

521J.7 Reports.

1. A captive company shall be required to file an annual report with the commissioner that meets the following requirements:

a. Except as provided in paragraph “b”, on or before April 1 of each year, each captive company and each captive risk retention group shall submit to the commissioner a report on the company’s financial condition as of December 31 of the preceding year, as verified by oath of two of the company’s or group’s executive officers. The report shall be submitted in a form and manner as prescribed by the commissioner by rule.

b. A captive company, other than a captive risk retention group, may apply to the commissioner to file the report required under paragraph “a” on a fiscal year-end basis. If the commissioner approves reporting on a fiscal year-end basis, the captive company shall comply with all of the following requirements:

(1) Subject to subparagraph (2), the captive company’s report shall be filed no later than ninety calendar days after the close of the company’s fiscal year.

(2) Prior to April 1, the captive company shall file a report covering the immediately preceding calendar year with the commissioner to provide sufficient information to support the captive company’s premium tax return under [section 432.1A](#).

c. Each captive company shall use generally accepted accounting principles, unless the commissioner requires, approves, or accepts the use of statutory accounting principles or any other comprehensive accounting principles for the company’s report. The commissioner may require, approve, or accept any appropriate or necessary modifications of statutory accounting principles or other comprehensive accounting principles based on the type of insurance and kinds of insurers that are included in a captive company’s report. The report may include letters of credit that are established, issued, or confirmed by any of the following:

(1) A bank chartered in this state.

(2) A member of the federal reserve system.

(3) A bank chartered by another state, if approved by the commissioner.

d. An actuarial opinion from a qualified actuary regarding the adequacy of the company’s required reserves to make full provision for the company’s liabilities, insured or reinsured, shall be included in the report. The qualified actuary shall submit a memorandum to the commissioner that details the qualified actuary’s support for the actuarial opinion. The commissioner may require that additional information be submitted to supplement the actuarial opinion.

e. All captive companies shall be audited annually by an independent certified public accountant and shall annually file the audited financial report with the commissioner on or before June 1, as a supplement to the annual report required under [section 521J.7, subsection 1](#).

f. A captive company may request an extension to file a report required by [this section](#). A written request for an extension must be received by the commissioner not less than ten days before the filing due date, and the request must contain sufficient details to enable the commissioner to make an informed decision regarding the request. The commissioner may grant a thirty-day extension upon a determination by the commissioner that a captive company has good cause for the extension.

g. A captive company may be required to file a report on the captive company’s financial condition on a semiannual, quarterly, monthly, or other basis as determined by the commissioner.

h. Captive companies shall file all reports required under [this section](#) in the form and manner prescribed by the commissioner by rule.

2. All reports filed pursuant to [this section](#) shall be considered confidential and shall not be a public record.

[2023 Acts, ch 107, §10; 2023 Acts, ch 119, §41](#)

Referred to in [§521J.9](#)