

TITLE 6. TAXES.

6-101. SCOPE OF TITLE.

(A) PERSONS SUBJECT TO TAXATION.

THE FOLLOWING PERSONS ARE SUBJECT TO TAXATION UNDER THIS TITLE:

(1) A PERSON ENGAGED AS PRINCIPAL IN THE BUSINESS OF WRITING INSURANCE CONTRACTS, SURETY CONTRACTS, GUARANTY CONTRACTS, OR ANNUITY CONTRACTS;

(2) AN ATTORNEY IN FACT FOR A RECIPROCAL INSURER;

(3) THE MARYLAND AUTOMOBILE INSURANCE FUND; AND

(4) A CREDIT INDEMNITY COMPANY.

(B) PERSONS NOT SUBJECT TO TAXATION.

THE FOLLOWING PERSONS ARE NOT SUBJECT TO TAXATION UNDER THIS TITLE:

(1) A NONPROFIT HEALTH SERVICE PLAN CORPORATION;

(2) A FRATERNAL BENEFIT SOCIETY;

(3) A HEALTH MAINTENANCE ORGANIZATION AUTHORIZED BY TITLE 19, SUBTITLE 7 OF THE HEALTH - GENERAL ARTICLE;

(4) A SURPLUS LINES BROKER, WHO IS SUBJECT TO TAXATION IN ACCORDANCE WITH TITLE 3, SUBTITLE 3 OF THIS ARTICLE; OR

(5) AN UNAUTHORIZED INSURER, WHO IS SUBJECT TO TAXATION IN ACCORDANCE WITH TITLE 4, SUBTITLE 2 OF THIS ARTICLE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, §§ 60(2) and (3) and 631(b)(1) and (2)(iii) and (iv).

Subsection (a) of this section is revised as a scope provision to clarify to which persons the provisions of this title apply. The Insurance Article Review Committee decided that former Art. 48A, § 631(b) should be revised as a scope provision rather than a definition of "insurance company" because the purpose of the former definition seemed to be to delineate which entities were subject to taxation under former Subtitle 47 - now revised as this title. Similarly, the Insurance Article Review Committee decided that subsection (b) of this section should be revised to clarify that this title does not apply to certain persons.

In subsection (a)(2) of this section, the term "reciprocal insurer" is substituted for the former term "reciprocal exchanges or interinsurers" to use the defined term.