

(1) IF A POLICY COVERS A RISK OR EXPOSURE THAT IS ONLY PARTLY IN THE STATE, THE TAX PAYABLE SHALL BE COMPUTED ON THE PART OF THE PREMIUM THAT IS PROPERLY ALLOCABLE TO THE RISK OR EXPOSURE LOCATED IN THE STATE.

(2) EXCEPT FOR PREMIUMS THAT ARE PROPERLY ALLOCATED OR APPORTIONED AND REPORTED AS TAXABLE PREMIUMS IN ANOTHER STATE, IN DETERMINING THE AMOUNT OF PREMIUMS TAXABLE IN THIS STATE, ALL PREMIUMS WRITTEN, PROCURED, OR RECEIVED IN THIS STATE AND ALL PREMIUMS ON POLICIES NEGOTIATED IN THIS STATE SHALL BE DEEMED WRITTEN ON PROPERTY OR RISKS LOCATED OR RESIDENT IN THIS STATE.

(D) FAILURE TO WITHHOLD TAX FROM PREMIUM.

IF THE INSURED FAILS TO WITHHOLD FROM THE PREMIUM THE AMOUNT OF THE TAX LEVIED UNDER THIS SECTION, THE INSURED IS LIABLE FOR THE AMOUNT OF THE TAX AND SHALL PAY THE TAX TO THE COMMISSIONER IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION.

(E) PENALTY FOR LATE PAYMENT.

IF THE TAX REQUIRED BY SUBSECTION (D) OF THIS SECTION IS NOT TIMELY PAID UNDER SUBSECTION (C) OF THIS SECTION, THE AMOUNT OF THE TAX DUE SHALL BE INCREASED BY A PENALTY OF:

(1) 25% OF THE TAX DUE; AND

(2) AN AMOUNT COMPUTED AT THE RATE OF 1% PER MONTH OR PART OF A MONTH AFTER THE DATE THE PAYMENT IS DUE UNTIL THE DATE THE PAYMENT IS MADE.

(F) ENFORCEMENT BY ATTORNEY GENERAL.

IF THE TAX IS NOT TIMELY PAID UNDER THIS SECTION, ON REQUEST OF THE COMMISSIONER, THE ATTORNEY GENERAL SHALL PROCEED IN A COURT OF THIS STATE OR ANOTHER STATE OR IN A FEDERAL COURT OR AGENCY TO RECOVER THE TAX.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 209(d) through (f) and the first, third, and fourth sentences of (c).

In subsection (a) of this section, the former phrase "as defined in § 70(2) of this article" is deleted as surplusage.

In subsection (b)(1) of this section, the reference to "insurance from an unauthorized insurer that is subject to a report under § 4-210 of this subtitle" is substituted for the former reference to "such insurance" for clarity.

In subsection (e)(1) of this section, the reference to a penalty of 25% "of the tax due" is added for clarity. The Insurance Article Review Committee calls this addition to the attention of the General Assembly.