

Bulletin 16-05

To: Surplus Lines Brokers
From: Larry Deiter, Director
Date: May 24, 2016
RE: Surplus Lines Premium Tax Submissions

Dissolution and Wind-down of NIMA

In 2012, the South Dakota Division of Insurance (“Division”) became a signatory to the Nonadmitted Insurance Multi-State Agreement (“NIMA”) for the uniform filing and allocation of surplus lines premium taxes. (See [Bulletin 12-03](#)). On April 28, 2016, the Board of Directors of NIMA voted to wind-down operations and dissolve the organization. The Division is issuing this Bulletin as guidance to surplus line brokers regarding the filing of multi-state surplus lines policies.

The last day for brokers to report new multi-state policies to the Surplus Lines Clearinghouse (“Clearinghouse”) is September 30, 2016. Policy endorsements or cancellations for policies effective on or before September 30, 2016, may be reported to the Clearinghouse until September 30, 2017.

The Florida Surplus Lines Service Office (“FSLSO”) will continue serving as the Division’s vendor for all surplus lines filings and premium tax submissions. Beginning October 1, 2016, all new and renewal multi-state surplus lines policies will be filed as single-state policies with the FSLSO when South Dakota is the home state, with 100% of the premium being reported to and taxed by South Dakota. If you have any questions regarding this process, you may contact the Division at 605.773.3563 or insurance@state.sd.us.