



The Surplus Line
Association of California

12667 Alcosta Boulevard
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BULLETIN #1407

RE: 2020 Tax Return Information and Electronic Submission Accommodation

The 2020 tax filing for Surplus Line Brokers is due to the California Department of Insurance (CDI) on **March 1, 2021**.

- Each surplus line broker is required to file a tax return for all business transacted during the preceding calendar year. Please note that if you had no business transacted in 2020 or you started your business in 2020, you are still required to file a tax return by the appropriate required due date. For surplus line brokers with no taxable premiums to report, please use the CDI tax return form CDI FS-006-0 (REVISED 10/2020).
- Individually Licensed and Endorsed Surplus Line Brokers – The individually licensed and endorsed brokers who transact or write business on behalf of a surplus line broker organization are not required to file a Zero Premium Tax Return.
- Each surplus line broker whose annual tax for the preceding calendar year was twenty thousand dollars (\$20,000) or more is required to make monthly installment payments for the current calendar year. Specifically, if your 2020 tax liability was \$20,000 or more, you are required to make monthly installment payments for 2021.
- Each surplus line broker whose annual tax for the preceding calendar year was more than twenty thousand dollars (\$20,000) is required to make payment by Electronic Funds Transfer (EFT). Specifically, if your 2020 tax liability exceeded \$20,000, you are required to make all 2021 tax payments (monthly and annual) by EFT. To avoid delay in processing your EFT payments, it is critical that you provide the correct Taxpayer Identification Number, tax type code, and tax due date in your EFT transaction.

If you need assistance with establishing an EFT account or experience any problems with your EFT payment, please call the EFT Hotline at (916) 492-3288 prior to the due date to avoid any penalty assessment.

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SPECIAL SUBMISSION ACCOMMODATION:

Due to the COVID-19 pandemic, the 2020 annual return may be filed electronically via email to eft@insurance.ca.gov. The original tax return must be hand-signed and submitted within 90 days of the “shelter-in-place” order being lifted in California.

Tax forms, instructions and information are available on the CDI’s website using the following link:

<https://www.insurance.ca.gov/0250-insurers/0300-insurers/0100-applications/tax-forms-instruct-and-info/2020/index.cfm>

You may obtain a hard copy of a tax form, or ask any questions regarding tax payments, by calling the EFT Hotline at (916) 492-3288 or via email at eft@insurance.ca.gov.

The SLA Education and Compliance Department is available to assist if you have any other questions or need help in obtaining reports. Please contact us by phone at (415) 434-4900, or by email at education@slacal.org.

For more information, please visit our updated state tax FAQs at <http://www.slacal.org/resources/frequently-asked-questions/state-tax>.

Sincerely,



Jo Ann Del Gatto
Vice President, Education & Compliance
Surplus Line Association of California

