

<b>VERMONT</b>	<b>VT CAPTIVE INSURANCE PREMIUM TAX RETURN</b>	<b>FORM IP-2</b>
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**For tax year** \_\_\_\_\_  
 Return due annually on or before the last day of February.

Print or type complete name and address below:	Date Organized:
	Under the laws of the State of:
	Fed. ID #
	Date first licensed to do business in VT:

**COMPUTATION OF TAX DUE ON DIRECT INSURANCE**

1. Gross direct premiums collected or contracted for .....	1.	\$
2. Other charges (please specify) .....	2.	\$
3. TOTAL PREMIUMS (add Lines 1 & 2) .....	3.	\$
4. Return Premiums .....	4.	\$
5. Other deductions (please specify) .....	5.	\$
6. TOTAL DEDUCTIONS (add Lines 4 & 5) .....	6.	\$
7. NET TAXABLE PREMIUMS (subtract Line 6 from Line 3) .....	7.	\$
8. TAX on Direct Insurance Premiums. (See Direct Rate Schedule on reverse side) .....	8.	\$
9. TAX on Reinsurance Premiums from Line 21 (reverse side) .....	9.	\$
10. TOTAL TAX (add Lines 8 & 9) .....	10.	\$
11. If the amount on Line 10 is <i>more than</i> \$200,000, enter \$200,000 If the amount on Line 10 is <i>less than</i> \$7,500, enter \$7,500 Otherwise, enter the amount from Line 10 .....	11.	\$
12. If this is the first year of license in Vermont, enter \$7,500 for tax credit per 8 V.S.A. §6014(k) .....	12.	\$
13. <b>TAX DUE.</b> Subtract Line 12 from Line 11. Make checks payable to: <b>VERMONT DEPARTMENT OF TAXES</b> .....	13.	\$

**UNSIGNED RETURNS WILL BE RETURNED.**

I hereby certify this return is true, correct and complete to the best of my knowledge.



Signature of Responsible Officer	Printed Name	Title	Date
Signature of Preparer Other Than Officer	Printed Name		
Title/Firm Name	Preparer's Telephone Number		Date

**COMPUTATION OF TAX DUE ON REINSURANCE WORKSHEET**

14. Assumed Reinsurance Premiums collected or contracted for . . . . .	14.	\$
15. Other charges (please specify) . . . . .	15.	\$
16. TOTAL ASSUMED REINSURANCE PREMIUMS (add Lines 14 & 15) . . . . .	16.	\$
17. Return premiums . . . . .	17.	\$
18. Other deductions (please specify) . . . . .	18.	\$
19. TOTAL DEDUCTIONS (add Lines 17 & 18) . . . . .	19.	\$
20. NET ASSUMED REINSURANCE PREMIUMS (subtract Line 19 from Line 16) . . . . .	20.	\$
21. Enter amount due from Tax Rate Schedules (enter here and on Line 9 on front of form) . . . . .	21.	\$

**TAX RATE SCHEDULES**

**DIRECT RATE**

If Line 7 is \$20 million or less, multiply Line 7 by .0038.  
 Over \$20 million but not more than \$40 million, tax rate for the excess over \$20 million is .00285.  
 Over \$40 million but not more than \$60 million, tax rate for the excess over \$40 million is .0019.  
 Over \$60 million tax rate for the excess over \$60 million is .00072.

**ASSUMED RATE**

If Line 20 is \$20 million or less, multiply Line 20 by .00214.  
 Over \$20 million but not more than \$40 million, tax rate for the excess over \$20 million is .00143.  
 Over \$40 million but not more than \$60 million, tax rate for the excess over \$40 million is .00048.  
 Over \$60 million tax rate for the excess over \$60 million is .00024.

**INSTRUCTIONS**

Two or more captive insurance companies under common ownership and control may file a single return and pay tax as a single captive insurance company. Attach a list of all captive insurance companies included on the return. Common ownership and control means, in the case of stock corporations, the direct or indirect ownership of 80% or more of the outstanding voting stock or two or more corporations by the same shareholder(s) and, in the case of mutual corporations, the direct or indirect ownership of 80% or more of the surplus and voting power of two or more corporations by the same member(s).

The disclosure of your SSN or FID# is mandatory, authorized by 42 U.S.C. §405(c)(2)(C) and used to identify taxpayers affected by Vermont tax laws.

Returns are subject to a minimum tax of \$7,500.00. The annual maximum aggregate tax shall be \$200,000.00. The maximum aggregate tax to be paid by a sponsored insurance company shall apply to each protected cell only and not to the sponsored captive insurance company as a whole. 8 V.S.A. §6014(c).

No reinsurance premium tax is payable in connection with the receipt of assets in exchange for the assumption of loss reserves and other liabilities of another insurer under common ownership and control if the transaction is part of a plan to discontinue the operations of that insurer and if the parties intend to renew or maintain such business with the captive insurance company.

All direct premiums written by a Vermont Captive regardless of their taxability in another state are subject to tax by Vermont.

**SEND COMPLETED RETURN TO:**

If sending via **US Mail:**  
 VT Department of Taxes  
 PO Box 547  
 Montpelier, VT 05601-0547

If sending via **courier service (UPS, FedEx, DHL, etc.):**  
 VT Department of Taxes  
 133 State Street  
 Montpelier, VT 05633-1401

**For assistance call:** (802) 828-2551, option 4 - Miscellaneous Tax Division