

Miscellaneous:

Florida: New Law Creates Temporary Refundable Insurance Premium Tax Credit for Insurers

H.B. 7073, signed by gov. 5/7/24. Recently signed legislation provides temporary insurance premium policyholder deductions for certain Florida residential property and personal or commercial flood policies and creates a corresponding Florida insurance premium tax credit for insurers. Specifically, applicable to eligible policies with coverage for a twelve-month period and an effective date between October 1, 2024, and September 30, 2025, the legislation requires insurers in Florida to provide a deduction of 1.75% of the total premium charged on eligible residential property policies and personal or commercial flood policies, as well as a deduction on the total premium charged on residential properties in an amount equal to the State Fire Marshal regulatory assessment charged for such policies under Fla. Stat. section 624.515. Correspondingly, the bill creates a tax credit that can be used by an insurer against the insurer's Florida insurance premium tax liability under Fla. Stat. section 624.509 – specifically, for the taxable years beginning on January 1, 2024, and January 1, 2025, there is allowed a credit of 100% of the amount of the deductions that the insurer provides to policyholders pursuant to the provisions of this bill. If the insurer has insufficient tax liability in a given taxable year to use the entire credit, the legislation permits the Florida Department of Revenue to issue refunds to qualifying insurers for any unused credits. Please contact us with any questions.

[URL: https://www.myfloridahouse.gov/Sections/Bills/billsdetail.aspx?BillId=80485](https://www.myfloridahouse.gov/Sections/Bills/billsdetail.aspx?BillId=80485)

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