

Self-Reporting of Captive Insurers

Reporting Period	Look-Back Period		Premium Tax	Interest on Premium Tax	Tax Penalty	Fine
	Active Policy ¹	Inactive Policy ²				
January 1, 2019 – June 30, 2019	Current policy activity ³ plus the 10 previous policy years ⁴	All policy years that provided coverage at any time from January 1, 2009 through January 1, 2019	Full amount owed for the Look-Back Period	Full amount owed for the Look-Back Period	25% of tax penalty	\$25,000
July 1, 2019 – December 31, 2019					50% of tax penalty	\$100,000
January 1, 2020 – June 30, 2020	Current policy activity plus the 15 previous policy years	All policy years that provided coverage at any time from January 1, 2004 through January 1, 2019	Full amount owed for the Look-Back Period	Full amount owed for the Look-Back Period	75% of tax penalty	Use full fining authority
July 1, 2020 and beyond	All policy activity since inception	All policy activity since inception	Full amount owed	Full amount owed	Full amount owed	Use full fining authority

¹ An active policy is a policy that provides coverage on or after January 1, 2019

² An inactive policy is a policy that ceased providing coverage on or before December 31, 2018.

³ Current policy activity includes all policy years that provide coverage at any time in 2019 or beyond.

⁴ A policy year is each 12-month period that follows the policy's original effective date.

This matrix is intended to be a guideline to improve consistency and predictability in imposing penalties. However, the OIC retains the discretion to impose an appropriate penalty based on the specific facts and circumstances of each case. This Self-Reporting Plan assumes full cooperation of the Captive Insurer with the Washington State Office of the Insurance Commissioner during the self-reporting process.