

40-2906a. Certificate of contribution as asset of insurer; offset against premium tax liability. (a)

Unless a longer period has been allowed by the commissioner, a member insurer shall at its option have the right to show a certificate of contribution as an asset in the form approved by the commissioner pursuant to subsection (c) of K.S.A. 40-2906, and amendments thereto, at percentages of the original face amount approved by the commissioner, for calendar years as follows:

- (1) One hundred percent for the calendar year of issuance;
- (2) eighty percent for the first calendar year after the year of issuance;
- (3) sixty percent for the second calendar year after the year of issuance;
- (4) forty percent for the third calendar year after the year of issuance; and
- (5) twenty percent for the fourth calendar year after the year of issuance.

(b) The insurer may offset the amount written off by it in a calendar year under subsection (a) against its premium tax liability to this state accrued with respect to business transacted in such year.

(c) Any sums acquired by refund pursuant to subsection (b) of K.S.A. 40-2906, and amendments thereto, from the association which have theretofore been written off by contributing insurers and offset against premium taxes as provided in subsection (b) of this section, and is not then needed for purposes of this act, shall be paid by the association to the commissioner to be remitted by the commissioner to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state general fund.

(d) The provisions of K.S.A. 40-2914, and amendments thereto, shall not apply to amounts written off under subsection (a) of this section.

History: L. 1976, ch. 220, § 3; L. 2001, ch. 5, § 121; July 1.