



BULLETIN

180 Sheree Blvd., Suite 3100 Exton, PA 19341 TEL: 610-594-1340 EMAIL: PSLABulletins@pasla.org Web: www.pasla.org

DATE: January 12, 2012
TO: All Surplus Lines Agencies
FROM: Kenneth A. Rudert, Executive Director
**SUBJECT: Surplus Lines Agent Gross Premium Tax Report – RCT-123
as of December 31, 2011**

Each year at this time all surplus lines licensees (resident and non-resident) licensed in the Commonwealth of Pennsylvania are reminded to file and remit the collected gross premium surplus lines tax for the calendar year ending December 31, 2011. The surplus lines tax levied by the Commonwealth of Pennsylvania is three percent (3%) of taxable gross premiums less any return premium for insurance placed with either an eligible surplus lines insurer or other non-admitted insurer. The RCT-123 must be filed with both the Pennsylvania Department of Revenue and a copy to PSLA.

A Gross Premium Tax Report (RCT-123), along with your tax payment must be filed with the **PENNSYLVANIA DEPARTMENT OF REVENUE** on or before January 31, 2012, whether or not any surplus lines business was written in calendar year 2011.

DEPARTMENT OF REVENUE INSTRUCTIONS:

For the latest version of the RCT-123 Tax Report and/or instructions for its completion, please visit the Pennsylvania [Department of Revenue website](#) and search for 2011 RCT-123 Tax Report under [Forms and Publications](#), [Forms for Businesses](#), [Corporation Tax](#). A link to the 2011 RCT-123 Tax Report and instructions are also posted on [PSLA's website](#) under, Electronic Filing, [Filing Forms](#).

ELECTRONIC FILING INSTRUCTIONS FOR THE COPY OF THE RCT-123 TAX REPORT TO PSLA:

Each PSLA Customer ID number must submit a signed copy of all three pages of the RCT-123 Tax Report and the 1620 monthly reports electronically in the PSLA Electronic Filing System (EFS). The data entered must be the premium activity for the individual Customer ID number as shown on the Branch Office Schedule. Individual surplus lines licensees part of the same agency, who share the same PSLA Customer ID number must consolidate their business activity on the same report.

IMPORTANT: Taxpayers must provide a copy of all 1620 monthly reports filed with PSLA during the year and summarize the reports on the schedule appearing on the bottom of Page 2 of the RCT-123 Tax Report. If the total Taxable Premium on the 1620 monthly reports is the Gross Premium less the Return Premium less the Non-Taxable Premium then put the total of all 1620 monthly reports Taxable Premium on line 4 (Gross Premiums Taxable) on Page 2 of the RCT-123 Tax Report and put the word "INCLUDED" on lines 1, 2 and 3. Further, when there are two or more offices being reported, the schedule of branch offices by Customer ID number must be summarized on the Branch Office Schedule on Page 3 of the RCT-123 Tax Report.

The process for completion of the RCT-123 Tax Report as well as the process for remittance and/or premium tax funds is controlled exclusively by the Pennsylvania Department of Revenue. PSLA can not provide tax advice. These types of questions must be directed to the Pennsylvania Department of Revenue, 717-783-6031, option 7, and then option 2.

Should you have any questions regarding the handling of the **electronic filing copy** of the RCT-123 Tax Report and 1620 monthly reports please do not hesitate to contact Carla Baker at 610-594-1340, ext. 133, cbaker@pasla.org or Lurena Rightmyer at 610-594-1340, ext. 111, lrightmyer@pasla.org.

KAR/ds