



ARKANSAS INSURANCE DEPARTMENT  
1200 WEST THIRD STREET  
LITTLE ROCK, AR 72201-1904  
PHONE (501) 371-2605  
[www.insurance.arkansas.gov](http://www.insurance.arkansas.gov)

2008 FMAA INSTRUCTIONS  
ACCOUNTING DIVISION

## **PREMIUM TAX FILING INSTRUCTIONS FARMERS MUTUAL AID ASSOCIATIONS**

### **EACH FMAA MUST FILE THE FOLLOWING:**

1. 2008 FORM AID AC FMAA-T (ANNUAL REPORT OF PREMIUMS AND TAXES) CHECK ATTACHED
2. 1 COPY OF 2008 ANNUAL STATEMENT FRONT PAGE
3. 1 COPY OF PAGE 8

**All tax filings and payments must be received on or before March 1, 2009;** the Department does not accept the postmark date or software company forms. No authority exists for granting any extension of time for filing or payment. Any insurer that fails to report or pay tax will be subject to penalty in accordance with ACA 26-57-607.

For questions concerning the completion of tax forms, contact the Accounting Division at (501) 371-2605 or email us at [insurance.accounting@arkansas.gov](mailto:insurance.accounting@arkansas.gov)

**Do not mail the premium tax forms and checks with the annual statement or any other correspondence. Premium tax forms and payments must be mailed to the following address:**

**Arkansas Insurance Department  
Accounting Division  
1200 West Third Street  
Little Rock AR 72201-1904**

### **DO NOT INCLUDE WITH THE PREMIUM TAX FILINGS:**

**CORPORATE FRANCHISE TAX:** Remit to the Office of the Secretary of State, Attention: Lisa Bruno, 1401 Capitol Ave., Victory Bldg., Suite 250, Little Rock AR 72201.  
**MAIL TO ADDRESS ON FORM**

## INSTRUCTIONS FOR AID AC FMAA (Annual Report Of Premiums, Taxes, And Fees)

### **Equity Investment Incentive Tax Credit** § 15-4-3301, et. seq.

Insurers are allowed a state income or premium tax credit for certain qualified equity investments up to 50% of net income or premium tax liability. The certified statement of the insurer, described in § 15-4-3305, and a tax credit **certificate issued by the Arkansas Economic Development Commission must be submitted with the premium tax return.**

### **Capital Development Corporation Tax Credit** § 15-4-1026, 15-4-1029(f)(1)

Person who purchases an equity interest in a capital development company between 2003 through 2013 is entitled to a credit against any state income tax liability or premium tax liability, which may be imposed on the purchaser for any tax year commencing with the tax year, which is two years after the date of the purchase. The credit shall be equal to thirty-three and one-third (33 1/3) of the actual purchase price paid for the equity interest to the company, including any fees or commissions to underwriters or sales agents paid by the company. No fees or commissions in excess of fifteen percent (15%) of the total purchase price may be considered in calculating the amount of the credit. In any one-tax year, the credit shall not exceed fifty percent (50%) of the net state income tax liability or premium tax liability of the taxpayer after all other credits or reductions in tax have been calculated. No credit under this section is allowed for any tax year after December 31, 2019.

Upon dissolution, if the proceeds from the purchase of the equity interest have not been used for the purposes stated in § 15-4-1016 or for operating expenses, then each person who previously claimed a tax credit with respect to that purchase, the tax imposed for the year the dissolution occurs shall be increased by the tax credit amount associated with the unused purchase proceeds. **ATTACH ELIGIBILITY STATEMENT.**

### **Coal Mining Enterprise Credit** § 26-51-511

Coal mining enterprises or eligible transferees are eligible for a tax credit if the coal was sold to an electric generation plant for less than \$40.00 per ton excluding freight charges.

### **LINE 10:**

The amount of quarterly prepayments must agree with the ACTUAL prepayment amounts paid each quarter.  
**DO NOT ROUND AMOUNTS.**

Make one check payable to the State Treasurer of Arkansas and attach to the form. Checks for groups are not acceptable.

### **REFUNDS:**

If a negative amount results, it cannot be carried forward. A refund will be processed after the audit is completed.



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ACCOUNTING DIVISION  
 DUE MARCH 1, 2009

\_\_\_\_ ORIGINAL FILING  
 \_\_\_\_ AMENDED FILING  
 \_\_\_\_ REFUND DUE

**ANNUAL REPORT OF PREMIUMS AND TAXES  
 OF ALL FARMERS MUTUAL AID ASSOCIATIONS**

STATE OF DOMICILE		NAIC COMPANY CODE (5 digit code)	
COMPANY NAME			
MAILING ADDRESS			
CONTACT PERSON		TITLE	
TELEPHONE NUMBER	EXT	FAX NUMBER	
EMAIL ADDRESS			

Pursuant to ACA 23-73-105(f)(1) and (3), net direct premiums written on policies containing burglary and theft, glass, leakage and fire extinguisher equipment, livestock, miscellaneous coverage, and liability coverages, written as a supplement to a fire insurance policy or package commonly referred to as a homeowner or farmowner policy, are subject to premium tax provisions of ACA 26-57-601, et seq.

- 1. Direct Net Written Premiums \$ \_\_\_\_\_
- 2. Tax Thereon at 2-1/2% \$ \_\_\_\_\_
- 3. Less Affordable Neighborhood Housing Credit \$(\_\_\_\_\_)
- 4. Less Low-Income Housing Tax Credit \$(\_\_\_\_\_)
- 5. Subtotal of Taxes Due \$ \_\_\_\_\_
- 6. Less Capital Development Corporation Tax Credit \$(\_\_\_\_\_)
- 7. Less Coal Mining Enterprise Credit \$(\_\_\_\_\_)
- 8. Less Equity Investment Incentive Tax Credit \$(\_\_\_\_\_)
- 9. TOTAL TAXES DUE \$ \_\_\_\_\_
- 10. Less 2008 prepayments (2008 AID AC EST-Q) \$(\_\_\_\_\_)
- 11. NET PAYMENT DUE \$ \_\_\_\_\_**

**AFFIDAVIT**

State of \_\_\_\_\_ County of \_\_\_\_\_

Comes \_\_\_\_\_ and states on oath that he/she is the

\_\_\_\_\_ of \_\_\_\_\_  
 (Title) (Name of Association)

and that the foregoing statements are true and correct as shown by the records of said Association.

\_\_\_\_\_  
 (Original signature of officer)

Subscribed and sworn to or affirmed before me, the undersigned Notary Public, on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

My Commission Expires \_\_\_\_\_

NOTARY PUBLIC