

**PTAC Meeting Summary**  
**May 10, 2016**

The Premium Tax Advisory Council held its latest meeting on May 10, 2016. I will key each of the items to the agenda for the meeting which is enclosed under separate cover.

**II. Roll Call**

New Commissioner Brian Maynard presided over his first PTAC meeting since being appointed.

**IV. Minutes**

The minutes from October 27, 2015 were approved as presented and they are attached.

**V. Subcommittee Reports**

a. Clarify credit on quarterly statement

I reported that the Subcommittee had decided against pursuing legislation. The members all agreed that local governments should not be able to require insurers to carry forward credit balances indefinitely, but we found it difficult to "thread the needle" with statutory changes that would not have unintended consequences.

We looked at various time limits for credit balances to be carried forward before a refund would be payable, but it was hard to strike the right balance. If the time limit were too long, then payments now made fairly quickly could be delayed. On the other hand, too short a time limit could create financial burdens on local governments.

After wrestling with this issue for some time, we contacted those who have had the most refund issues and found that many of the credit balances have been resolved by refund or by offsetting credits within a reasonable time period with only one big exception. KLC agreed to work with the local government to see if a payment agreement could be negotiated in that case. We concluded that one case should not be a cause for legislation.

**VI. Old Business**

DOI gave a summary of non-filings on Annual Reconciliation Reports for 2014 and 2015.

We briefly discussed the status of the hearing on the issue of whether installment fees are premiums for the purpose of LGPT which was held on February 2 & 3, 2016. As of the date of the meeting, the hearing officer had not yet made a ruling. Russ Hamblen summarized DOI's position for the Commissioner and I set forth the industry position.

**VII. New Business**

DOI suggested that we should examine what subcommittees, if any, should be instituted given that none are now active. Members were to survey their members for issues.

**VIII. Next Meeting Date**

The next meeting was set for October 18, 2016 at 1:30 PM.

There being no further business the meeting adjourned.