

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 3880

(SENATE AUTHORS: NELSON)

DATE
03/09/2022

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5261 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; insurance; modifying taxation of premiums paid to nonadmitted
1.3 captive insurance companies; amending Minnesota Statutes 2020, section 297I.01,
1.4 subdivision 10e, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2020, section 297I.01, is amended by adding a subdivision
1.7 to read:

1.8 Subd. 2a. **Captive insurance company.** "Captive insurance company" has the meaning
1.9 provided in section 290.01, subdivision 5c, paragraph (a).

1.10 **EFFECTIVE DATE.** This section is effective the day following final enactment and
1.11 applies retroactively to captive insurance company premiums paid after July 21, 2011.

1.12 Sec. 2. Minnesota Statutes 2020, section 297I.01, subdivision 10e, is amended to read:

1.13 Subd. 10e. **Nonadmitted insurer.** "Nonadmitted insurer" means an insurer not licensed
1.14 to engage in the business of insurance in Minnesota, but does not include:

1.15 (1) a risk retention group as the term is defined in section 2(a)(4) of the Liability Risk
1.16 Retention Act of 1986, United States Code, title 15, section 3901(a)(4); or

1.17 (2) a captive insurance company.

1.18 **EFFECTIVE DATE.** This section is effective the day following final enactment and
1.19 applies retroactively to captive insurance company premiums paid after July 21, 2011.