

# State of South Dakota

EIGHTY-THIRD SESSION  
LEGISLATIVE ASSEMBLY, 2008

940P0593

## HOUSE BILL NO. 1200

Introduced by: Representatives Cutler, Nygaard, and Rounds and Senators McCracken and Koetzle

1 FOR AN ACT ENTITLED, An Act to clarify the computation for premium tax payable for  
2 individual life insurance policies purchased by South Dakota residents.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 58-6-70 be amended to read as follows:

5 58-6-70. If any other state or foreign country imposes any taxes, licenses, and other fees, in  
6 the aggregate, or fines, penalties, deposit requirements, or other material obligations,  
7 prohibitions, or restrictions upon South Dakota insurers, or upon the insurance producers or  
8 representatives of such insurers, which are, pursuant to the laws of that other state or country,  
9 in excess of those directly imposed upon similar insurers, or upon the insurance producers or  
10 representatives of such insurers, of that other state or country under the statutes of this state,  
11 then, so long as the laws of that other state or country continue in force or are so applied, the  
12 director of the Division of Insurance shall impose the same taxes, licenses, and other fees, in the  
13 aggregate, or fines, penalties, deposit requirements, or other material obligations, prohibitions,  
14 or restrictions of whatever kind upon the insurers, or upon the insurance producers or  
15 representatives of the insurers, of the other state or country doing business or seeking to do



1 business in South Dakota. Any tax, license, or other fee or obligation imposed on South Dakota  
2 insurers or their insurance producers or representatives by any first or second class municipality,  
3 county, or other political subdivision or agency of the other state or country is considered to be  
4 imposed by such state or country within the meaning of this section. The time and period of  
5 payment of the retaliatory tax is the same, in all cases, as that of the gross premiums tax  
6 provided for in § 10-44-2. No interest charges or credits may be made or allowed for the use or  
7 loss of the use of funds due to any difference in the time or period of payment used in this state  
8 and the time or period used in a foreign state or country.

9 This provision does not apply to that portion of a life policies where the total first year  
10 premium is equal to or greater than one million insurance policy's annual premiums exceeding  
11 one hundred thousand dollars and to that portion of the annual consideration on an annuity  
12 contracts where the total first year consideration is equal to or greater than one million contract  
13 exceeding five hundred thousand dollars.