

THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

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October 22, 1985

No. 403


BULLETIN TO ALL MEMBERS:

RE: CALIFORNIA SURPLUS LINE BROKERS ANNUAL
STATEMENT AND TAX RETURN

Attached is a letter from the California Department of Insurance dated October 16, 1985 explaining the new Annual Statement and Tax Return Form.

The new forms will be mailed to you around February 15, 1986; no other changes have been made.

Please direct all inquiries to the address shown on the attached letter.


A. D. Freeman, Jr.
Manager

DEPARTMENT OF INSURANCE

600 SOUTH COMMONWEALTH AVENUE
LOS ANGELES, CA 90005



October 16, 1985

TO: ALL CALIFORNIA LICENSED SURPLUS LINE BROKERS

RE: CALIFORNIA SURPLUS LINE BROKER'S ANNUAL STATEMENT AND TAX RETURN

Gentlemen:

The California Surplus Line Broker's Annual Statement and Tax Return Form will be revised in 1985 to conform to the provisions of Section 1775.5 of the California Insurance Code.

In prior years the premiums you have reported in the Annual Statement and Tax Return, which served as the basis for the Surplus Line Tax, were equal to the premiums you have filed with the Surplus Line Association.

In the revised Annual Statement and Tax Return Form, beginning with calendar year 1985, the basis of the Surplus Line State Tax will be the actual premiums written during the calendar year, based upon your "account current" bordereau or record, even though those premiums were not filed with the Surplus Line Association. Quarterly payments beginning with the 1986 First Quarter due June 1, 1986 will be based on the actual premiums written during the quarter.

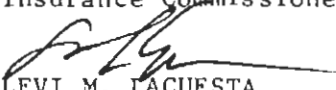
Premiums written that were not filed with the Surplus Line Association in prior years must be reported and added to your 1985 actual premiums written. There will be a calculation sheet that will be attached to the Tax Return for that purpose and for your convenience.

This letter is being sent so that you may be able to adapt your records to the changes in the preparation of the Annual Statement and Tax Return Form and in the payment of your Surplus Line State Tax.

Any questions about the changes and/or the Tax Return should be addressed to the TAX RETURN AUDIT BUREAU, DEPARTMENT OF INSURANCE, STATE OF CALIFORNIA, 600 South Commonwealth Avenue, Los Angeles, California 90005, Tel. Nos. (213) 736-3143 or (213) 736-3394.

Very truly yours,

BRUCE BUNNER
Insurance Commissioner


LEVI M. LACUESTA
Deputy Insurance Commissioner

LML:oi

cc: The Surplus Line Association of California
333 Market Street
San Francisco, CA 94105