



## Premium Taxes and Fees



### **Retaliatory Provision**

The Delaware Insurance Code (18 Del. C., §532) requires the Commissioner to impose upon all insurers domiciled in another state or foreign country those same taxes, licenses, and other fees of any kind that would be imposed on a Delaware domiciled insurer writing similar lines and volumes of business in said state or country. If that aggregate sum is in excess to the taxes, licenses, and fees, in the aggregate of Delaware, the difference must be paid to Delaware in the form of a retaliatory tax. This includes finance and service charges.

Any tax, license, or other fee imposed by any city, county, or other political subdivision or agency of the home state shall be deemed to be imposed by that state. NOTE: Alien insurers shall use their port-of-entry state for determining retaliatory tax.

**IMPORTANT:** In accordance with Delaware Department of Insurance [Bulletin No. 7](#), issued November 6, 2000, the method of calculating retaliatory taxes and fees has been changed to remove credits for Guaranty Fund payments from both the Delaware basis and Home State basis calculations on Working Form T-3. Credits for Guaranty Fund payments will no longer be factored into retaliatory taxes. Retaliatory tax is to be calculated on a gross written basis as described in 18 Del. C., §702.