CITY OF ST. GEORGE

BY COUNCIL MEMBER EDMONDS:

ORDINANCE NO. 2026 – 026

TO AMEND CHAPTER 21 TITLE 9 RELATIVE TO THE LEVY, COLLECTION, ADMINISTRATION AND ENFORCEMENT OF AN INSURANCE PREMIUM TAX, AS DEFINED IN R.S. 33:3077 ON RISK LOCATED WITHIN THE CORPORATE LIMTS OF THE CITY OF ST. GEORGE AND TO PROVIDE FOR RELATED MATTERS

WHEREAS, on August 27, 2024, the St. George Council approved Ordinance No. 2024-014, enacting Chapter 21 of Title 9 entitled "Insurance Premium Tax," recognizing upon incorporation of the City of St. George, the legal authority to levy an annual premium tax on each insurer engaged in the business of issuing or receiving payments of the premium for any insurance policy or contract on all risks located within the area incorporated as the City of St. George, or engaging in the business of issuing any insurance policy or contract transferred from the City of Baton Rouge and Parish of East Baton Rouge ("City-Parish") to the City of St. George;

WHEREAS, the effective date of Ordinance No. 2024-014 was upon "legal authorization for the City of St. George to levy the tax in accordance with R.S. 22:883" since the legal authorization for the tax imposed by the City-Parish prior to incorporation was unclear regarding the continuation and/or transfer of the authority to levy an insurance premium tax by a municipality incorporated after August 15, 2012 where the parish imposed an insurance premium tax in the area prior to incorporation;

WHEREAS, Act No. 904 of the 2026 Regular Legislative Session effective January 1, 2027, authorizes St. George "to exclusively exercise all municipal authority to levy, collect, administer, and enforce any insurance premium tax as defined in R.S. 33:3077 on risk located within the corporate limits of the city of St. George"; and

WHEREAS, the Council desires to amend Chapter 21, of Title 9 to provide for the imposition of an annual premium tax beginning on January 1, 2027 as authorized by R.S. 33:3077; and

WHEREAS, the Council desires to provide for the collection of the annual insurance premium tax by contracting with the Louisiana Municipal Advisory and Technical Services Bureau (LaMATS) pursuant to La. R.S. 33:834.

Words which were ~~struck through~~ are deletions from and words **underscored in bold** are additions to existing ordinances.

NOW THEREFORE, BE IT ORDAINED by the St. George City Council, State of Louisiana as follows:

Section 1. Amendment and reenactment.

Sections 9:1137 and 9:1138 of Chapter 21 of Title 9 are hereby amended and reenacted to read as follows:

Title 9. LICENSING AND REGULATION OF TRADES AND OCCUPATIONS
Chapter 21. INSURANCE PREMIUM TAX

Sec. 9:1137. License Tax Imposed on Insurers

There is hereby imposed and levied an annual license tax on any insurer engaged in the business of issuing any form of insurance policy or contract, which may now or hereafter be subject to the payment of any license tax for state purposes, all as authorized by La. R.S. 22:833, on risks located in this municipality as follows:

(1) On any insurer engaged in the business of issuing life or accident or health insurance policies, other than programs of benefits authorized or provided pursuant to **R.S. 42:801 *et seq.* and La. R.S. 42:821 *et seq.*** ~~the provisions of Parts I and II of Chapter 12 of Title 42 of the Louisiana Revised Statutes~~, or other forms of contracts or obligations covering such risks, or issuing endowment or annuity policies, or contracts, or other similar forms of contract obligations in consideration of the payment of a premium or other consideration for the issuance of such policies, contracts, or obligations whether such insurer by operating in this state through an agent or other representative or otherwise:

a. Ten dollars on gross annual premiums up to $2,000 and an additional license **tax** ~~fee~~ thereafter of $70 on each $10,000, or fraction thereof, of gross annual premiums in excess of $2,000.

b. The maximum license **tax** ~~fee~~ on such businesses, payable to this municipality by any one insurer, shall be $21,000.

c. Premiums paid to an insurer by Louisiana Medicaid programs shall be exempt from the tax imposed by this Section.

(2) On any insurer, engaged in the business of issuing policies, contracts, or other forms of obligations covering the risk of fire, marine, transportation, surety, fidelity, indemnity, guaranty, worker's compensation, employers' liability, property damage, livestock, vehicle, automatic sprinkler, burglary, or insurance business of any other kind whatsoever in this state, whether such insurer is operating in this state through agents or other representatives or otherwise, not more than the following:

a. *First Class*. When gross receipts are not more than $2,000, the license **tax** shall be $40;

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b. *Second Class*. When gross receipts are more than $2,000, and not more than $4,000, the license **tax** shall be $60;

c. *Third Class*. When gross receipts are more than $4,000, and not more than $6,000, the license **tax** shall be $80;

d. *Fourth Class*. When gross receipts exceed $6,000, the additional license **tax** thereafter shall be $70 for each $10,000, or fraction thereof, in excess of $6,000.

e. *Maximum tax*. The maximum license tax on such businesses, payable by any insurer shall be $9,000, provided plate glass and steam boiler inspection insurers shall pay only one-third of the rates in subsection (2) of this section.

(3) The amount of license **tax** payable shall be 1/3 of the amount fixed if the payer files a sworn statement with the annual report required by La. R.S. 22:833, showing at least 1/6 of the total admitted assets of the payer are invested and maintained in qualifying Louisiana investments as defined in R.S. 22:832(C).

(4) The total tax payable by an insurer to the City shall be calculated on the total direct premiums written by such insurer for risks located within the City. Such premiums shall not be subject to taxation by both the Parish of East Baton Rouge and the City of St. George.

Sec 9:1138. Tax due date; delinquency.

(1) All license taxes are due on January 1 of each year and all unpaid license taxes shall become delinquent on June 1. A penalty of 5% per month shall be added to the amount of tax due and shall be payable along with the tax due. The amount of any penalty assessed pursuant to this section shall not be greater than 25% of the total amount of the tax due. The collection of the delinquent accounts shall be enforced in accordance with La. R.S. 22:833 and La. R.S. 47:1601.

(2) When a payment is more than six months delinquent, the City may send a written recommendation to the commissioner of insurance requesting the commissioner to revoke the authority of the delinquent taxpayer and all of the taxpayer's agents to do business in this state. Upon receiving such a recommendation and finding that the local tax assessment is correct and the insurer was duly notified of the assessment after the payment thereof is delinquent, the commissioner, after due notice to all affected parties, may revoke the authority of the taxpayer and all the taxpayer's agents to do business in this state. An aggrieved party affected by the commissioner's decision, act, or order may demand a hearing as authorized by La. R.S. 22:2191 *et seq.*

Section 2. Enactment.

Section 9:1139 is hereby enacted to read as follows:

<u>Sec. 9:1139. Contract for Collection.</u>

<u>The City is authorized to enter into an agreement with the Louisiana Municipal Advisory and Technical Services Bureau Corporation (LaMATS) in a form approved by the City Council for the collection of current and delinquent license taxes pursuant to R.S. 22:834 and R.S. 33:361.</u>

Section 3. Severability

If any section, subsection, sentence, clause, or provision of this Ordinance is declared by a court of competent jurisdiction to be invalid, such declaration of invalidity shall not affect the validity of the Ordinance as a whole, or parts thereof, other than the part declared invalid. The remainder of the Ordinance shall not be affected by the declaration of invalidity and remain in force and effect.

Section 3. Effective Date

This Ordinance shall be effective on January 1, 2027 and shall apply prospectively only to premiums attributable to periods beginning on and after January 1, 2027 pursuant to Act No. 904 of the 2026 Regular Legislative Session.

This ordinance having been submitted to a vote; the vote thereon was:
For: Cook, Edmonds, Himmel, Monachello, Murrell, Talbot
Against:
Absent: Dellucci

Adopted this 25th day of August, 2026
Signed this 26th day of August, 2026
Delivered to the Mayor on the 26th day of August, 2026

Lorraine Beaman
Lorraine Beaman, City Clerk

Approved:

Dustin Yates
Dustin Yates, Mayor

Received from the Mayor on the ~~30th~~ 31st day of August, 2026

Lorraine Beaman
Lorraine Beaman, City Clerk

Adopted Ordinance published in The Advocate on the 1st day of Sept, 2026

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CERTIFICATION

This Ordinance No. 2026-026 consisting of 4 pages was duly adopted at the regular meeting of the St. George City Council, State of Louisiana held on August 25, 2026.

Lorraine Beaman

Lorraine Beaman, City Clerk