

ORDINANCE

To impose license fees on insurers conducting business within the City of Sugar Hill, Georgia; to impose a gross premiums tax on insurers operating within the State of Georgia; to provide an effective date; to repeal conflicting ordinances; and other purposes.

Be it ordained by the Mayor and Council of the City of Sugar Hill, Georgia; and it is hereby ordained by authority thereof:

Section 1. Insurers License Fees

There is hereby levied for the year 2023 and for each year thereafter an annual license fee upon each insurer doing business within the City of Sugar Hill, Georgia in the amount of one hundred dollars (\$100). For each separate business location in excess of one not covered by Section 2, which is operating on behalf of such insurers within the City of Sugar Hill, Georgia, there is hereby levied a license fee in the amount of one hundred dollars (\$100). For the purposes of this ordinance, the term "insurer" means a company which is authorized to transact business in any of the classes of insurance designated in O.C.G.A. Sec. 33-3-5.

Section 2. License Fees for Insurers Insuring Certain Risks at Additional Business Locations

For each separate business location, not otherwise subject to a license fee hereunder, operated and maintained by a business organization which is engaged in the business of lending money or transacting sales involving term financing and in connection with such loans or sales offers, solicits or takes application for insurance through a licensed agent of an insurer for insurance said insurer shall pay an additional license fee of thirty-five dollars (\$35) per location for the year 2023 and for each year thereafter.

Section 3. Gross Premiums Tax Imposed on Life Insurers

There is hereby levied for the year 2023 and for each year thereafter an annual tax based solely upon gross direct premiums upon each insurer writing life, accident and sickness insurance within the State of Georgia in an amount equal to one percent (1%) of the gross direct premiums received during the preceding calendar year in accordance with O.C.G.A. Sec.33-8-8.1. Gross direct premiums as used in this section shall mean gross direct premiums as used in O.C.G.A. Sec.33-8-4. The premium tax levied by this section is in addition to the license fees imposed by Section 1 of this ordinance.

Section 4. Gross Premiums Tax, All Other Insurers

There is hereby levied for the year 2023 and for each year thereafter an annual tax based solely upon gross direct premiums upon each insurer, other than an insurer transacting business in the class of insurance designated in subsection 1 of O.C.G.A. Sec.33-3-5, doing business within the State of Georgia in an amount equal to two and one-half percent (2.5%) of the gross direct premiums received during the preceding calendar year in accordance with O.C.G.A. Sec.33-8-8.2. Gross direct premiums as used in this section shall mean gross direct premiums as used in O.C.G.A. Sec.33-8-4. The premium tax levied by this section is in addition to the license fees imposed by Section 1 of this ordinance.

Section 5. Due Date for License Fees

License fees imposed in Sections 1 and 2 of this ordinance shall be due and payable on the first day of 2023 and on the first date of each subsequent year.

Section 6. Administrative Provisions

The City Clerk is hereby directed to forward a duly certified copy of this ordinance to the Insurance Commissioner of the State of Georgia within 45 days of its enactment.

Section 7. Effective Date

This ordinance shall become effective January 1, 2023.

Section 8. Severability

In the event any portion of this ordinance shall be declared or adjudged invalid or unconstitutional, it is the intention of the City Council of the City of Sugar Hill, Georgia, that such adjudication shall in no manner affect the other sections, sentences,

clauses or phrases of this ordinance which shall remain in full force and effect, as if the invalid or unconstitutional section, sentence, clause or phrase were not originally a part of the ordinance.

Section 9. Repealer

All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

Ordained this _____ day of _____, 2022 by the Mayor and Council of the City of Sugar Hill, Georgia.

Mayor

Attest: __

City Clerk

I hereby certify that the foregoing is a true and accurate copy of an ordinance of the City of Sugar Hill, Georgia adopted on the _____ day of _____, _____.

City Seal

City Clerk

Jane Whittington

From: Municipal Revenue Services <municipalrevenue@gmail.com>
Sent: Friday, December 10, 2021 12:34 PM
To: Jane Whittington
Subject: Insurer License Fee Ordinance
Attachments: GA-SugarHillOrd.docx

Dear Ms. Whittington,

As you requested, attached is the license fee ordinance to be adopted before the end of the month. Once adopted, please send a certified copy to the Insurance Commissioner's office within 45 days of passage in order to be valid:

Georgia Insurance Commissioner
Attention: Mandy Snipes, Director of Premium Tax
912 West Tower
Two Martin Luther King Jr. Drive
Atlanta, GA 30334

Please also send a copy to us at this email address, municipalrevenue@gmail.com or mailed to the address below:

Georgia Municipal Association
Municipal Revenue Services
2915 Piedmont Road NE, Suite E
Atlanta, GA 30305

If you have any questions, please do not hesitate to contact us.

Sincerely,
Russell Winch
404-237-2280