

House File 2636 - Enrolled

House File 2636

AN ACT

RELATING TO THE TAXATION OF CAPTIVE COMPANIES, AND INCLUDING
EFFECTIVE DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 432.1A, subsection 2, paragraph c, Code 2024, is amended to read as follows:

c. The amount of reinsurance tax due from a captive company under paragraph "a" shall be calculated as follows:

(1) ~~Two-tenths~~ Two hundred thousandths of one percent on the first twenty million dollars of assumed reinsurance premiums written.

(2) ~~One-eighth~~ One hundred twenty-five thousandths of one percent on the twenty million dollars of assumed reinsurance premiums ~~collected~~ written after the first twenty million dollars of assumed reinsurance premiums ~~collected~~ written under subparagraph (1).

(3) ~~Five~~ Forty-five thousandths of one percent on ~~each dollar~~ the twenty million dollars of assumed reinsurance premiums ~~collected~~ written after the twenty million dollars ~~collected~~ written under subparagraph (1) and the twenty million dollars ~~collected~~ written under subparagraph (2).

(4) Twenty thousandths of one percent of each dollar of assumed reinsurance premiums written after the twenty million dollars written under subparagraph (1), the twenty million dollars written under subparagraph (2), and the twenty million dollars written under subparagraph (3).

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

PAT GRASSLEY
Speaker of the House

AMY SINCLAIR
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2636, Ninetieth General Assembly.

MEGHAN NELSON
Chief Clerk of the House

Approved _____, 2024

KIM REYNOLDS
Governor