

(IV) A CREDIT INDEMNITY COMPANY.

(C) PREMIUMS.

(1) [(2) The term "premiums"] "PREMIUMS" includes the consideration for surety, guaranty and annuity contracts, dividends on life insurance policies which have been applied to purchase additional insurance or to shorten the premium paying period, and so much of the gross receipts of title insurance companies as is derived from the business of insurance or guaranty[, but shall].

(2) "PREMIUMS" DOES not include premiums on policies covering weekly disability benefits on which premiums are payable weekly, or credits allowed on premiums under policies of industrial insurance by reason of payment thereof being made to the home office or to a branch office of the company.

(D) POLICY.

[(3) The term "policy"] "POLICY" includes insurance, surety, guaranty and annuity contracts.

(E) PROPERTY INSURANCE.

[(4) The phrase "property"] "PROPERTY insurance" means insurance known as fire, flood, extended coverage, homeowners, farm owners, and other allied lines, earthquake, growing crops, aircraft physical damage, automobile physical damage, glass, livestock and animal.

[136.] 632.

(a) (1) There is [hereby annually levied and] imposed upon every insurance company a tax on all new and renewal gross direct premiums allocable to this State and written during the preceding calendar year [at the].

(2) THE TAX rate [of one percent] IS 1% in the case of considerations for annuities and [two percent] 2% in the case of all other premiums (except property insurance written by domestic mutual insurance companies) without deduction for any cause whatever except as [herein] provided IN SUBSECTION (B) OF THIS SECTION. [The tax imposed by this section shall first be collected and paid with respect to premiums written during the calendar year 1963.]

(b) In computing the tax [on premiums hereby imposed] UNDER SUBSECTION (A) OF THIS SECTION, the following deductions from gross direct premiums allocable to this State shall be allowed, but only to the extent they are properly allocable to premiums [taxable hereunder] SUBJECT TO THE TAX:

(1) returned premiums (not including surrender values);