State of Missouri

Department of Insurance
P.O. Box 690
Jefferson City, Missouri 65102-0690

Mel Carnahan, Governor

Jay Angoff
Director

TO: ALL WORKERS' COMPENSATION INSURANCE COMPANIES

FROM: Jay Angoff, Director - Missouri Department of Insurance, and;
Joanne Karll, Director - Missouri Division of Workers' Compensation

DATE: April 1, 1994

SUBJECT: Workers' Compensation Premium Tax and Second Injury Fund Surcharge - 1994 Abatement

Pursuant to Section 287.690.1 RSMo (1993) as amended by Senate Bill - 251 (1993), it has been announced by Governor Mel Carnahan that the workers' compensation premium tax and the second injury fund surcharge shall be reduced from 2% & 3%, respectively, to 0% for each, for the calendar year 1994.

The 0% tax and surcharge will apply to all policies issued or renewed in calendar year 1994 that have a **1994** effective date. Policies that have a **1993** effective date and have portions of the tax and surcharge that accrue during **1994** will not be subject to a pro-rata refund of the tax and surcharge accrued during **1994.** Therefore, requests for refunds or credits on these policies will not be granted.

Policies with **1993** effective dates that are canceled during the policy term shall receive a pro rata refund of tax and surcharge. Any policy that has a **1993** effective date and is subsequently canceled during the policy term shall receive the normal pro-rata or short-rate refund of tax and surcharge. Insurers may apply outstanding credits that result from these cancellations to their **1995** tax and surcharge amounts, should they be applicable.

Any requests for refunds will be subject to appropriation by the Missouri General Assembly. Therefore, any request for a refund must involve a substantial monetary credit, withdrawal from the writing workers' compensation insurance, insolvency, or any other unusual circumstance.

Should you have any questions concerning this matter, please contact Dora Jane Happy at the Department of Insurance at (314) 751-1929.