

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1926
Committee Substitute Favorable 5/29/89
Committee Substitute #2 Favorable 6/14/89

Short Title: Workers' Comp. Tax/Assessment.

(Public)

Sponsors:

Referred to:

May 10, 1989

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE FOR THE USE OF EXPERIENCE MODIFIERS IN
2 CALCULATING AN INDIVIDUAL SELF-INSURED WORKERS'
3 COMPENSATION MAINTENANCE FUND TAXES AND TO INCREASE THE
4 ASSESSMENT PERCENTAGE FOR THE STOCK AND MUTUAL WORKERS'
5 COMPENSATION SECURITY FUNDS.
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 97-100(j) reads as rewritten:

9 "(j) Every employer carrying his own risk under the provisions of G.S. 97-93 shall,
10 under oath, report to the Commissioner of Insurance his payroll, subject to the
11 provisions of this Article. Such report shall be made in form prescribed by the
12 Commissioner of Insurance, and at the times herein provided for premium reports by
13 insurer. The Commissioner of Insurance shall assess against such payroll a maintenance
14 fund tax computed by taking such percent of the basic premiums charged against the
15 same or most similar industry or business taken from the manual insurance rate then in
16 force in this State as is assessed in the Revenue Act against the insurance carriers for
17 premiums collected on compensation insurance policies. However, an employer may
18 use an approved experience modifier in calculating its maintenance fund tax liability
19 under this section. Receipts collected under this subsection shall be deposited to the
20 credit of the State Treasurer as general fund revenue."

21 Sec. 2. G.S. 97-109 reads as rewritten:

22 "**§ 97-109. Contributions by stock carriers of ~~1%~~2% of net written premiums.**

1 For the privilege of carrying on the business of workers' compensation insurance in
2 this State, every stock carrier ~~shall pay into the stock fund on the first day of September,~~
3 ~~1935, a sum equal to one per centum (1%) of its net written premiums as shown by the~~
4 ~~return hereinbefore prescribed for the period ending June 30, 1935, and thereafter each~~
5 ~~such stock carrier, upon filing each semiannual return as prescribed in G.S. 97-108,~~
6 shall pay into the stock fund a sum equal to ~~one per centum (1%)~~ of up to two percent
7 (2%), as determined by the Commissioner, of its net written premiums for the period
8 covered by such return."

9 Sec. 3. G.S. 97-116 reads as rewritten:

10 **"§ 97-116. Contributions by mutual carriers of ~~1%~~2% of net written premiums.**

11 For the privilege of carrying on the business of workers' compensation insurance in
12 this State, every mutual carrier ~~shall pay into the mutual fund on the first day of~~
13 ~~September, 1935, a sum equal to one per centum (1%) of its net written premiums, as~~
14 ~~shown by the return hereinbefore prescribed for the period ending June 30, 1935, and~~
15 ~~thereafter each such mutual carrier, upon filing each semiannual return as prescribed in~~
16 G.S. 97-115, shall pay into the mutual fund a sum equal to ~~one per centum (1%)~~ of up to
17 two percent (2%), as determined by the Commissioner, of its net written premiums, as
18 shown for the period covered by such return."

19 Sec. 4. Section 1 of this act is effective for taxable years beginning January
20 1, 1990; the remaining sections are effective upon ratification.