# California Department of Insurance (CDI) Frequently Asked Questions for Whole Dollar Tax Reporting for Surplus Line Brokers (Updated 1/22/2024)

- 1. Do we round up to the next whole dollar or do we round to the nearest whole dollar up or down depending on the amount?
  - When reporting amounts in whole dollar, tax filers are to disregard the fractional part of a dollar, unless it amounts to fifty cents (\$0.50) or more, in which case it shall be increased to one dollar (\$1.00).
  - For the **2023** Tax Return: Report in Whole Dollars for Lines 1-3, 5, 8, and 9. Pay the amount due as reported.

	11/2024) For example us	e only. Not posted.			Tax Due	e Date March 1, 2
Broker's Name					License Number	
).B.A.					Federal Tax I.D. No.	
failing Address					EFT Taxpayer I.D. No.	
ity, State, Zip					(Leave blank)	(Leave blank
elephone Number					(Leave blank)	(Leave blank
lethod of Tax Payment:	O No Payment	O Check	Ó EFT		(Leave blank)	(Leave blank
heck all that apply:	Ono Payment	Q check	0 In		(Leave blank)	(Leave blank
Reporting Multi-state Ri	sk				(Leave blank)	(Leave blank
		ate the effective dat	a of the final transaction			-
Name Change	Amended Return		e of the final transaction e when it was amended		(Leave blank) (Leave blank)	(Leave blank (Leave blank
statement of California 1 On Policies/Certificates From January 1, 2023 To	and Endorsements Tra December 31, 2023 (F	insacted by The Br	-			
nnual Tax (Enter amour	nt in Column F)				(Column F)	CDI Use Onl
. Gross Taxable Pren	niums transacted during	2023 (Line 10+10A	+10B+10C, pg 2-5)	\$		
Returned Premiums	s during 2023 (Line 11 +	Line 12, pg 6-7)		\$		
. Net Taxable Premiu	ıms (Line 1 less Line 2)			s		
. Tax Rate					3%	
2023 Annual Tax				\$		
realls & Prenayments (					(Calure D)	
	Enter amount in Column	-			(Column F)	
Deduct Monthly Tax	Payments made for 20	23 Tax Year.			(Column F)	
A. Credit Applied		23 Tax Year.		\$	(Column F)	
A. Credit Applied B. Jan (due 4/1)	Payments made for 20	23 Tax Year.		\$	(Column F)	
A. Credit Applied B. Jan (due 4/1) C. Feb (due 5/1)	Payments made for 20	23 Tax Year.		\$	(Column F)	
A. Credit Applied B. Jan (due 4/1) C. Feb (due 5/1) D. Mar (due 6/1)	Payments made for 20	23 Tax Year.		\$	(Column F)	
A. Credit Applied B. Jan (due 4/1) C. Feb (due 5/1)	Payments made for 20	23 Tax Year.		\$	(Column F)	
A. Credit Applied B. Jan (due 4/1) C. Feb (due 5/1) D. Mar (due 6/1)	Payments made for 20	23 Tax Year.		\$ \$ \$	(Column F)	
Deduct Monthly Tax     A. Credit Applied     B. Jan (due 4/1)     C. Feb (due 5/1)     D. Mar (due 6/1)     E. Apr (due 7/1)	Payments made for 20	23 Tax Year.		\$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)	Payments made for 20	23 Tax Year.		\$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)	Payments made for 20	23 Tax Year.		\$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)	Payments made for 20	23 Tax Year.		\$ \$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)           I.         Aug (due 11/1)           J.         Sept (due 12/1)	Payments made for 20	23 Tax Year.		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)           I.         Aug (due 11/1)           J.         Sept (due 12/1)           K.         Oct (due 1/1)	( Payments made for 20 I from 2022 Annual Tax ) )	23 Tax Year.		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)           I.         Aug (due 11/1)           J.         Sept (due 12/1)           K.         Oct (due 1/1)           L.         Nov (due 2/1)	( Payments made for 20 I from 2022 Annual Tax ) )	23 Tax Year.		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)           I.         Aug (due 11/1)           J.         Sept (due 12/1)           K.         Oct (due 1/1)           L.         Nov (due 2/1)           M.         Dec (due 3/1)	(Payments made for 20 from 2022 Annual Tax	23 Tax Year. Overpayment		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)           I.         Aug (due 11/1)           J.         Sept (due 12/1)           K.         Oct (due 1/1)           L.         Nov (due 2/1)           M.         Dec (due 3/1)           Total Monthly Tax	Payments made for 20 from 2022 Annual Tax p ) 1) Payments (Sum of Lin	23 Tax Year. Overpayment		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           D.         Mar (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)           I.         Aug (due 11/1)           J.         Sept (due 12/1)           K.         Oct (due 1/1)           L.         Nov (due 2/1)           M.         Dec (due 3/1)           J.         Total Monthly Tax           Innual Tax Due (Enter a         Innual Tax	Payments made for 20 from 2022 Annual Tax ) ) 1) Payments (Sum of Lin mount in Column F)	23 Tax Year. Overpayment		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax     A. Credit Applied     B. Jan (due 4/1)     C. Feb (due 5/1)     D. Mar (due 6/1)     E. Apr (due 7/1)     F. May (due 8/1)     G. Jun (due 9/1)     H. Jul (due 10/1)     I. Aug (due 10/1)     I. Aug (due 11/1     J. Sept (due 12/1)     K. Oct (due 12/1)     K. Oct (due 1/1)     L. Nov (due 2/1)     M. Dec (due 3/1)     .     Total Monthly Tax innual Tax Due (Enter a     If Line 5 is more th	Payments made for 20 from 2022 Annual Tax p ) 1) Payments (Sum of Lin	23 Tax Year. Overpayment e 6A through 6M) e 7 from Line 5.	• March 1st	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		
Deduct Monthly Tax     A. Credit Applied     B. Jan (due 4/1)     C. Feb (due 5/1)     D. Mar (due 6/1)     D. Mar (due 6/1)     E. Apr (due 7/1)     F. May (due 8/1)     G. Jun (due 9/1)     H. Jul (due 10/1)     I. Aug (due 10/1)     I. Aug (due 11/1     J. Sept (due 12/1)     K. Oct (due 12/1)     K. Oct (due 12/1)     K. Oct (due 12/1)     M. Dec (due 3/1)     Total Monthly Tax innual Tax Due (Enter a     If Line 5 is more th     This is the amount of	Payments made for 20 I from 2022 Annual Tax () ) Payments (Sum of Lin mount in Column F) Ian Line 7, subtract Lin of Annual Tax Owed. N	23 Tax Year. Overpayment e 6A through 6M) e 7 from Line 5.	• March 1st	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		
Deduct Monthly Tax     A. Credit Applied     B. Jan (due 4/1)     C. Feb (due 5/1)     D. Mar (due 6/1)     E. Apr (due 7/1)     F. May (due 8/1)     G. Jun (due 9/1)     H. Jul (due 10/1)     I. Aug (due 10/1)     I. Aug (due 10/1)     I. Aug (due 11/1     J. Sept (due 12/1)     K. Oct (due 12/1)     K. Oct (due 12/1)     K. Oct (due 2/1)     M. Dec (due 3/1)     Total Monthly Tax innual Tax Due (Enter a     If Line 5 is more th     This is the amount (     ax Refund / Credit (Enter	Payments made for 20 I from 2022 Annual Tax () ) Payments (Sum of Lin mount in Column F) Ian Line 7, subtract Lin of Annual Tax Owed. N	23 Tax Year. Overpayment e 6A through 6M) e 7 from Line 5. let Annual Tax Due		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(Column F)	
Deduct Monthly Tax           A.         Credit Applied           B.         Jan (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 4/1)           C.         Feb (due 5/1)           D.         Mar (due 6/1)           E.         Apr (due 7/1)           F.         May (due 8/1)           G.         Jun (due 9/1)           H.         Jul (due 10/1)           I.         Aug (due 11/1)           J.         Sept (due 2/1)           K.         Oct (due 2/1)           M.         Dec (due 3/1)           C.         Total Monthly Tax           Innual Tax Due (Enter a         If Line 5 is more th           This is the amount of ax Refund / Credit (Enter 4)         If Line 7 is m	Payments made for 20 I from 2022 Annual Tax () ) 1) Payments (Sum of Line mount in Column F) Ivan Line 7, subtract Line of Annual Tax Owed. Ner er amount in Column F)	23 Tax Year. Overpayment e 6A through 6M) e 7 from Line 5. let Annual Tax Due ct Line 5 from Line		\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	(Column F)	

(End of Page 1)

Complete and return all pages

• For the **Monthly** Tax Payment Voucher: Report in Whole Dollars for Lines 1-3, 5, 6, and 7. Pay the amount due as reported.

Surplus Line Broker's Month		Record and Make Payments in Whole Dollars.		
FS-007 (Revised 11/09/2023) For examp	· · ·	Report in Whole Dollars for Line		
Method of Payment: (Mail to address be	low payment method)	Delinquent if not paid on the 1st day of the 3rd month		
O Check	O EFT OR O Payment Voucher Only	following the end of the transaction m	onth.	
Make check payable to:	E-Mail to:	Taxable Non-admitted Premiums on Pe	olicies,	
California State Controller's Office	PremiumTaxFiling@insurance.ca.gov	Certificates, And Endorsements		
Mail to:	(Leave blank)	Transacted by This Broker:		
California Department of Insurance	(Leave blank)			
Tax Accounting Unit	(Leave blank)	(Leave blank)	(Leave blank)	
P.O. Box 1918	(Leave blank)	(Leave blank)	(Leave blank)	
Sacramento, CA 95812-1918	(Leave blank)	(Enter date or amount in Column E)	(Column E)	
I certify under penalty of perjury under	the laws of the	For the Month of:		
State of California that this is a true an	d correct declaration.	Year:		
(Enter information in Column C)	(Column C)	Tax Due Date:		
This Payment Must Be Applied To Surplus Line License No.:		Prior Year's Tax Liability:		
Name of Licensee:		1. Gross Premiums:		
Mailing Address:		2. Deduct Return Premiums:		
City, State, & Zip code:		3. Net Taxable Premiums:		
Telephone number:		4. Tax Rate:	3%	
Signature of Broker/Officer:		5. Tax Amount Due this Month:		
Date:		6. Credit Prior Month Overpayment:		
Date.				

# 2. Is there a bulletin about this change?

Notice of Whole Dollar Reporting is provided in the 2023 Tax Form instructions. Additional clarifying information will be posted on the CDI Tax Page when available.

#### 3. When does/did this go into effect?

Whole Dollar Reporting goes into effect for reporting the 2023 Annual Tax due March 1<sup>st</sup>, 2024, for surplus line brokers.

4. Is this only if mailing by check or does this apply to Electronic Funds Transfer (EFT) payments as well? Whole Dollar Reporting applies to all methods for tax payments only. (Note: Assessments must be paid in full exact amount and sent to the appropriate mailing address as provided in the assessment letter.)

#### 5. Is there a grace period on this change?

CDI will still accept your tax payment if cents were already reported/included/paid. For your next tax payment, please report/pay the tax in whole dollar.

• For the **2023** Tax Return: Report in Whole Dollars for Lines 1-3, 5, 8, and 9. Pay the amount due as reported.

• For the **Monthly** Tax Payment Voucher: Report in Whole Dollars for Lines 1-3, 5, 6, and 7. Pay the amount due as reported.

• If you already paid tax including cents, please report the cents on the tax return and/or voucher. For your next tax payment, please report/pay the tax in whole dollar.

- 6. What happens if a payment is sent in or paid via Electronic Funds Transfer (EFT) with the cents included? Please see item 5 above.
- 7. We don't need to round the premium amount correct? Please see items 1 and 5 above.

### 8. Do we round Stamping fees?

No. Whole Dollar Reporting applies only to Tax Forms filed with California Department of Insurance. This does not apply to Stamping fees which are collected by the Surplus Line Association of California.