(B) IN GENERAL.

AN UNAUTHORIZED INSURER MAY NOT ENFORCE AN INSURANCE CONTRACT EFFECTIVE IN THE STATE AND ENTERED INTO BY THE UNAUTHORIZED INSURER.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 207.

Defined terms: "Insurance contract" § 1–101
"Premium" § 1–101
"Surplus lines insurance" § 1–101
"Unauthorized insurer" § 1–101

4–209. PREMIUM RECEIPTS TAX — UNAUTHORIZED INSURERS.

(A) SCOPE OF SECTION.

THIS SECTION DOES NOT APPLY TO:

(1) PREMIUMS ON LAWFULLY PROCURED SURPLUS LINES INSURANCE;

(2) PREMIUMS ON INDEPENDENTLY PROCURED INSURANCE ON WHICH A TAX HAS BEEN PAID UNDER § 4–211 OF THIS SUBTITLE; OR

(3) WET MARINE AND TRANSPORTATION INSURANCE.

(B) AMOUNT OF TAX.

(1) IF AN UNAUTHORIZED INSURER EFFECTS, CONTINUES, OR RENEWS INSURANCE ON A SUBJECT RESIDENT, LOCATED, OR TO BE PERFORMED IN THE STATE, THE UNAUTHORIZED INSURER SHALL PAY TO THE COMMISSIONER, BEFORE MARCH 1 OF THE NEXT CALENDAR YEAR, A PREMIUM RECEIPTS TAX OF 3% OF GROSS PREMIUMS CHARGED FOR THE INSURANCE.

(2) INSURANCE THAT AN UNAUTHORIZED INSURER EFFECTS, CONTINUES, OR RENEWS ON A SUBJECT RESIDENT, LOCATED, OR TO BE PERFORMED IN THE STATE THAT IS PROCURED THROUGH NEGOTIATIONS OR AN APPLICATION WHOLLY OR PARTLY OCCURRING OR MADE IN OR FROM WITHIN OR OUTSIDE OF THE STATE, OR FOR WHICH PREMIUMS WHOLLY OR PARTLY ARE REMITTED DIRECTLY OR INDIRECTLY FROM IN OR OUTSIDE OF THE STATE, IS DEEMED TO BE INSURANCE PROCURED, CONTINUED, OR RENEWED IN THE STATE.

(C) PREMIUM RECEIPTS TAX IN PLACE OF OTHER TAXES.

THE PREMIUM RECEIPTS TAX UNDER THIS SECTION IS INSTEAD OF ALL OTHER STATE TAXES.

(D) INSURED TO PAY TAX ON DEFAULT.

IF AN UNAUTHORIZED INSURER DEFAULTS ON THE PAYMENT OF THE TAX UNDER THIS SECTION, THE INSURED SHALL PAY THE TAX.

(E) PENALTY FOR LATE PAYMENT.