



GOVERNMENT OF NEWFOUNDLAND AND LABRADOR
Department of Finance
Taxation and Fiscal Policy Division
Tax Administration Division

Insurance Premiums Tax Return Explanation

General

The Insurance Premiums Tax return should be completed by an agent collecting the 15% tax from the insurance consumer on premiums sold to them within the Province of Newfoundland and Labrador. If there is no agent collecting this tax in the province then the person entering into the contract of insurance should complete this return by self-assessing the 15% tax on the premiums purchased. This return should be filed with the Department of Finance within 20 days following the end of the reporting period.

Line 1 - Taxable Sales of Insurance Premiums

Enter the total amount of premiums collected or premiums paid during the reporting period, less any premiums that are exempt from this tax.

Exempt premiums include:

- i) Accident Insurance
- ii) Sickness Insurance
- iii) Life Insurance
- iv) Marine Insurance - other than marine insurance on sport watercraft, when the sport watercraft are 20 tons gross or less
- v) Surety, Guarantee, or Fidelity type bonds

Line 4 - Total Tax Due

Take the amount on line 1 and multiply it by 15% to arrive at the tax due.

Line 5 - Add Debit Balance / Subtract Credit Balance

This will show your account balance as of the date of the last month end run. Monies owed by you would show as a Debit Balance and monies owed to you would show as a Credit Balance.

Line 7 - Total Amount Enclosed

Enter the amount of payment that has been provided for this return. It should be the amount of Line 4 +/- Line 5.