

LGPT RISK LOCATION CHART
[Based on ISO's Uniform P&C Product Coding Matrix]

DEFINITIONS:

Definitions in chart below include definitions from the Kentucky Insurance Code where available.

Other Definitions:

Home Office – the location where the natural persons who establish policy for the direction, control, and coordination of the operations of the entity as a whole primarily exercise the function. When determining the location of the Home Office, the following factors may be considered:

1. The primary executive and administrative headquarters of the entity is located;
2. The principal office of the chief executive officer of the entity is located;
3. The board of directors or similar governing person or persons of the entity conducts the majority of its meetings;
4. The executive or management committee of the board of directors or similar governing person or persons of the entity conducts the majority of its meetings; or
5. The management of the overall operations of the entity is directed.

HUB – the primary location used by a commercial venture or business to garage or store property.

Local government premium tax (LGPT) – taxes imposed by local governments as authorized by KRS 91A.

Principle Place of Business (PPB) – the business location where the primary function or purpose of the business takes place.

STATUTORY AUTHORITY:

KRS 91A.080 (2) and (3) = taxing authority:

(2) Any license fee or tax imposed by a local government upon an insurance company with respect to life insurance policies, may be based upon the first year's premiums, and, if so based, shall be applied to the amount of the premiums actually collected within each calendar quarter upon the lives of persons residing within the corporate limits of the local government.

(3) Any license fee or tax imposed by a local government upon any insurance company with respect to any policy which is not a life insurance policy shall be based upon the premiums actually collected by the insurance company within each calendar quarter on risks located within the corporate limits of the local government on those classes of business which the insurance company is authorized to transact, less all premiums returned to policyholders. In determining the amount of license fee or tax to be collected and to be paid to the local government, the insurance company shall use the tax rate effective on the first day of the policy term. When an insurance company collects a premium as a result of a change in the policy during the policy term, the tax rate used shall be the rate in effect on the effective date of the policy change. With respect to premiums returned to policyholders, the license fee or tax shall be returned by the insurance company to the policyholder pro rata on the unexpired amount of the premium at the same rate at which it was collected and shall be taken as a credit by the insurance company on its next quarterly report to the local government.

Other LGPT Exclusions: KRS 91A.080(13)

(13) No license fee or tax imposed under this section shall apply to premiums paid to insurers of municipal bonds, leases, or other debt instruments issued by or on behalf of a city, county, charter county government, urban-county government, consolidated local government, special district, nonprofit corporation, or other political subdivision of the Commonwealth. However, this exemption shall not apply if the bonds, leases, or other debt instruments are issued for profit or on behalf of for-profit or private organizations.

GUIDELINES FOR DETERMINING RISK LOCATION:

The following guidelines are intended by the Department to assist insurers in determining the appropriate taxing location for specified risks. The Department will refer to these guidelines when handling LGPT appeals, complaints, or other market conduct issues related to local government premium taxes.

1. Policies may be a combination of property and liability risks. To determine the tax and the risk location for the purposes of tax allocation, the property location will govern. As a general rule, real property should be taxed where the property is located. Personal property should be taxed where the property is located, housed, or stored. Liability premium should be taxed where the property is located.
2. Policies covering multiple commercial ventures, real property, or other risks located in multiple jurisdictions:
 - a. If the policy is for liability coverage only (no property coverage) –
 - i. If one liability premium is charged for all locations and apportionment is not feasible among the multiple policies, choose either the PPB or the home office. (See Guideline 3 below for determining a location of the PPB or Home Office in Kentucky).
 - ii. If liability premium is designated, rated, or charged for each of the multiple locations and apportionment by location is feasible, the multiple locations shall be where the liability risks are located.
 - b. If there is property coverage, the risk is located where the property is located. The insurer must establish a mechanism for determining the jurisdictions of the real property. Taxes may be apportioned evenly across the multiple taxing jurisdictions or by any reasonable and equitable manner that allocates premium to the specific parcels of real property covered under the policy. The same allocation rules will apply to property (other than real property) except the allocation should be based on the jurisdictions where the property is located, housed, or stored.
 - c. For other risks located in multiple jurisdictions, taxes may be apportioned evenly across the multiple taxing jurisdictions or by any reasonable and equitable manner that allocates premium to the correct taxing jurisdiction. The insurer must establish a mechanism for determining the jurisdiction of the risk and retain in the insurer's underwriting file any documentation utilized to assist and support the insurer's allocation decision.
3. Where principal place of business (PPB) and Home Office are choices for risk location:
 - a. If only the PPB or the home office are located in Kentucky, choose the location in Kentucky;
 - b. If neither the PPB nor the home office is located in Kentucky, choose the primary business or commercial venture location in Kentucky.
4. Policies covering mobile risks or transitory personal property:
 - a. May be taxed at the location where the HUB is located, where the property is principally garaged/housed, the PPB, or the Home Office.
 - b. If more than one of the options (HUB, principally garaged/housed, PPB, Home Office) is located in Kentucky, the order of preference shall be the location where the HUB is located, where the property is principally garaged/housed, the PPB, then the Home Office.
 - c. Policies covering mobile risks or transitory personal property that are composite rated, retrospectively rated, experience rated, rated using a large risk alternative rating option (LRARO), or that are rated by another alternative rating methodology that is not designed to identify specific risks, may be taxed using any reasonable and equitable manner that allocates risk consistent with the guidelines for policies covering mobile risks or transitory personal property. (e.g., HUB, principally garaged/house, PPB, or Home Office).
 - d. If, after application of the guidelines for policies covering mobile risks or transitory personal property, taxes may be applicable to multiple taxing jurisdictions, taxes may be apportioned evenly across the multiple taxing jurisdictions or by any reasonable and equitable manner that allocates premium to the specific HUBs, principle garaged/housed locations, PPB, or Home Office.
5. Indivisible premiums. Indivisible premium multiple-line policies consist mainly of homeowners and farm owners policies. Other multiple-line policies have divisible premiums and the appropriate tax for the various lines of insurance is applicable separately. Since KRS 91A.080 requires a breakdown of all collections by category, indivisible premium multiple -line policies must be broken down giving a weight of two-thirds of the premium to the fire provision and one-third of the premium to the casualty provision before determining the tax.
6. The applicability of a local government premium tax to any specific type of insurance or risk is subject to the local ordinance where the risk is located.

RISK LOCATION CHART:

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
1	Property		<p>Coverage protecting the insured against loss or damage to real or personal property from a variety of perils, including—but not limited to—fire, lightening, business interruption, loss of rents, glass breakage, tornado, windstorm, hail, water damage, explosion, riot, civil commotion, rain, or damage from aircraft or vehicles.</p> <p>304.5-050 "Property insurance" defined.</p> <p>"Property insurance" is insurance on real or personal property of every kind and of every interest therein against loss or damage from any and all hazard or cause, and against loss consequential upon such loss or damage, other than noncontractual legal liability for any such loss or damage. Property insurance does not include title insurance, as defined in KRS 304.5-090.</p>	01—02.1	LGPT risk is where the insured property is located. See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty
2		Commercial Property	Property insurance coverage sold to commercial ventures.	01—02.1	LGPT risk is where the insured property is located	Casualty
3		Personal Property	Property insurance coverage sold for personal, family or household purposes.	01—02.1	LGPT risk is where the insured property is located or otherwise housed.	Casualty
4	Crop		Coverage protecting the insured against loss or damage to crops from a variety of perils, including but not limited to fire, lightening, loss of revenue, tornado, windstorm, hail, flood, rain, or damage by insects.	02.1-02.2	LGPT risk is where the crop is grown. If there are multiple jurisdictions, the taxes may be apportioned evenly or by any other reasonable manner without an allocation of premium to any specific crop location.	Casualty
5		Crop-Hail	All other crop or hail insurance products.	02.1	LGPT risk is where the crop is grown. Apportionment rules for multiple jurisdictions may apply.	Casualty
6		Federally Reinsured Crop	Crop insurance coverage that is either wholly or in part reinsured by the Federal Crop Insurance Corporation (FCIC) under the Standard Reinsurance Agreement (SRA). This includes the following products:	02.2	Excluded from LGPT.	None

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
			Multiple Peril Crop Insurance (MPCI); Catastrophic Insurance, Crop Revenue Coverage (CRC); Income Protection and Revenue Assurance.			
7	Flood		Coverage protecting the insured against loss or damage to real or personal property from flood. (Note: If coverage for flood is offered as an additional peril on a property insurance policy, file it under the applicable property insurance filing code.)	02.3	Federal Flood Insurance is excluded from LGPT. LGPT risk is where the insured property is located/housed Apportionment rules for multiple jurisdictions may apply.	Fire and Allied Peril
8		Commercial Flood	Separate flood insurance policy sold to commercial ventures.	02.3	LGPT risk is where the insured property is located/housed Apportionment rules for multiple jurisdictions may apply.	Fire and Allied Peril
9		Personal Flood	Separate flood insurance policy sold for personal, family or household purposes.	02.3	LGPT risk is where the insured property is located/housed. Apportionment rules for multiple jurisdictions may apply.	Fire and Allied Peril
10	Farmowners		Farmowners insurance sold for personal, family or household purposes. This package policy is similar to a homeowners policy, in that it has been developed for farms and ranches and includes both property and liability coverage for personal and business losses. Coverage includes farm dwellings and their contents, barns, stables, other farm structures and farm inland marine, such as mobile equipment and livestock.	03	LGPT risk is where the insured property is located/housed. Apportionment rules for multiple jurisdictions may apply.	Casualty
11	Homeowners		A package policy combining real and personal property coverage with personal liability coverage. Coverage applicable to the dwelling, appurtenant structures, unscheduled personal property and additional living expense are typical. Includes mobile homes at a fixed location.	04	LGPT risk is where the home is located.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under

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						Fire and Allied Lines. See guideline #5 above regarding indivisible premium.
12		Condos	Homeowners insurance sold to condominium owners occupying the described property.	04	LGPT risk is where the condo is located.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium.
13		Mobile Homes	Homeowners insurance sold to owners occupying the described mobile home.	04	LGPT risk is where the mobile home is located.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium.
14		Owner Occupied	Homeowners insurance sold to owners occupying the described property.	04	LGPT risk is where the occupied property is located.	Casualty If coverage

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
						includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium.
15		Tenants	Homeowners insurance sold to tenants occupying the described property.	04	LGPT risk is where the tenant occupied property is located.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium.
16		Other	All other Homeowners insurance products.	04	LGPT risk is where the property is located.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
						premium.
17	Commercial Multiple Peril		The policy packages two or more insurance coverages protecting an enterprise from various property and liability risk exposures. Frequently includes fire, allied lines, various other coverages (e.g., difference in conditions) and liability coverage. Such coverages would be included in other annual statement lines, if written individually. Include under this type of insurance multi-peril policies (other than farmowners, homeowners and automobile policies) that include coverage for liability other than auto.	05.1	See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium.
18		Builders' Risk Policies	Typically written on a reporting or completed value form, this coverage insures against loss to buildings in the course of construction. The coverage also includes machinery and equipment used in the course of construction and to materials incidental to construction.	05.1	LGPT risk is where the construction is taking place. If an address has not been established for a particular construction site, any other method for determining risk location will be acceptable if it is reasonably calculated to pay LGPT to the appropriate taxing jurisdiction where the construction is taking place.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium.
19		Businessowners	The Businessowners (BOP) provides a broad package of property and liability coverages for small and medium sized apartment buildings, offices, and retail stores.	05.1—05.2	LGPT risk is where the real property is located. Apportionment rules for multiple jurisdictions may apply.	Casualty
20		Commercial Package Policy	The Commercial Package Policy (CPP) provides a broad package of property and liability coverages for commercial ventures other than those provided insurance through a businessowners policy. (The older special multi peril programs (SMP) also use this code.)	05.1—05.2	See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
						Lines. See guideline #5 above regarding indivisible premium.
21		Manufacturers Output Policies	Provides broad form all risks coverage of personal property of an insured manufacturer that is located away from the premises of the manufacturer at the time of a claim.	05.1	LGPT risk is where the manufacturer is located. Apportionment rules for multiple jurisdictions may apply.	Casualty
22		E-Commerce	Coverage for all aspects of E-Commerce Business.	05.1	Principal Place of Business or Home Office. Apportionment rules for multiple jurisdictions may apply. See guidelines for PPB/Home Office choice below.	Casualty
23		Commercial Farm and Ranch	A commercial package policy for farming and ranching risks that includes both property and liability coverage. Coverage includes barns, stables, other farm structures and farm inland marine, such as mobile equipment and livestock.	05.1—05.2	LGPT is where the farm/ranch is located. Apportionment rules for multiple jurisdictions may apply.	Casualty
24		Other CMP Policies	All other commercial multiple peril (CMP) insurance products.	05.1—05.2	See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium
25	Mortgage Guaranty		Insurance that indemnifies a lender for loss upon foreclosure if a borrower fails to meet required mortgage payments. 304.5-100 “Mortgage guaranty insurance” defined. “Mortgage guaranty insurance” is insurance against financial loss by reason of nonpayment of principal, interest, rent or other sums agreed to be paid under the terms of any note, bond, lease, or other	06	LGPT risk is where the real estate is located.	All Other Risks

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			evidence of indebtedness constituting a charge on real estate, or secured by mortgage, deed of trust, or other instrument constituting a lien on real estate.			
26	Ocean Marine		Coverage for ocean and inland water transportation exposures; goods or cargoes; ships or hulls; earnings; and liability. See, KRS 304.5-080	08	LGPT risk is where the transportation is principally docked/garaged for the majority of the year.	Inland Marine
27	Inland Marine		Coverage for property that may be in transit, held by a bailee, at a fixed location, or movable goods that are often at different locations (e.g., off-road constructions equipment), or scheduled property (e.g., Homeowners Personal Property Floater) including items such as live animals, property with antique or collector's value, etc. These lines also include instrumentalities of transportation and communication, such as bridges, tunnels, piers, wharves, docks, pipelines, power and phone lines, and radio and television towers. See, KRS 304.5-080	09	LGPT risk is where the property is house when not in mobile status. LGPT risk is also where the instrumentality of transportation is located. Apportionment rules for multiple jurisdictions may apply.	Inland Marine
28		Animal Mortality	Coverage that provides a death benefit to the owner of a policy in the event of the death of the insured livestock.	09	LGPT risk is where the animal is principally housed or stabled.	Inland Marine
29		EDP Policies	Coverage to protect against losses arising out of damage to or destruction of electronic data processing equipment and its software.	09	LGPT risk is where the equipment is located. Apportionment rules for multiple jurisdictions may apply.	Inland Marine
30		Pet Insurance Plans	Veterinary care plan insurance policy providing care for a pet animal (e.g., dog or cat) of the insured owner in the event of its illness or accident.	09	LGPT risk is where the pet is primarily housed.	Inland Marine
31		Communication Equipment (Cellular Telephones)	Provides insured subscribers of Communications Equipment Service Provider replacement coverage for loss of and damage, theft or mechanical breakdown to communications equipment. Communications equipment means wireless telephones and pagers, and any other devices incorporating wireless phone and pager capabilities, including but not limited to personal digital assistants (PDA) and wireless aircards.	09	LGPT risk is where the owner of the cellular phone resides. OR On occasion, the retailer selling the insurance is the master policyholder and the insured is the certificate holder. In this event, the LGPT risk is where the retailer is located.	Inland Marine
32		Event Cancellation	Coverage for financial loss because of the cancellation or postponement of a specific event due to weather or other unexpected cause beyond the control of the insured.	09	LGPT risk is where the event was scheduled to take place.	Inland Marine

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
33		Travel Coverage	Covers financial loss due to trip cancellation/interruption; lost or damaged baggage; trip or baggage delays; missed connections and/or changes in itinerary; and casualty losses due to rental vehicle damage.	09	LGPT risk is where the traveler resides.	Inland Marine
34		Boatowners/Personal Watercraft	Covers damage to pleasure boats, motors, trailers, boating equipment and personal watercraft as well as bodily injury and property damage liability to others.	09	LGPT risk is where the boat is primarily docked/garaged for the majority of the year.	Inland Marine
35	Financial Guaranty		A surety bond, insurance policy, or an indemnity contract (when issued by an insurer), or similar guaranty types under which loss is payable upon proof of occurrence of financial loss to an insured claimant, obligee or indemnitee as a result of failure to perform a financial obligation.	10	<p>If no surety or other bond arrangement is involved, LGPT risk is where the financial obligation is located (i.e. address of the financial institution).</p> <p>In a surety or other bond transaction, local government premium tax is applicable based on the location of the project (if applicable). If there is no project, LGPT risk is where the obligee is located. The amount of tax is determined by the tax imposed by the local government where the risk is located (jurisdiction of the project/obligee). Unless otherwise provided by local ordinance, a surety or other bond instrument is not exempt from local government premium tax on the basis that the obligee or principal on the surety or bond instrument is a local government.</p>	All Other Risks
36	Medical Malpractice		Insurance coverage protecting a licensed health care provider or health care facility against legal liability resulting from the death or	11	LGPT risk is where the provider's principal office	Casualty

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
			injury of any person due to the insured's misconduct, negligence, or incompetence, in rendering or failure to render professional services.		is located.	
37	Earthquake		Property coverage for losses resulting from a sudden trembling or shaking of the earth, including that caused by volcanic eruption.	12	LGPT risk is where the covered property is located.	Fire and Allied Perils
38		Commercial Earthquake	Earthquake property coverage for commercial ventures.	12	LGPT risk is where the covered property is located. Apportionment rules for multiple jurisdictions may apply.	Fire and Allied Perils
39		Personal Earthquake	Earthquake property coverage for personal, family or household purposes.	12	LGPT risk is where the covered property is located.	Fire and Allied Perils
40	Workers' Compensation		Insurance that covers an employer's liability for injuries, disability or death to persons in their employment, without regard to fault, as prescribed by state or federal workers' compensation laws and other statutes. Includes employer's liability coverage.	16	Excluded from LGPT. KRS 91A.080(10)(b)	None
41	Other Liability		Coverage protecting the insured against legal liability resulting from negligence, carelessness, or a failure to act resulting in property damage or personal injury to others.	17	LGPT risk is where the business is located (may also be PPB or Home Office). See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty
42		Commercial General Liability	Flexible & broad commercial liability coverage with two major sub-lines: premises/operations sub-line and products/completed operations sub-line.	17	LGPT risk is where the business is located (may also be PPB or Home Office). See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty
43		Completed Operations	Policies provided to contractors covering liability to persons who have incurred bodily injury or property damage from defective work or operations completed or abandoned by or for the insured, away from the insured's premises.	17	LGPT risk is where the PPB of the contractor is located.	Casualty
44		Comprehensive Personal Liability	Comprehensive liability coverage for exposures arising out of the residence premises and activities of individuals and family members. (Non-business liability exposure protection for individuals.)	17	LGPT risk is where the residence is located.	Casualty

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
45		Contractual Liability	Liability coverage of an insured who has assumed the legal liability of another party by written or oral contract. Includes a contractual liability policy providing coverage for all obligations and liabilities incurred by a service contract provider under the terms of service contracts issued by the provider.	17	LGPT risk is where the residence or PPB of the assuming party is located.	Casualty
46		Day Care Centers	Liability coverage for day care centers.	17	LGPT risk is where the daycare center is located. Apportionment rules for multiple jurisdictions may apply.	Casualty
47		Directors & Officers Liability	Liability coverage protecting directors or officers of a corporation from liability arising out of the performance of their professional duties on behalf of the corporation.	17	LGPT risk is where the primary business office of the directors and officers is located.	Casualty
48		Elevators and Escalators Liability	Liability coverage for bodily injury or property damage arising from the use of elevators or escalators operated, maintained or controlled by the insured.	17	LGPT risk is where the elevator/escalator is located. Apportionment rules for multiple jurisdictions may apply.	Casualty
49		Employee Benefit Liability	Liability protection for an employer for claims arising from provisions in an employee benefit insurance plan provided for the economic and social welfare of employees. Examples of items covered are pension plans, group life insurance, group health insurance, group disability income insurance, and accidental death and dismemberment.	17	LGPT risk is where the employer's PPB or Home Office is located.	Casualty
50		Employers Liability	Employers' liability coverage for the legal liability of employers arising out of injuries to employees. This code should be used when coverage is issued as a stand-alone policy, or as an endorsement to a package policy. When this coverage is issued as an endorsement to a statutory workers' compensation policy, the appropriate "Workers' Compensation" code should be used (i.e., Code 16.0002).	17	WC is excluded from LGPT. IF other than a WC policy, LGPT risk is where the employer's PPB or Home Office is located.	Casualty
51		Employment Practices Liability	Liability protection for an employer providing personal injury coverage arising out of employment-related practices, personnel policies, acts, or omissions. Examples of claims such policies respond to are refusal to employ, termination, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, and discrimination.	17	LGPT risk is where the employer's PPB or Home Office is located.	Casualty
52		Environmental Pollution Liability	Liability coverage of an insured to persons who have incurred bodily injury or property damage from acids, fumes, smoke, toxic chemicals, waste materials or other pollutants.	17	LGPT risk is where the PPB or Home Office is located.	Casualty
53		Fire Legal Liability	Coverage for property loss liability as the result of separate negligent acts and/or omissions of the insured that allows a spreading fire to cause bodily injury or property damage of others. An example is a	17	LGPT risk is where the insured resides or, if a business, where the PPB	Casualty

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
			tenant who, while occupying another party's property, through negligence causes fire damage to the property.		or the Home Office is located.	
54		Kidnap & Ransom Liability	Liability coverage up to specific limits for payments demanded by kidnappers for the release of an insured held against his or her will.	17	LGPT risk is where the insured resides or, if a business, where the PPB or the Home Office is located.	Casualty
55		Liquor Liability	Coverage for the liability of an entity involved in the retail or wholesale sales of alcoholic beverages, or the serving of alcoholic beverages, to persons who have incurred bodily injury or property damage arising from an intoxicated person.	17	LGPT risk is where the retail store is located or, if an owner of multiple stores, the PPB or Home Office.	Casualty
56		Municipal Liability	Liability coverage for the acts of a municipality.	17	LGPT risk is where the municipality is located.	Casualty
57		Nuclear Energy Liability	Coverage for bodily injury and property damage liability resulting from the nuclear energy material (whether or not radioactive) on the insured business's premises or in transit.	17	LGPT risk is where the business premises is located.	Casualty
58		Personal Injury Liability	Coverage for the liability of an insured for injury to persons, other than bodily injury. Examples include discrimination, falsely arrest, illegal detainment, libel, malicious prosecution, slander, suffering mental anguish, and violation of privacy rights.	17	If a personal line coverage - LGPT risk is where the insured resides. If a commercial line coverage – LGPT is where the business is located (may also be PPB or Home Office). See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty
59		Premises and Operations (OL&T and M&C)	Policies covering the liability of an insured to persons who have incurred bodily injury or property damage on an insured's premises during normal operations or routine maintenance, or from an insured's business operations either on or off of the insured's premises.	17	LGPT risk is where the business is located (may also be PPB or Home Office). See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty
60		Professional Errors and Omissions Liability	Coverage available to pay for liability arising out of the performance of professional or business related duties, with coverage being tailored to the needs of the specific profession. Examples include abstracters, accountants, insurance adjusters, architects, engineers, insurance agents and brokers, lawyers, real estate agents,	17	LGPT risk is where the PPB or the Home Office is located.	Casualty

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			stockbrokers.			
61		Umbrella and Excess (Commercial)	Coverage for the liability of a commercial venture above a specific amount set forth in a basic policy issued by the primary insurer; or a self-insurer for losses over a stated amount; or an insured or self-insurer for known or unknown gaps in basic coverages or self-insured retentions. Note: Does not include excess workers' compensation insurance.	17	LGPT risk is where the PPB or the Home Office is located. See guidelines below for determining priority of coverages and allocation of risk for multiple locations.	Casualty
62		Umbrella and Excess (Personal)	Non-business liability protection for individuals above a specific amount set forth in a basic policy issued by the primary insurer; or a self-insurer for losses over a stated amount; or an insured or self-insurer for known or unknown gaps in basic coverages or self-insured retentions.	17	LGPT risk is where the insured resides.	Casualty
63		Veterinarian	Liability coverage for the acts of a veterinarian.	17	LGPT risk is where the vet's principal office is located.	Casualty
64		Internet Liability	Liability arising out of claims for wrongful acts related to the content posted on a website by the insured or the insured's failure to maintain the security of its computer systems.	17	LGPT risk is where the insured resides or, if a business, where the PPB or the Home Office is located.	Casualty
65	Product Liability		Coverage for losses or injuries caused by defect or malfunction of the product.	18	LGPT risk is where the manufacturer is located. Location may also be PPB or Home Office if manufacturer is not located in Kentucky but has a risk located in Kentucky.	Casualty
66	Personal Auto		Privately owned motor vehicles and trailers—for use on public roads—not owned or used for commercial purposes. This includes Personal Auto Combinations of Private Passenger Auto, Motorcycle, Financial Responsibility Bonds, Recreational Vehicles and/or Other Personal Auto.	19.1—21.1	LGPT risk is where the automobile is principally garaged.	Motor Vehicle
67		Private Passenger Auto (PPA)	PPA filings that include singularly or in any combination coverage such as the following: Auto Liability, Personal Injury Protection (PIP), Medical Payments (MP), Uninsured/Underinsured (UM/UIM); Specified Causes of Loss, Comprehensive, and Collision.	19.1—21.1	LGPT risk is where the automobile is principally garaged.	Motor Vehicle
68		Motorcycle	Motorcycle filings that include singularly or in any combination coverage such as in the following: Motorcycle Liability, PIP, MP, UM/UIM, Specified Causes of Loss, Comprehensive, and Collision.	19.1—21.1	LGPT risk is where the motorcycle is principally garaged.	Motor Vehicle
69		Recreational Vehicle (RV)	RV filings (including filings for Golf Carts) which include singularly or in any combination coverage such as the following: Auto Liability, PIP, MP, Uninsured Motorist and/or Underinsured Motorists	19.1—21.1	LGPT risk is where the RV is principally garaged.	Motor Vehicle

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			(UM/UIM); Specified Causes of loss, Comprehensive, and Collision.			
70		Other	A catchall code for other than the previously presented auto coding used for Personal Auto.	19.1—21.1	LGPT risk is where the [mode of transportation] is principally garaged.	Motor Vehicle
71	Commercial Auto		Coverage for motor vehicles owned by a business engaged in commerce that protects the insured against financial loss because of legal liability for motor vehicle related injuries, or damage to the property of others caused by accidents arising out of the ownership, maintenance, use, or care-custody & control of a motor vehicle. This includes Commercial Auto Combinations of Business Auto, Garage, Truckers and/or Other Commercial Auto.	19.3—21.2	LGPT risk is where the “HUB” is located or where the motor vehicles are principally garaged/docked. If no HUB exists, where the PPB or Home Office is located.	Motor Vehicle
72		Business Auto	Coverage for motor vehicles, other than those in the garage business, engaged in commerce. Business Auto filings include singularly or in any combination coverage such as the following: Auto Liability, PIP, MP, Uninsured Motorist and/or Underinsured Motorists (UM/UIM); Specified Causes of Loss, Comprehensive, and Collision.	19.3—21.2	LGPT risk is where the “HUB” is located or where the motor vehicles are principally garaged/docked. If no HUB exists, where the PPB or Home Office is located.	Motor Vehicle
73		Garage	Garage auto filings pertaining to auto dealers and to auto non-dealers (auto repair shops, auto service stations, parking garages, and similar risks). Garage filings include singularly or in any combination coverage such as the following: Garage Liability, Garagekeepers Legal Liability, PIP, MP, UM/UIM; Specified Causes of Loss, Comprehensive, and Collision.	19.3—21.2	LGPT risk is where the repair shop, dealership, garage is located.	Motor Vehicle
74		Truckers	Coverage for persons or organizations engaged in the business of transporting property by auto for hire, including coverage of the specialized liability exposure created by trailer interchange agreements.	19.3—21.2	LGPT risk is where the “HUB” is located or where the motor vehicles are principally garaged/docked. If no HUB exists, where the PPB or Home Office is located.	Inland Marine
75	Mobile Homes under Transport		Mobile Homes while under transport for personal or commercial use.	21.1-21.2	LGPT risk is where the “HUB” is located or where the transport vehicles are principally garaged/docked. If no HUB exists, where the PPB or Home Office is located.	Inland Marine

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
76	Aircraft		Coverage for aircraft (hull) and their contents; aircraft owners' and aircraft manufacturers liability to passengers, airports and other third parties.	22	LGPT risk is where the hanger that houses the aircraft is located or, if no hanger, the airport where the aircraft is principally docked.	Inland Marine
77	Fidelity		A bond or policy covering an employer's loss resulting from an employee's dishonest act (e.g., loss of cash, securities, valuables, etc.) See also Surety as defined by KRS 304.5-060.	23	LGPT risk is where the PPB or Home Office of the employer is located. If a surety transaction, see surety below.	All Other Risks
78	Surety		A three-party agreement where the insurer agrees to pay a second party (the obligee) or make complete an obligation in response to the default, acts, or omissions of a third party (the principal or obligor). 304.5-060 "Surety insurance" defined. "Surety insurance" includes: (1) Fidelity insurance, which is insurance guaranteeing the fidelity of persons holding positions of public or private trust. (2) Insurance guaranteeing the performance of contracts, other than insurance policies, and guaranteeing and executing bonds, undertakings, and contracts of suretyship. (3) Insurance indemnifying banks, bankers, brokers, financial or moneyed corporations or associations against loss, resulting from any cause, of bills of exchange, notes, bonds, securities, evidences of debt, deeds, mortgages, warehouse receipts or other valuable papers, documents, money, precious metals and articles made therefrom, jewelry, watches, gems, precious and semiprecious stones, including any loss while the same are being transported in armored motor vehicles, or by messenger, but not including any other risks of transportation or navigation; also insurance against loss or damage to such an insured's premises or to his furnishings, fixtures, equipment, safes and vaults therein, caused by burglary, robbery, theft, vandalism or malicious mischief, or any attempt thereat.	24	In a surety or other bond transaction, local government premium tax is applicable based on the location of the project (if applicable). If there is no project, LGPT risk is where the obligee is located. The amount of tax is determined by the tax imposed by the local government where the risk is located (jurisdiction of the project/obligee). Unless otherwise provided by local ordinance, a surety or other bond instrument is not exempt from local government premium tax on the basis that the obligee or principal on the surety or bond instrument is a local government.	All Other Risks
79	Burglary and Theft		Coverage for property taken or destroyed by break-in and entering the insured's premises; burglary or theft; forgery or counterfeiting; fraud; and off-premises exposure. Includes Fidelity and Surety coverage written as part of a Crime and Fidelity program.	26	LGPT risk is where the insured resides or, if a business, where the PPB or the Home Office is located. If a surety transaction, see surety above.	Casualty

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
80		Commercial	Burglary and theft coverage for commercial enterprises.	26	LGPT risk is where the insured property is located. If the insured property cannot be determined or is in multiple locations, the risk is where the PPB or the Home Office is located.	Casualty
81		Personal	Burglary and theft coverage for personal or household risks.	26	LGPT risk is where the insured resides.	Casualty
82	Boiler & Machinery or Equipment Breakdown		Coverage for the failure of boilers, machinery and other electrical equipment. Benefits include (i) property of the insured, which has been directly damaged by the accident; (ii) costs of temporary repairs and expediting expenses; and (iii) liability for damage to the property of others. Coverage also includes inspection of the equipment.	27	LGPT risk is where the equipment/machinery is located.	Casualty
83	Credit — Commercial Property		Coverage purchased by manufacturers, merchants, educational institutions, or other providers of goods and services extending credit, for indemnification of losses or damages resulting from the nonpayment of debts owed to them for goods or services provided in the normal course of their business.	28	LGPT risk is where the retailer, merchant, manufacturer, etc. is located.	Casualty
84	Credit— Personal Property		This section is for use where credit personal property is handled by the property and casualty section of the state insurance department. Under Code 28.0001 through Code 28.0003 credit insurance may be either “single interest” or “dual interest”. Single interest means insurance that protects only the creditor’s interest in the collateral securing a debtor’s credit transaction. Dual interest (also commonly referred to as “limited dual interest”) means insurance that protects the creditor’s and the debtor’s interest in the collateral securing the debtor’s credit transaction.	28	LGPT risk is where the insured property is located.	(Generally) Casualty
85		Creditor-Placed Home	Single interest or dual interest credit insurance purchased unilaterally by the creditor, who is the named insured, subsequent to the date of the credit transaction, providing coverage against loss to property that would either impair a creditor’s interest or adversely affect the value of collateral on homes, mobile homes, and other real estate.	28	LGPT risk is where the insured property is located. (or creditor)	Casualty
86		Creditor-Placed Auto	Single interest or dual interest credit insurance that is purchased unilaterally by the creditor, who is the named insured, subsequent to the date of the credit transaction, providing coverage against loss to property that would either impair a creditor’s interest or adversely affect the value of collateral on automobiles, boats, or other vehicles.	28	LGPT risk is where the automobile is principally garaged. . (or creditor)	Motor Vehicle
		Personal Property	Single interest or dual interest credit insurance (where collateral is not a motor vehicle, mobile home, or real estate) that covers perils to	28	LGPT risk is where the insured property is	Casualty

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
87			goods purchased or used as collateral and that concerns a creditor's interest in the purchased goods or pledged collateral either in whole or in part; or covers perils to goods purchased in connection with an open-end credit transaction.		located.	
88		Credit Unemployment Involuntary	Credit insurance that provides a monthly or lump sum benefit during an unpaid leave of absence from employment resulting from specified causes, such as layoff, business closure, strike, illness of a close relative and adoption or birth of a child. This insurance is sometimes referred to as Credit Family Leave.	28	LGPT risk is where the insured employee resides.	Casualty
89		Personal GAP Insurance	Credit insurance that insures the excess of the outstanding indebtedness over the primary property insurance benefits in the event of a total loss to a collateral asset.	28	LGPT risk is where the insured debtor resides.	Casualty
90	Combinations		A special form of package policy composed of personal automobile and homeowners insurance.	None	LGPT risk is where the insured real property is located.	Casualty and Motor Vehicle (Premium tax apportioned by risk)
91		Dwelling Liability Property/Personal	A special form of package policy composed of dwelling fire and/or allied lines, and personal liability insurance.	None	LGPT risk is where the insured real property is located.	Casualty and Fire and Allied Lines If coverage includes Fire and Allied coverage, this portion should be reported under Fire and Allied Lines. See guideline #5 above regarding indivisible premium
92		Mechanical Insurance Breakdown	An <i>insurance policy</i> , issued by an insurance company, which provides repair or replacement service—or indemnification for that service—for the operational or structural failure of property due to defects in materials or workmanship, or normal wear and tear. (May cover motor vehicles, mobile equipment, boats, appliances, electronics, residential structures, etc.)	30	Per KRS 304.5-070(1)(p), automobile guaranty may not be considered insurance. If the statutory requirements are not met, the product is insurance. LGPT risk is where the automobile is principally garaged.	Casualty

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
93		Service Contracts	<i>A contract or agreement</i> given for consideration over and above the purchase or lease price of the covered property and that undertakes to perform or provide repair or replacement service, or reimbursement for that service, for the operational or structural failure of covered property due to defect in materials or workmanship or normal wear and tear, but does not include mechanical breakdown insurance. (See 17.0004 for contractual liability insurance issued to reimburse service contract providers for liabilities assumed under service contracts.)	30	Per KRS 304.5-070(1)(q), service contracts for consumer goods may not be considered insurance. If the statutory requirements are not met, the product is insurance. LGPT risk is where the consumer good is located.	Casualty
94	Title		Coverage that guarantees the validity of a title to real and personal property. Buyers of real and personal property and mortgage lenders rely upon the coverage to protect them against losses from undiscovered defects in existence when the policy is issued. 304.5-090 "Title insurance" defined. "Title insurance" is insurance of owners of property or others having an interest therein, or liens or encumbrances thereon, against loss by encumbrance, or defective title, or invalidity, or adverse claim to title.	None	LGPT risk is where the real property is located. The insurance company should make every effort to identify the actual address of the real property. If a typical address is not available to identify the location of the real property, any other method for determining risk location will be acceptable if it is reasonably calculated to pay LGPT to the appropriate taxing jurisdiction	All Other Risks
95	Life		304.5-020 "Life insurance" defined. "Life insurance" is insurance on human lives. The transaction of life insurance includes the granting of endowment benefits, additional incidental benefits in the event of death by accident or accidental means, additional incidental benefits in the event of loss of eyesight or limb by accident or disease, additional incidental benefits in the event of the insured's disability, optional modes of settlement of proceeds of life insurance, and provisions operating to safeguard contracts of life insurance against lapse.		Primary residence of the person whose life is insured under the policy. Tax is on first year life premium collected. [KRS 91A.080(2)] For group life insurance paid for entirely by the master policyholder for which no individual insured records are established or maintained, the risk shall be located at the address of the master policyholder.	Life
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	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
96	Annuity		<p>304.5-030 "Annuity" defined.</p> <p>An "annuity" is a contract under which obligations are assumed with respect to periodic payments for a specific term or terms, or where the making or continuance of all or some of such payments, the amount of any such payment is dependent upon the continuance of human life, except payments made pursuant to optional modes of settlement under KRS 304.5-020. Such a contract which includes extra benefits of the kinds set forth in KRS 304.5-020 and 304.5-040 shall nevertheless be deemed to be an annuity if such extra benefits constitute a subsidiary or incidental part of the entire contract.</p>		Excluded from LGPT	None
97	Health		<p>304.5-040 "Health insurance" defined.</p> <p>"Health insurance" is insurance of human beings against bodily injury, disablement, or death by accident or accidental means, or the expense thereof, or against disablement or expense resulting from sickness, and every insurance appertaining thereto.</p>		<p>Risk location on taxable health insurance policies is where the insured person resides.</p> <p>KRS91A.080(10) excludes from LGPT some forms of health insurance policies as follows: (10) No license fee or tax imposed under this section shall apply to premiums received on: (a) Policies of group health insurance provided for state employees under KRS 18A.225; (c) Health insurance policies issued to individuals; (d) Policies issued through Kentucky Access created in Subtitle 17B of KRS Chapter 304; or (e) Policies for high deductible health plans as defined in 26 U.S.C. sec. 223(c)(2).</p> <p>For group health/disability</p>	Health

	Type of Insurance	Sub-Type of Insurance	Description	NAIC Annual Statement Line	Risk Location	LGT Reporting Line
					insurance paid for entirely by the master policyholder for which no individual insured records are established or maintained, the risk shall be located at the address of the master policyholder.	