

# SENATE BILL 149

C4, C3

(1lr1187)

## ENROLLED BILL

— Finance and Budget and Taxation/Economic Matters —

Introduced by **Senator Kelley**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Insurance – Application of Premium Tax – Continued Exclusion of Maryland**  
3 **Automobile Insurance Fund**

4 FOR the purpose of repealing a certain termination provision for the purpose of continuing  
5 the exclusion of the Maryland Automobile Insurance Fund from the list of insurance  
6 companies and other persons that are subject to a certain premium tax; making  
7 conforming changes; and generally relating to taxation of insurance premiums.

8 BY repealing and reenacting, without amendments,  
9 Article – Insurance  
10 Section 6–101(a)  
11 Annotated Code of Maryland  
12 (2017 Replacement Volume and 2020 Supplement)

13 BY repealing and reenacting, with amendments,

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



1 Article – Insurance  
 2 Section 6–101(b)  
 3 Annotated Code of Maryland  
 4 (2017 Replacement Volume and 2020 Supplement)

5 BY repealing and reenacting, with amendments,  
 6 Chapter 509 of the Acts of the General Assembly of 2017  
 7 Section 4

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 9 That the Laws of Maryland read as follows:

10 **Article – Insurance**

11 6–101.

12 (a) The following persons are subject to taxation under this subtitle:

13 (1) a person engaged as principal in the business of writing insurance  
 14 contracts, surety contracts, guaranty contracts, or annuity contracts;

15 (2) a managed care organization authorized by Title 15, Subtitle 1 of the  
 16 Health – General Article;

17 (3) a for–profit health maintenance organization authorized by Title 19,  
 18 Subtitle 7 of the Health – General Article;

19 (4) an attorney in fact for a reciprocal insurer; and

20 (5) a credit indemnity company.

21 (b) The following persons are not subject to taxation under this subtitle:

22 (1) a nonprofit health service plan corporation that meets the requirements  
 23 established under §§ 14–106 and 14–107 of this article;

24 (2) a fraternal benefit society;

25 (3) a surplus lines broker, who is subject to taxation in accordance with  
 26 Title 3, Subtitle 3 of this article;

27 (4) an unauthorized insurer, who is subject to taxation in accordance with  
 28 Title 4, Subtitle 2 of this article; ~~or~~ and]

29 (5) a nonprofit health maintenance organization authorized by Title 19,  
 30 Subtitle 7 of the Health – General Article that is exempt from taxation under § 501(c)(3) of  
 31 the Internal Revenue Code; ~~OR~~ AND

1           **(6) THE MARYLAND AUTOMOBILE INSURANCE FUND.**

2   **Chapter 509 of the Acts of 2017**

3           SECTION 4. AND BE IT FURTHER ENACTED, That Sections 1 and 3 of this Act  
4 shall take effect January 1, 2018. [Sections 1 and] SECTION 3 of this Act shall remain  
5 effective for a period of 4 years and 6 months and, at the end of June 30, 2022, with no  
6 further action required by the General Assembly, [Sections 1 and] SECTION 3 of this Act  
7 shall be abrogated and of no further force and effect.

8           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
9 October 1, 2021.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.