$25,000.
  - RCT-121C is available as a fill-in form on the department’s website at [www.revenue.pa.gov](http://www.revenue.pa.gov). Use **ONLY** the most current, non-year-specific tax form and instructions for filing ALL years. **If an amended report must be filed, taxpayers must use the most current, non-year-specific tax form, completing all sections of the form. REV-1175, Schedule AR (explanation for amending), must be included when an filing an amended report.**
  - One estimated payment coupon, REV-423, and one extension coupon, REV-426, will be used for all specialty

taxes. The coupons and the tax report are no longer mailed. These forms are available as fill-in documents on the department’s website [www.revenue.pa.gov](http://www.revenue.pa.gov). The REV-423 and REV-426 coupons can be filed electronically through e-TIDES at [www.etides.state.pa.us](http://www.etides.state.pa.us). However, electronic filing of the tax report is not available. The report should be completed using the computer-based fill-in form, printed and submitted by mail to the department. The form can be saved electronically for your records.

### ANNUAL REPORT CHECKLIST

Make sure you include the following to file your annual report properly and completely:

- Negative amounts must be written using a minus sign preceding the number. Do not use parentheses.
- Complete RCT-121C, Gross Premiums Tax Report for Foreign Casualty or Foreign Fire Insurance Companies, Associations or Exchanges
- Copy of the Pennsylvania Business Page
- Copy of Schedule T from the Annual Report
- Provide a copy of the domicile state’s tax report substituting Pennsylvania values for domicile state’s values. Please indicate the report as a “Pro-Forma Report with PA Values.”
- Corporate officer’s signature on Page 1 and preparer’s signature and PTIN on Page 2 (if applicable)

### IMPOSITION, BASE AND RATE

Gross premiums tax is imposed on insurance companies at a rate of 2 percent of gross premiums received from business conducted in Pennsylvania. For more information, see the Act of March 4, 1971 (P.L. 6, No.2).

Extraordinary medical benefit premiums for coverage under 75 Pa.C.S. § 1715(a) (1.1) are not subject to the tax (See 75 Pa.C.S. § 1798.1(c)).

To claim the deduction for extraordinary medical benefit premiums, you must include the policy numbers and premium amounts for any deduction taken. Schedule T should also include a footnote to report the premiums.

The following may be deducted from taxable premiums:

- Amounts returned on policies cancelled or not taken
- Premiums received for reinsurance
- The portion of advanced premiums, premium deposits or assessments returned in cash or credited to members or policyholders upon the expiration or termination of their contracts (in the case of mutual insurance companies, associations, exchanges and stock companies with participating features)

- Notes and other obligations received by mutual insurance companies to secure contingent premium liabilities to the extent that no assessment has been made and collected against the notes or obligations.

Companies exempt from the tax include title insurance companies subject to the title insurance and trust companies shares tax; purely mutual beneficial associations whose funds for the benefit of members and families or heirs are made up entirely of the contributions from their members and the accumulated interest on those contributions; corporations organized under the Non-profit Hospital Plan Act of 1937 (Act of June 21, 1937, (P.L. 1948, No.378)); and corporations organized under the Nonprofit Medical, Osteopathic, Dental and Podiatry Service Corporation Act of 1939 (Act of June 27, 1939, (P.L. 1125, No.399) Act of 1937 (Act of June 21, 1937, (P.L. 1948, No. 378)); and corporations organized under the Nonprofit Medical, Osteopathic, Dental and Podiatry Service Corporation Act of 1939 (Act of June 27, 1939, (P.L. 1125, No.399).

**REVENUE ID, FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN), PARENT CORPORATION FEIN, NAME AND ADDRESS**

The Revenue ID number, FEIN, name and complete mailing address must be provided. If the taxpayer is a subsidiary of a corporation, the parent corporation's FEIN must be provided. Also provide the telephone number and email address of the taxpayer.

**TAX YEAR**

Enter month, day and year (MMDDYYYY) for the tax year beginning and enter year (YY) for the tax year end.

**REPORT DUE DATE**

This report is due April 15 for the preceding year ended Dec. 31. If April 15 falls on a Saturday, Sunday or holiday, the report is due the next business day. The penalty imposed for failure to file timely reports is now a minimum of \$500, regardless of the determined tax liability, plus an additional 1 percent of any determined tax liability over \$25,000.

**ADDRESS CHANGE**

Enter "Y" in the block on Page 1 if the address of the corporation has changed from prior tax periods. The current mailing address should be reflected on the report.

**PA AGENT RENEWAL FEES**

Check this box if the taxpayer paid any fees related to PA agents. Make sure you provide complete and accurate information on Page 3, Retaliatory Worksheet, Lines 13-15.

**AMENDED REPORT**

Enter "Y" in the block on Page 1 if you are filing an amended report to add, delete or adjust information. Provide documentation to support all changes being made. An amended report should only be filed if an original report was filed previously for the same period.

The taxpayer has three (3) years after the due date of the original report to file an amended report. If the original report was properly extended, then the taxpayer has three (3) years after the extended due date to file an amended report. The department may adjust the tax originally reported based on information from the amended report. The taxpayer must consent to extend the assessment period. If

the amended report is timely filed and the taxpayer consented to extend the assessment period, the time period in which to assess tax will be the greater of three years from the filed date of the original report or one year from the filed date of the amended report.

Regardless of the tax year being amended, taxpayers must use the most current non-year-specific tax form, completing all sections of the report. This includes those sections originally filed and those sections being amended. All tax liabilities should be recorded on Page 1. Taxpayers must check the Amended Report check box on Page 1 and include Schedule AR, REV-1175, with the report.

**FIRST REPORT**

Enter "Y" in the block on Page 1 if this is the taxpayer's first PA gross premiums tax filing.


**ELECTRONIC PAYMENT**

Enter "Y" in the block on Page 1 if the taxpayer has made any electronic payments using e-TIDES.

**PLHIGA/KOZ/EIP CREDIT**

Enter "Y" in the block on Page 1 if the corporate taxpayer is claiming the Keystone Opportunity Zone Credit, the Keystone Opportunity Expansion Zone Credit or the Employment Incentive Payment Credit. For these and all other restricted credits, complete Line 4 on Page 1.

The following credits are available against gross premiums tax:

- PA Life and Health Insurance Guaranty Association (PLHIGA) Credit
  -  **CAUTION:** In order to claim a credit for a PA Life and Health Insurance Guaranty Association Assessment, the PLHIGA calculation worksheet (Schedule of Guaranteed Premiums and PLHIGA Credit Calculation) must be completed. Submit a copy of the assessment summary and assessment detail. Provide a copy of the cancelled check indicating the assessment was paid. Include a copy of the Pennsylvania Business Page and Schedule T for the year immediately preceding the year of the assessment. Also include a schedule with a detailed breakdown of all PLHIGA credits claimed on RCT-121C, Page 1, Line 4.
- Neighborhood Assistance Credit
- Educational Improvement Tax Credit
- Employment Incentive Payment Credit
  - Employment incentive payment credits are not posted to the account prior to assessment, therefore the account review statement will reflect a debit balance until the credit is approved. Schedule W must be attached to claim this credit. Check the appropriate box if the corporate taxpayer is claiming the Employment Incentive Payment Credit.
- PA Property and Casualty Insurance Guaranty Association (PIGA) Credit
  - PIGA credits are not available until there have been sufficient billings to create a credit. Billings must exceed 1 percent of the base year. For additional information, please contact the PA Property and

Casualty Insurance Guaranty Association at 215-568-1007.

- Research Enhancement and Protection Tax Credit

## RETALIATORY INFORMATION SCHEDULE

Retaliatory fees are imposed on foreign insurance companies under Section 212 of the Insurance Company Law of 1921 (P.L. 682, No. 284). Such fees are reported and remitted to the Department of Revenue.

Foreign insurance companies must complete the Retaliatory Information Schedule on Page 3 of RCT-121C, furnishing sufficient detail to enable the Department of Revenue to calculate the retaliatory fee. For each premiums-based tax, show the tax rate and all items used in determining the taxable amount, including gross premiums, return premiums and dividends to policyholders. Include reinsurance assumed from unlicensed insurers if your state of domicile imposes a base tax on net direct premiums plus reinsurance assumed from unlicensed insurers.

Any retaliatory fee in excess of the amount submitted and due with the filing of the report is due when the debtor receives a copy of the assessment. If your state of incorporation imposes a franchise or income tax, submit a copy of the tax report as filed in your state, along with a copy of the tax report on which Pennsylvania totals are substituted for your state totals. Please submit this information to Pennsylvania within 30 days of filing in your state.

Payment for renewal of certificate of authority and filing fees should be made using a separate check only after a bill is received from the Pennsylvania Insurance Department.

Include with the Retaliatory Information Schedule, a copy of the Pennsylvania Business Page, Schedule T filed with the Pennsylvania Insurance Department and all supporting documentation.

## FINAL REPORT

- Enter “Y” in the block on Page 1 if this report will be the final report filed with the department. Indicate the effective date of the event as MMDDYYYY.
- Include information from the Pennsylvania Insurance Department verifying the taxpayer’s insurance license expired, was cancelled or not renewed.
- Include a copy of the regulatory authority’s approval of the merger, dissolution, plan of reorganization and/or articles of merger.
- Provide the Revenue ID and FEIN of the surviving entity, if applicable.

## CORPORATE OFFICER INFORMATION

A corporate officer must sign and date the tax report. The signature must be original; photocopies or faxes will not be accepted. Print the first and last name, title, Social Security number, telephone number and email address of the corporate officer.

## PREPARER’S INFORMATION

Paid preparers must sign and date the tax report. If the preparer works for a firm, provide the name, FEIN and address of the firm along with the name, telephone number, email address and PTIN/SSN of the individual preparing the report. If the preparer is an individual without any association

to a firm, provide the name, address, telephone number, email address and PTIN/SSN of the individual preparing the report.

## ESTIMATED PAYMENT INSTRUCTIONS

The full amount of the required prepayment for gross premiums tax is due **on or before** March 15 of the reported year. Tax remaining due at the close of the taxable year must be paid on or before April 15 of the following year.

Mail the estimated payment coupon, REV-423, separately from all other forms.

If you have questions regarding estimated payments, email the department at **RA-CORP\_ACC\_FAX@PA.GOV**.

## ESTIMATED PAYMENT SAFE HARBOR

The gross receipts tax prepayment **MUST** be equal to 90% of the current tax year liability. However, taxpayers are eligible to use the “safe harbor” option in the event they cannot accurately estimate their current year liability. The prepayment requirement will be satisfied if the taxpayer prepays an amount equal to 100% of their “safe harbor” tax year liability. The “safe harbor” tax year is the second preceding year to the current tax year. For example, the “safe harbor” year for purposes of making the 2019 estimated prepayment is tax year 2017.

## EXTENSION REQUEST DUE DATE

To request a due date extension of up to 60 days to file the annual report, you must file an extension request, REV-426, by the original report due date. However, an extension of time to file does not extend the deadline for payment of tax and an extension request must be accompanied by payment of taxes owed for the taxable year for which the extension is requested.

Mail the extension coupon separately from all other forms. A taxpayer using an electronic method to make a payment with an extension request should not submit the extension coupon. Do not use the extension coupon to remit other unpaid liabilities within the account.

## PAYMENT AND MAILING INFORMATION

All payments of \$1,000 or more must be made electronically or by certified or cashier’s check remitted in person or by express mail courier. Returns may also be filed by express mail courier. Mail payments and returns to the following address:


**PA DEPARTMENT OF REVENUE  
BUREAU OF IMAGING AND  
DOCUMENT MANAGEMENT  
1854 BROOKWOOD ST  
HARRISBURG PA 17104**

Payments under \$1,000 may be remitted by mail, made payable to the PA Department of Revenue. Mail payments, extension requests and returns to the following address:

**PA DEPARTMENT OF REVENUE  
BUREAU OF IMAGING AND  
DOCUMENT MANAGEMENT  
PO BOX 280407  
HARRISBURG PA 17128-0407**

Failure to make a payment by an approved method will result in the imposition of a 3 percent penalty of the tax due, up to

\$500. For more information on electronic filing options, visit [www.etides.state.pa.us](http://www.etides.state.pa.us).

 **NOTE:** Reports should **NOT** be mailed to the PA Department of Insurance – this will delay the processing of your report and does not satisfy the filing requirements.

### CURRENT PERIOD OVERPAYMENT


If an overpayment exists on Page 1 of RCT-121C, the taxpayer must instruct the department to refund or transfer overpayment as indicated below.

### REFUND

Identify the amount to refund from the current tax period overpayment. Prior to any refund, the department will offset current period liabilities and other unpaid liabilities within the account.

### TRANSFER

Identify the amount to transfer from the current tax period overpayment to the next tax period for estimated tax purposes. Prior to any transfer, the department will offset current period liabilities and other unpaid liabilities within the account.

 **NOTE:** If no option is selected, the department will automatically transfer any overpayment to the next tax year for estimated tax purposes after offsetting current period liabilities and other unpaid liabilities within the account.

A tax period overpayment summary will be mailed to the taxpayer confirming the disposition of the credit.

### REQUESTS FOR REFUND OR TRANSFER OF AVAILABLE CREDIT

Requests for refund or transfer of available credit from prior periods can be requested on company letterhead, signed by an authorized representative, and emailed to [RA-CORP\\_ACC\\_FAX@PA.GOV](mailto:RA-CORP_ACC_FAX@PA.GOV).

Please do not duplicate requests for refund and/or transfer by submitting both RCT-121C and written correspondence.

## CONTACT INFORMATION

- For additional information regarding electronic payments visit the departments Online Customer Service Center at [www.revenue.pa.gov](http://www.revenue.pa.gov).
- Questions regarding payments or refunds, email [RA-CORP\\_ACC\\_FAX@PA.GOV](mailto:RA-CORP_ACC_FAX@PA.GOV).
- General business tax questions, visit the department's Online Customer Service Center at [www.revenue.pa.gov](http://www.revenue.pa.gov).
- Business taxpayers and tax practitioners have the ability to receive and view department issued electronic statement of accounts and correspondence electronically, visit e-TIDES at [www.etides.state.pa.us](http://www.etides.state.pa.us) and select the Document Center option for more information.

## LINE INSTRUCTIONS

**RCT-121C should be completed in the following order:**  
(Page instructions start with Page 2 below.)

### STEP 1

Complete the taxpayer information and any applicable questions at the top of Page 1. If claiming a PLHIGA credit, you **must** check the box on Page 1.

### STEP 2

Indicate the type of insurance company on Page 1, Foreign Casualty or Foreign Fire. This is based on the company's original registration with the Pennsylvania Insurance Department. This information is required.

### STEP 3

Enter the Revenue ID number and other taxpayer information in the designated fields at the top of each page.

### STEP 4

Complete Page 2, Lines 1 through 15.

### STEP 5

Complete Page 3, Retaliatory Worksheet.

### STEP 6

Complete Page 2, Lines 16 through 18.

### STEP 7

Complete Page 1, Lines 1 through 10.

### STEP 8

Complete the corporate officer information section, sign and date at the bottom of Page 1.

### STEP 9

Complete the preparer information section, sign and date at the bottom of Page 2, if applicable.

### STEP 10

Mail the completed report and any supporting schedules to the PA Department of Revenue.

## PAGE 2

### CALCULATION OF TAXABLE PREMIUMS

Foreign Casualty will use Lines 1 through 5 and Lines 10 through 13.

Foreign Fire will use Lines 6 through 13.

### CASUALTY INSURANCE

## LINE 1

### DIRECT PREMIUMS

Enter the gross direct premiums received, less cancellations and returned premiums from the Pennsylvania business page. Total direct premiums written from the Pennsylvania business page less ocean marine premiums, less accident and health premiums (accident and health premiums apply to Line 10.)

### OR

### CASH BASIS

Gross direct premiums with a schedule reconciling the taxable premiums and showing the beginning and ending receivables and any other deductions or additions.



**LINE 2**

Enter the extraordinary medical benefit premiums. To claim the deduction for extraordinary medical benefit premiums, you must include the policy numbers and premium amounts for any deduction taken. PA Business Page must also include a footnote to report the premiums.

**LINE 3**

Enter the dividends to policy holders from the Pennsylvania business page.

**LINE 4**

Enter any other deductions. A schedule detailing all other deductions must be provided.

**LINE 5****TAXABLE CASUALTY PREMIUMS**

Enter the difference of Line 1 minus Lines 2, 3 and 4.

**FIRE INSURANCE****LINE 6****GROSS FIRE PREMIUMS (DIRECT WRITTEN BASIS)**

Enter the total fire premiums from the Pennsylvania business page.

**LINE 7**

Enter the dividends to policy holders from the Pennsylvania business page.

**LINE 8**

Enter any other deductions. A schedule detailing all other deductions must be provided.

**LINE 9****TAXABLE FIRE PREMIUMS**

Enter the difference of Line 6 minus Lines 7 and 8.

**ACCIDENT AND HEALTH INSURANCE****LINE 10****GROSS DIRECT ACCIDENT AND HEALTH PREMIUMS**

Enter the total accident and health premiums from the Pennsylvania business page.

**LINE 11**

Enter the dividends to policy holders from the Pennsylvania business page.

**LINE 12**

Enter any other deductions. A schedule detailing all other deductions must be provided.

**LINE 13****TAXABLE ACCIDENT AND HEALTH PREMIUMS**

Enter the difference of Line 10 minus Lines 11 and 12.

**LINE 14****TOTAL TAXABLE PREMIUMS**

Enter the sum of Lines 5, 9 and 13.

**LINE 15****TAX**

Multiply Line 14 by 0.02. Carry the tax to RCT-121C Page 1, Line 1a or 1c (This is based on the company's original registration with the PA Insurance Department).

**PAGE 3****RETIALIATORY WORKSHEET****LINE 1****CASUALTY & FIRE PREMIUMS TAX**

- 1a. Enter the Pennsylvania tax (PA taxable premiums times PA tax rate).
- 1b. Enter the domicile state tax (PA taxable premiums times domicile state tax rate).

**LINE 2****OCEAN MARINE GROSS PROFIT TAX**

- 2a. Enter the Pennsylvania ocean marine tax per the RCT-124 tax report.
- 2b. Enter the domicile state ocean marine tax, if applicable.

**LINE 3****LIFE PREMIUMS TAX**

- 3a. Enter the Pennsylvania tax (PA taxable premiums times PA tax rate).
- 3b. Enter the domicile state tax (PA taxable premiums times domicile state tax rate).

**LINE 4****ANNUITIES TAX**

**NOTE:** Annuities are not taxed nor are they a retaliatory item.

**LINE 5****ACCIDENT AND HEALTH PREMIUMS TAX**

- 5a. Enter the Pennsylvania tax (PA taxable premiums times PA tax rate).
- 5b. Enter the domicile state tax (PA taxable premiums times domicile state tax rate).

**LINE 6****REINSURANCE ASSUMED FROM UNAUTHORIZED COMPANIES**

- 6a. Enter the Pennsylvania figure.
- 6b. Enter the domicile state figure.

**LINE 7****OTHER TAXES**

(Include schedule of itemized taxes by type and amount for PA and domicile state.)

7a. Enter the total of other Pennsylvania taxes.

7b. Enter the total of other domicile state taxes.

**LINE 8****WORKER'S COMPENSATION ASSESSMENTS**

(Include schedule of itemized assessments by type and amount for domicile state.)

8a. Enter the total of allowable PA Worker's Compensation Assessments.

8b. Enter the domicile state assessments.

**LINE 9****OTHER ASSESSMENTS**

(Include copies of assessments for PA and domicile state.)

9a. Enter the total of other Pennsylvania assessments.

9b. Enter the total of other domicile state assessments.

**LINE 10****LICENSES AND FEES ON AN ANNUAL BASIS**

(Include schedule of itemized licenses and fees by type and amount for PA and domicile state.)

10a. Enter the Pennsylvania licenses and fees.

10b. Enter the domicile state licenses and fees.

**LINE 11****TOTALS**

11a. Enter the sum of Lines 1a through 10a.

11b. Enter the sum of Lines 1b through 10b.

**LINE 12****RETALIATORY PAYABLE TO THE PENNSYLVANIA DEPARTMENT OF REVENUE**

Enter the difference of Line 11b minus Line 11a. If it is a negative number, enter zero. Carry the figure to Page 2, Line 16 and to RCT-121C Page 1, Line 1b or 1d (This is based on the company's original registration with the PA Insurance Department).

**LINE 13**

Enter the number of agents that are licensed to represent your company in Pennsylvania during the tax year.

**LINE 14**

Enter your total state fees for licensing agents of similar Pennsylvania insurers. Provide schedule with a detailed breakdown.

**LINE 15****FEES IMPOSED**

If "C" is entered, include Line 14 on Line 10b and include total agent licensing fees paid to PA during the tax year on Line 10a.

Enter C if the fees are imposed on the company.

Enter A if the fees are imposed on the agent.

**PAGE 2****RETALIATORY FEE AND OTHER INFORMATION****LINE 16****RETALIATORY**

Enter the figure from Page 3, Line 12.

**LINE 17**

Enter the company's state of domicile.

**LINE 18**

Enter the company's NAIC number.

**PAGE 4****PLHIGA CALCULATION WORKSHEET****SCHEDULE OF GUARANTEED PREMIUMS**


Guaranteed Premiums are those premiums in which the premium rates are guaranteed during the continuance of the respective policies without a right exercisable by the company to increase said premium rates.

**GUARANTEED**

Use the PA Business Page for the year immediately preceding the year of the assessment to determine the amount of premiums for each type of assessment. (Accident & Health, Life and Annuity).

**NON-GUARANTEED**

Use the PA Business Page for the year immediately preceding the year of the assessment to determine the amount of premiums for each type of assessment. (Accident & Health and Life).

 **NOTE:** All Annuity premiums are treated as guaranteed premiums.

**TOTAL**

Enter the total of guaranteed and non-guaranteed premiums for each column.

**PLHIGA CREDIT CALCULATION****ASSESSMENT DATE AND AMOUNT**

Enter the date of the Class B assessment and the amount of assessment for each type (Accident & Health, Life, Annuity), paid during the previous year. Do not include Class A Assessments in this section. Enter Class A Assessments in the Total Credits Allowed section.

**TOTAL OF ASSESSMENTS**

Enter the total of each column.

**GUARANTEED PREMIUMS**

Enter amount of premiums from Schedule of Guaranteed Premiums for each type.

**TOTAL PREMIUMS**

Enter total premiums from Schedule of Guaranteed Premiums for each type.

**PERCENTAGE OF QUALIFIED PREMIUMS**

Divide Guaranteed Premiums by Total Premiums for each type.

**TOTAL CREDITS ALLOWED**

Enter Total of Assessment and percentage of Qualified Premiums for each type. Multiply Total of Assessment by percentage of Qualified Premiums to calculate Total Credit Allowed.

Enter the Class-A Administrative Assessment paid during the previous year.

**TOTAL**

Add Total Credit Allowed column.

**TOTAL CREDIT ALLOWED PER YEAR**

Enter Total figure from Total Credit Allowed column and multiply by 20% to calculate credit amount per year.

Carry the credit to RCT-121C, Page 1, Line 4. Credit is limited to 2 percent tax. Include any carry-forward PLHIGA credits awarded in a prior year. Include a schedule with a detailed breakdown of all PLHIGA credits claimed on RCT-121C, Page 1, Line 4.