

To Whom It May Concern:

During the 2011 Session, the Virginia General Assembly enacted Senate Bill 1124, which transfers the administration of the Virginia insurance premiums license tax from the State Corporation Commission (“the SCC”) to the Department of Taxation (“the Department”). Although the SCC will continue to maintain responsibility for the licensing of insurance companies, you will begin filing your tax reports with the Department, effective for the 2013 taxable year. The SCC and the Department are currently working together to implement the provisions of this legislation and to create a smooth transition between agencies.

Certain provisions of the legislation mandate that declarations of estimated tax be made in accordance with guidelines prescribed by the Department. Accordingly, the Department has commenced the guideline development process. Although guidelines do not have the force and effect of law or regulation, they do provide guidance to taxpayers regarding the Department’s interpretation of the relevant laws. You can view a description of these guidelines, as well as a detailed work plan, on the Insurance Premiums Tax Guidelines [website](#). Draft guidelines, public comments, and other information will be posted on this website in the future.

To increase government transparency and facilitate the development process, the Department will allow an initial comment period prior to drafting the guidelines, as well as a 60-day comment period immediately after a public draft has been distributed. The initial comment period begins May 21, 2012 and will continue through June 21, 2012. Please submit any comments regarding the development of these guidelines via e-mail to Kristin Collins at kristin.collins@tax.virginia.gov.

This upcoming fall, you will receive additional information about the implementation process, including contact information for any questions that you may have. The Department will also be soliciting feedback regarding the transition, particularly in regards to any new forms or processes that may be adopted.

In the meantime, should you have any questions or concerns, please feel free to contact our office. We look forward to working with you to ensure a seamless transition.

Sincerely,

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