

**INSTRUCTIONS FOR FILING LOCAL GOVERNMENT QUARTERLY INSURANCE
PREMIUM TAX RETURN (LGT-141)**

(KRS 91A.080, 806 KAR 2:095, and 2:097)

1. QUARTERLY TAX FORM LGT-141: This form is to be used as a quarterly tax return to be filed with local governments. This form must be filed within thirty (30) days after the end of the calendar quarter to which it applies.
2. EACH INSURANCE COMPANY/SURPLUS LINES BROKER MUST FILE. Group filings are not acceptable. Always give the employer identification number assigned by the IRS and other required information, including the telephone number of the person preparing the return.
3. "Premiums collected" (Column 2) means premiums actually received at an insurance company's home, administrative, or regional offices during a calendar quarter. **This column is for the reporting of premiums only. Do not add the amount of taxes collected or paid to the amount reported in this column.**
4. "Tax Payable" (Column 3) is the local government tax rate multiplied by the amount of premium collected. If a local government has a minimum tax, the insurance company/surplus lines broker must pay at least that amount quarterly when there is a tax liability. Please refer to the Bulletin for further information regarding minimum tax amounts.
5. The collection fee (Column 4) shall be 15% of the tax payable or 2% of the premium, whichever is less. (The collection fee is in addition to and shall not be deducted from the tax payable.)
6. Column 5: When the tax payable (the amount in Column 3) is assessed upon the policyholder, Column 5 is the total of Columns 2 and 3. When the tax and collection fee are assessed upon the policyholder, Column 5 is the total of Columns 2, 3, and 4. If the tax and collection fee are paid solely by the insurance company/surplus lines broker, Column 5 will equal Column 2.
7. SPECIAL INSTRUCTIONS RELATED TO SURPLUS LINES BROKERS: Separate quarterly tax returns shall be submitted to the applicable local government by the surplus lines broker. Each return submitted to the local governments shall

include a listing of the insurance companies that supplied the coverage for which the premiums and taxes are being reported. This information shall be listed in the designated section of Form LGT-141. **Please note that surplus lines brokers are not required to submit a separate Form LGT-141 to each local government for each insurance company through which insurance business was exported.**

8. CREDITS: Credits (Form LGT-142) are only used where all of the following are true: the risk is located within the city limits; the county in which the city is located also imposes a tax; the county issued its ordinance on or after July 13, 1990; and the county license fee or tax for the applicable category is higher than the city license fee or tax. **FOR THIS SCHEDULE**, there are 9 cities that need an LGT-142 filed - BULLITT COUNTY - Hebron Estates, Mount Washington, Hillview, and Shepherdsville; HOPKINS COUNTY - Dawson Springs; MEADE COUNTY - Ekron; MENIFEE COUNTY - Frenchburg; PULASKI COUNTY - Science Hill; WAYNE COUNTY - Monticello. See Form LGT-142 for additional instructions
9. THE TAX RETURN IS A SPECIMEN ONLY. It is preferred that insurance companies/surplus lines brokers use Form LGT-141 prepared by the Department. However, insurance companies/surplus lines brokers may use forms substantially similar to the specimen. If a substantially similar form is used, each insurance company/surplus lines broker is responsible for producing tax return forms that contain the information requested in the general arrangement shown on the specimen.
10. Each tax return for each local government must bear the certification statement as shown on the specimen.
11. Any license fee or tax not paid on or before the due date shall bear interest at the tax interest rate as defined in KRS 131.010(6) from the date due until paid. Such interest is payable to the local governments.
12. Inquiries regarding the preparation of the tax return should be directed to the Local Government Premium Tax Unit, Kentucky Office of Insurance, P. O. Box 517, Frankfort, Kentucky, 40602.