



Vertafore™

Entering Multi-State Taxes for NRRA Compliance Workflow

Versions 6.4.0 and Earlier

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Entering Multi-State Taxes for NRRA Compliance Workflow

This workflow is intended for use with Agency Information Manager (AIM) versions 6.4.0 and earlier. We will show you how to process multi-state taxes in keeping with the Non-Admitted and Reinsurers' Reform Act (NRRA) requirements. Of utmost concern is the ability to set the payable ID for all taxes to the home state of the submission in accordance with NRRA requirements, as well user's ability to manage the applicable tax rates.

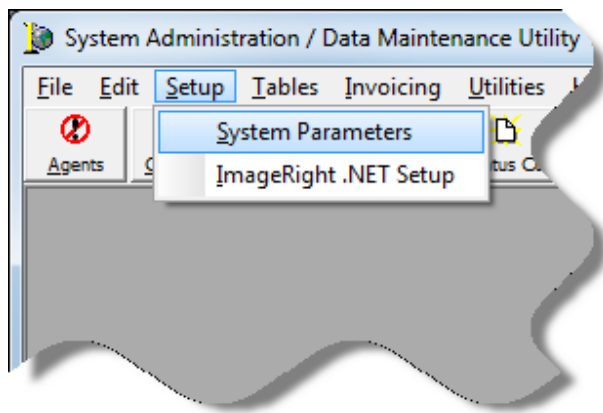


Figure 1: System Parameters

1. In Data Maintenance Utility (DMU), click the Setup menu and select System Parameters, as shown in Figure 1.

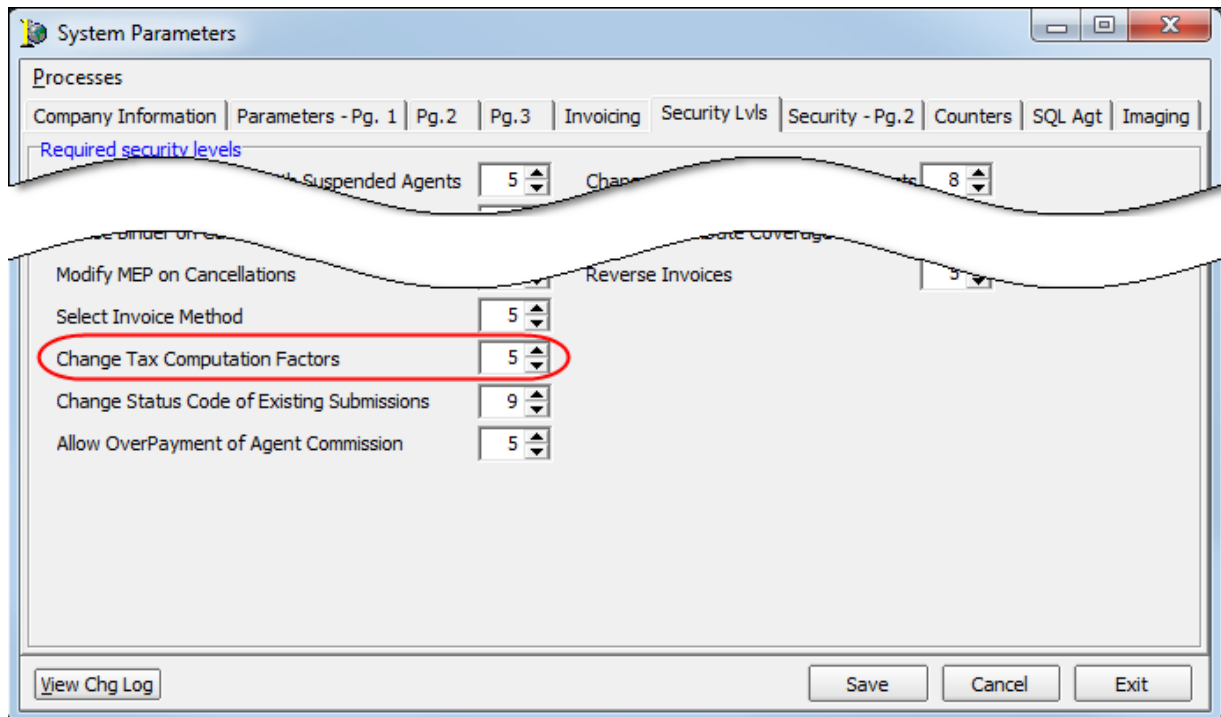


Figure 2: Change Tax Computation Factors

2. Click the Security Lvl's tab (Figure 2).
3. In the Change Tax Computation Factors box, change the security level to match the security level of the users that are responsible for allocating taxes for a binder in AIM.
4. Click Save, then click Exit.

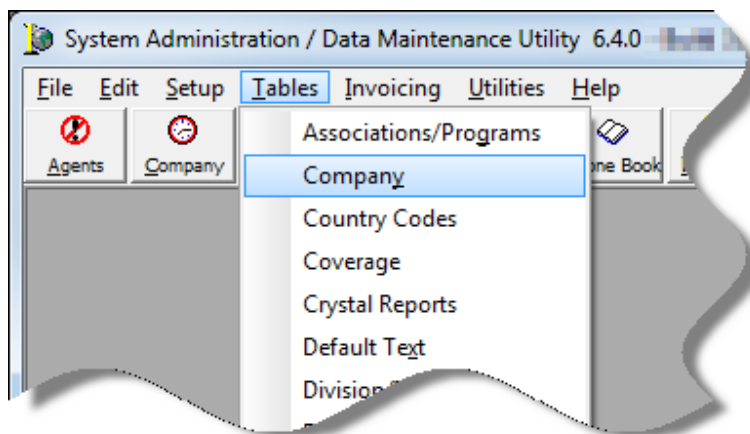


Figure 3: Company

5. On the Tables menu, click Company, as shown in Figure 3.

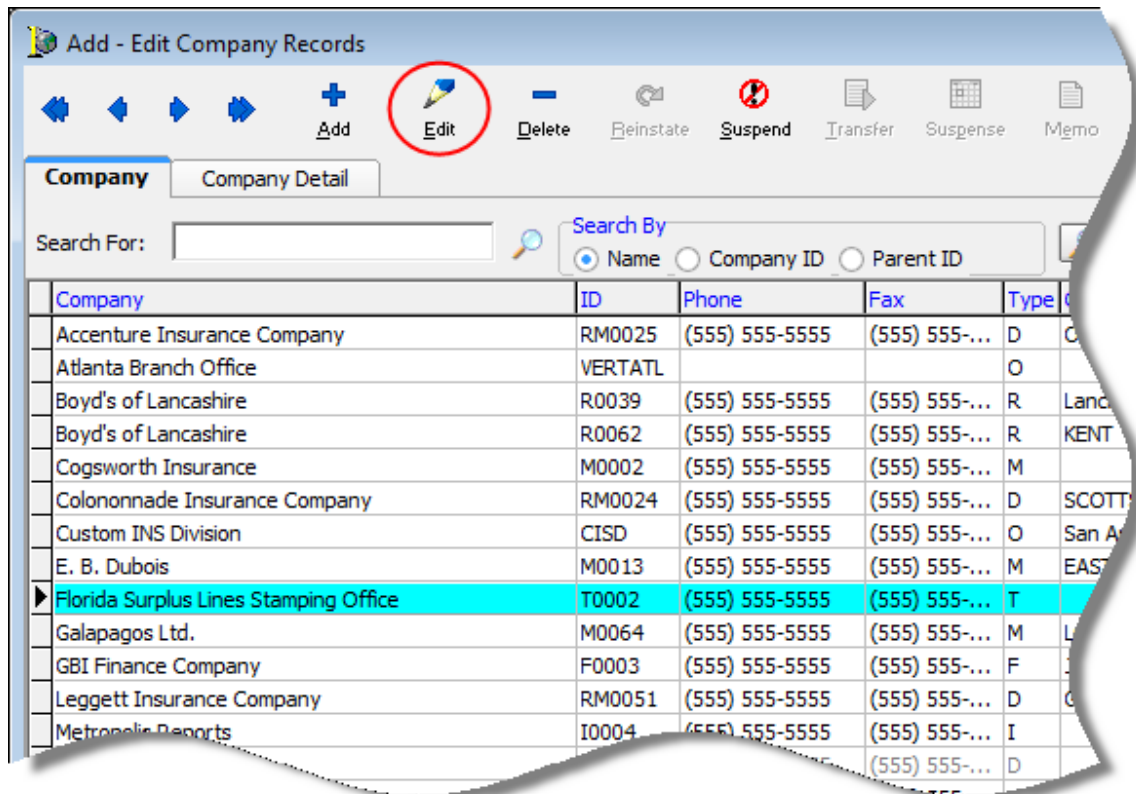
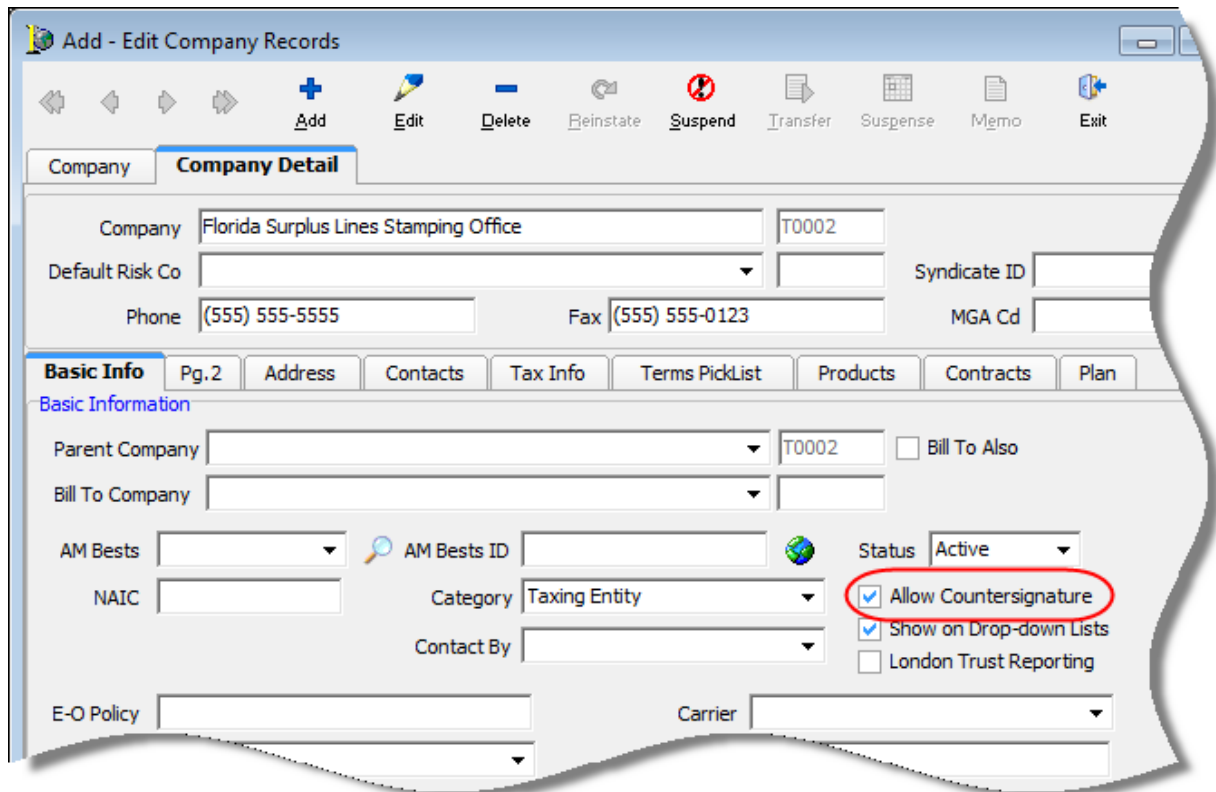


Figure 4: Home state taxing entity

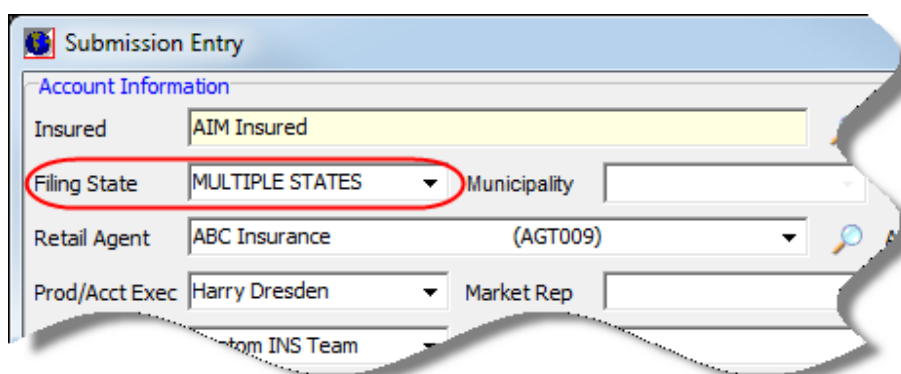
6. Select the taxing entity that will be used as the home state and click Edit (Figure 4).



The screenshot shows the 'Add - Edit Company Records' window with the 'Company Detail' tab selected. The 'Basic Info' section is expanded, showing various fields. The 'Allow Countersignature' checkbox is checked and circled in red. Other visible fields include 'Company' (Florida Surplus Lines Stamping Office), 'Phone' ((555) 555-5555), 'Fax' ((555) 555-0123), 'Status' (Active), and 'Category' (Taxing Entity).

Figure 5: Allow Countersignature

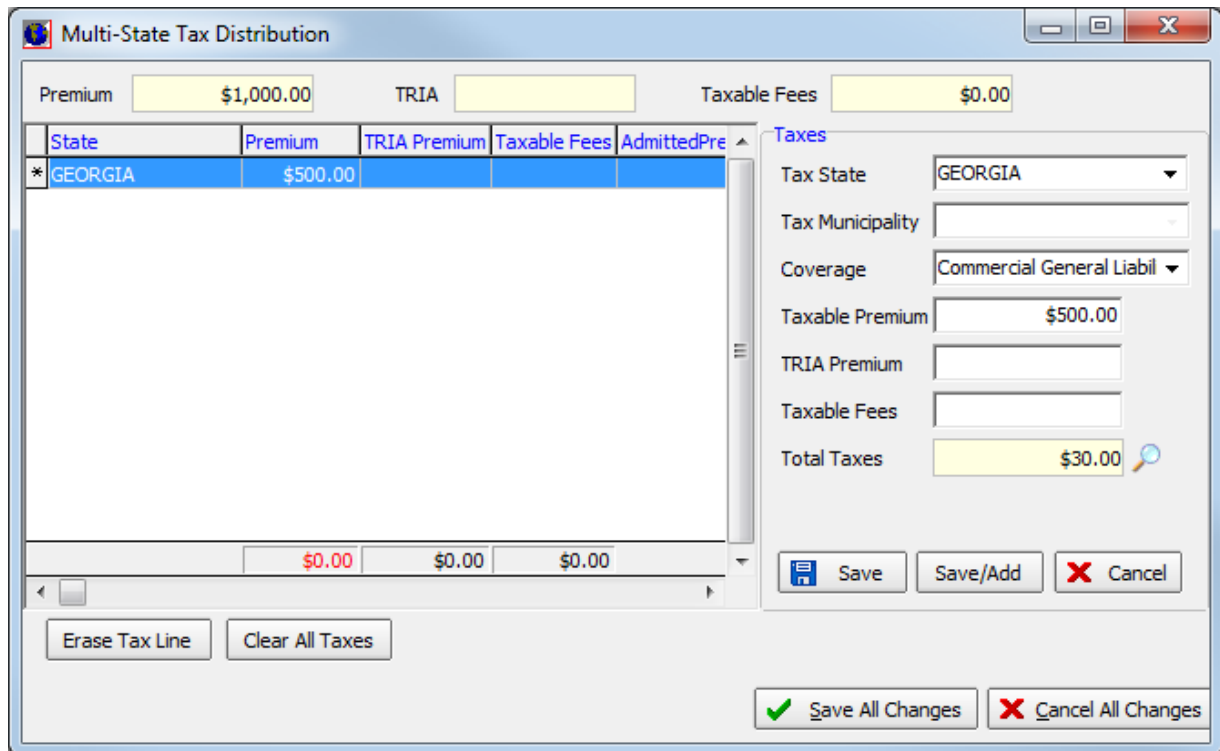
7. On the Company Detail tab, select Allow Countersignature, as shown in Figure 5.
8. Click OK to save this change.



The screenshot shows the 'Submission Entry' window with the 'Account Information' section expanded. The 'Filing State' dropdown menu is set to 'MULTIPLE STATES' and is circled in red. Other visible fields include 'Insured' (AIM Insured), 'Retail Agent' (ABC Insurance), and 'Prod/Acct Exec' (Harry Dresden).

Figure 6: Submission Entry

9. In AIM Submission Entry, select Multiple States in the Filing State list, as shown in Figure 6, when quoting or binding a risk with multiple states.



Premium TRIA Taxable Fees

State	Premium	TRIA Premium	Taxable Fees	AdmittedPre
* GEORGIA	\$500.00			

Taxes

Tax State:

Tax Municipality:

Coverage:

Taxable Premium:

TRIA Premium:


Taxable Fees:

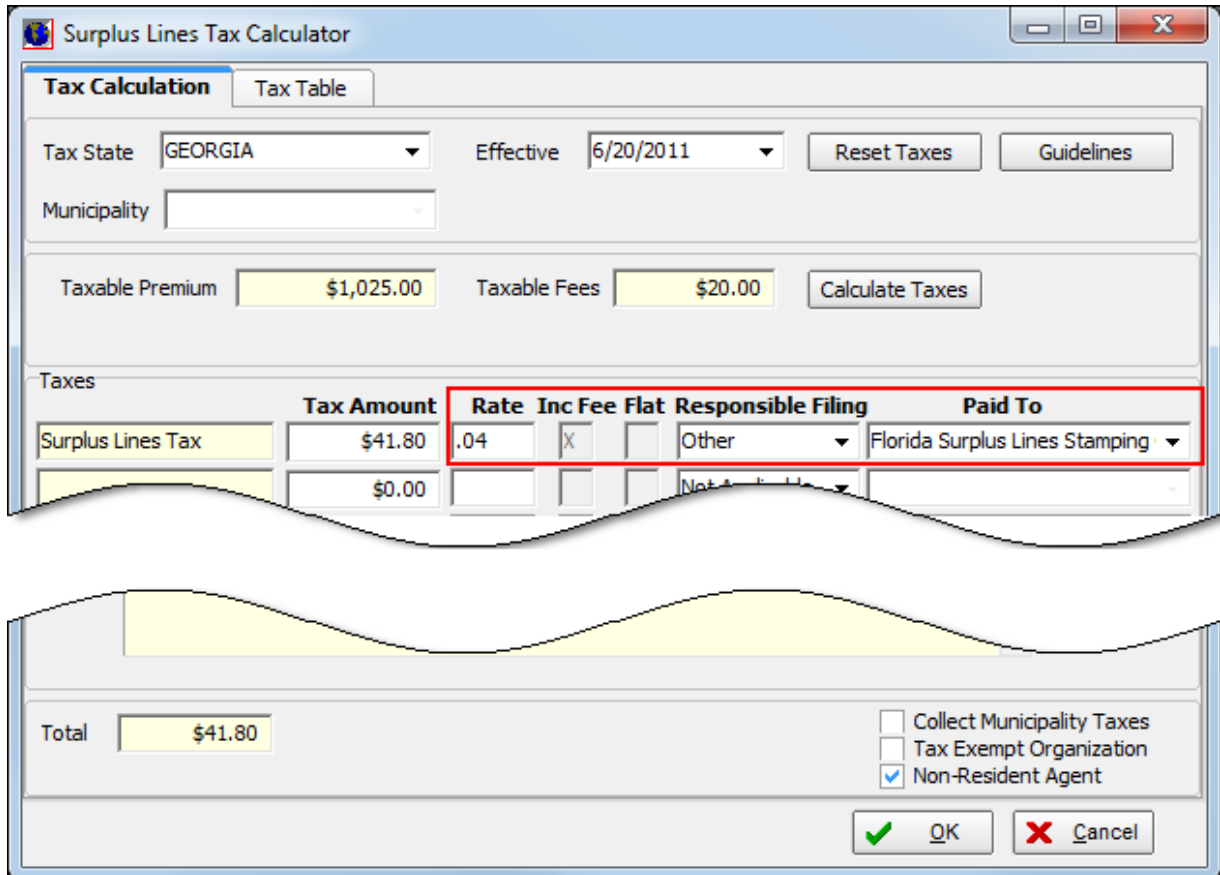
Total Taxes:

Erase Tax Line Clear All Taxes

Save Save/Add Cancel Save All Changes Cancel All Changes

Figure 7: Multi-State Tax Distribution

10. In Multi-State Tax Distribution (Figure 7), enter the following for each applicable state:
 - Tax State
 - Coverage
 - Taxable Premium
 - TRIA Premium
 - Taxable Fees
11. Click  to modify the tax information for the state.



Surplus Lines Tax Calculator

Tax Calculation | Tax Table

Tax State: GEORGIA | Effective: 6/20/2011 | Reset Taxes | Guidelines

Municipality: []

Taxable Premium: \$1,025.00 | Taxable Fees: \$20.00 | Calculate Taxes

Taxes	Tax Amount	Rate	Inc	Fee	Flat	Responsible Filing	Paid To
Surplus Lines Tax	\$41.80	.04	X			Other	Florida Surplus Lines Stamping
	\$0.00					Not Applicable	

Total: \$41.80

Collect Municipality Taxes
 Tax Exempt Organization
 Non-Resident Agent

OK Cancel

Figure 8: Surplus Lines Tax Calculator

12. In the Rate box, shown in Figure 8, enter the appropriate tax rate of the home state or risk state.
13. In the Responsible Filing box, select Other.
14. In the Paid To box, select the taxing entity for the home state.
15. Click OK.

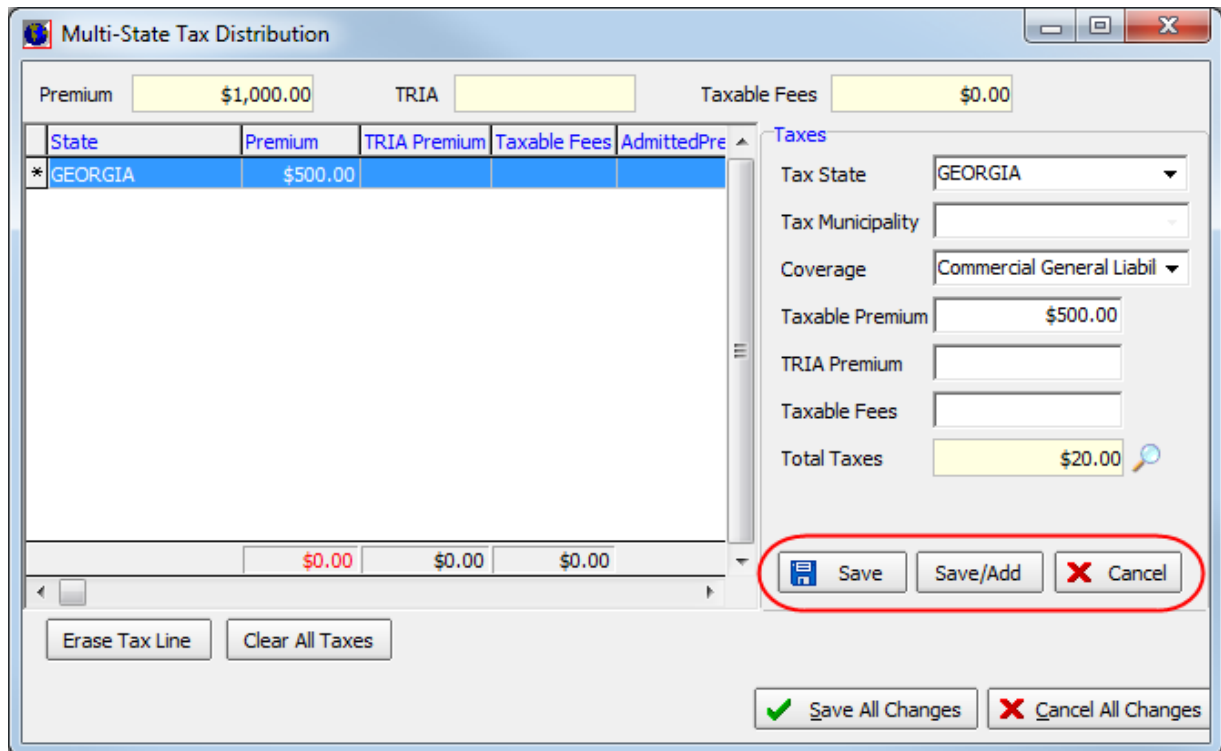


Figure 9: Multi-State Tax Distribution

16. Click Save to save your changes or click Save/Add to save your changes and add a new tax state using the process we just described.
17. To remove a tax line that you have added, select the tax line in the grid and click Erase Tax Line.
18. When you have finished adding tax states, click Save All Changes.