

Annual Report Checklist

Check to make sure you received each of the following, to file your annual report properly and completely:

- RCT-122, Gross Premium Tax Report for Premiums paid to Unauthorized Foreign Insurance Companies, Associations, Exchanges, Etc.
- RCT-122-I, Instructions for RCT-122.
- REV-424, Extension to File Coupon

Imposition, Base and Rate

This tax is imposed under the Act of July 6, 1917, P.L. 723, as amended by the Act of January 24, 1966 on the insured, rather than on the insurance company. Anyone who enters into a contract of insurance or reinsurance with a foreign insurance company not registered to do business in Pennsylvania is subject to the tax on insurance premiums. The tax is imposed at 2 percent of life insurance gross premiums and 3 percent on premiums for all other types of insurance, and it must be remitted to the Pennsylvania Treasury when the entity insured enters into the insurance contract and makes any periodic payment.

Insurance companies authorized to do business in Pennsylvania are subject to a tax on gross premiums of reinsurance when the reinsurance is with companies not authorized to do business in Pennsylvania.

Amended Report

Check this box if you are filing an amended report to add, delete or adjust information. Provide documentation to support all changes being made. An amended report should only be filed if an original report was filed previously for the same period.

The department may adjust the tax originally reported based on information from the amended report. The department will not make a tax adjustment three years beyond the receipt date of the original report unless the taxpayer consents to extending the assessment period.

When filing an amended report, record the amended tax liability on Page 1, Column A.

Last Report

If checking this box, include a letter with the tax report verifying the policy or policies were not renewed and no other out-of-state policy was obtained.

Do not file a last report if you wish to remain active. Rather, file a zero report accompanied by a statement indicating no policies were purchased or renewed during this period.

A penalty for late filing will be imposed as follows and assessed at the time of filing: 10 percent of the first \$1,000 of tax liability, 5 percent of the next \$4,000 of tax liability and 1 percent on any tax liability in excess of \$5,000.

Payments of \$20,000 or more must be remitted by electronic funds transfer (EFT). For more information and to register for EFT, visit www.etides.state.pa.us. Payments under \$20,000 may be remitted by mail, made payable to the PA Department of Revenue.

Mail RCT-122 – with remittance, if applicable – to the following address, using the envelope provided (E-140):

PA DEPARTMENT OF REVENUE
PO BOX 280407
HARRISBURG, PA 17128-0407

Due Date Extension Request

To request a due date extension of up to 60 days to file the annual report, you must file an extension request coupon by the original report due date. However, an extension of time to file does not extend the deadline for payment of tax, and an extension request must be accompanied by payment of taxes owed for the taxable year for which the extension is requested. Mail the extension coupon separately from all other forms, using the enclosed return envelope (E-203).

Taxpayers using electronic funds transfer (EFT) to make payment with an extension request are not required to submit the extension coupon.

Overpayment Instructions

If the remittance column is less than zero on Page 1 of your completed RCT-122, an overpayment exists, and you should instruct the department how to transfer and/or refund the overpayment. Select only one option in the "Overpayment Instructions" area of Page 1. If no option is selected, any overpayment will automatically be credited to the next tax period.

- A. Overpayment is transferred automatically to offset other underpaid taxes in the current tax period, and any remaining credit is then applied to the next tax period for estimated tax purposes.
- B. Prior to issuing a refund, the department will apply overpayment to unpaid tax in the current tax period. The department may also off set other unpaid liabilities or commonwealth obligations for the account.

Refund/Transfer Request

Use Page 1 of RCT-122 to request refunds or transfers for the current tax period.

Requests for refunds of overpayments from prior periods or refunds of estimated tax payments in advance of filing the annual tax report must be submitted in writing to the following address:

PA DEPARTMENT OF REVENUE
PO BOX 280701
HARRISBURG, PA 17128-0701

Requests to transfer overpayments to or from tax periods prior to that covered by the current annual report should be made in writing to the same address (immediately above).

Please do not duplicate requests for refund and/or transfer by submitting both RCT-122 and written correspondence.

CONTACT INFORMATION

- Visit the e-Services center at **www.revenue.state.pa.us** to learn about electronic filing options and for the current list of software vendors approved to file federal and state corporate reports simultaneously and electronically.
- To make EFT payments and file extensions electronically and free of charge, visit e-TIDES at **www.etides.state.pa.us**.
- With general business tax questions, call 717-787-1064.
- To confirm account payments, call 1-888-PATAXES.
- With questions regarding payments or refunds, call the Accounting Division at 717-705-6225.
- For information and assistance with electronic payment and filing options, call 717-783-6277.
- Requests for transfer of credit may be faxed to the Accounting Division at 717-705-6227.
- With questions regarding tax settlements, assessments or filing requirements, call the Specialty Tax Unit at 717-783-6031.



ESTIMATED PAYMENTS AND EXTENSIONS TO FILE THE RCT-122 CAN NOW BE FILED ONLINE AT WWW.ETIDES.STATE.PA.US