

CHAPTER 839

S.B. No. 1222

An Act relating to exclusion of premiums paid by a single nonprofit trust covering county employees from the definition of gross premiums for payment of gross premiums tax on life, health, and accident insurance; amending Subsection (c), Section 2, Article 4.11, Insurance Code, as amended.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subsection (c), Section 2, Article 4.11, Insurance Code, as amended, is amended to read as follows:

“(c) ‘Gross premiums’ are the total gross amount of all premiums, membership fees, assessments, dues, and any other considerations for such insurance received during the taxable year on each and every kind of such insurance policy or contract covering persons located in the State of Texas and arising from the types of insurance specified in Section 1 of this article, but deducting returned premiums, any dividends applied to purchase paid-up additions to insurance or to shorten the endowment or premium payment period, and excluding those premiums received from insurance carriers for reinsurance and there shall be no deduction for premiums paid for reinsurance. Such gross premiums shall not include premiums received from the Treasury of the State of Texas or from the Treasury of the United States for insurance contracted for by the state or federal government for the purpose of providing welfare benefits to designated welfare recipients or for insurance contracted for by the state or federal government in accordance with or in furtherance of the provisions of Title 2, Human Resources Code, or the Federal Social Security Act. The gross premiums receipts so reported shall not include the amount of premiums paid on group health, accident, and life policies in which the group covered by the policy consists of a single nonprofit trust established to provide coverage primarily for municipal or county employees of this state.”

SECTION 2. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is

hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed the Senate on May 13, 1985, by the following vote: Yeas 30, Nays 0; passed the House on May 24, 1985, by the following vote: Yeas 147, Nays 1, one present not voting.

Approved: June 15, 1985

Effective: Immediately