

By: Thompson of Brazoria

H.B. No. 2366

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the applicability of premium and maintenance taxes to
3 the Texas Windstorm Insurance Association.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 221.001(b), Insurance Code, is amended
6 to read as follows:

7 (b) This chapter does not apply to:

8 (1) a fraternal benefit society, including a fraternal
9 benefit society operating under Chapter 885;

10 (2) a group hospital service corporation operating
11 under Chapter 842;

12 (3) a stipulated premium company operating under
13 Chapter 884;

14 (4) a mutual assessment association, company, or
15 corporation regulated under Chapter 887;

16 (5) a purely cooperative or mutual fire insurance
17 company carried on by its members solely for the protection of their
18 own property and not for profit, except as provided by Section
19 221.002(b)(13); ~~or~~

20 (6) a farm mutual insurance company operating under
21 Chapter 911, unless the company is acting as a fronting insurer; or

22 (7) the Texas Windstorm Insurance Association.

23 SECTION 2. Section 252.005, Insurance Code, is amended to
24 read as follows:

1 Sec. 252.005. EXCEPTION. This chapter does not apply to:

2 (1) a farm mutual insurance company operating under
3 Chapter 911, unless the company is acting as a fronting insurer as
4 defined by Section 221.001(c); [~~or~~]

5 (2) a mutual insurance company engaged in business
6 under Chapter 12, Title 78, Revised Statutes, before that chapter's
7 repeal by Section 18, Chapter 40, Acts of the 41st Legislature, 1st
8 Called Session, 1929, as amended by Section 1, Chapter 60, General
9 Laws, Acts of the 41st Legislature, 2nd Called Session, 1929, that
10 retains the rights and privileges under the repealed law to the
11 extent provided by those sections; or

12 (3) the Texas Windstorm Insurance Association.

13 SECTION 3. The changes in law made by this Act do not affect
14 tax liability accruing before the 2023 calendar year. That
15 liability continues in effect as if this Act had not been enacted,
16 and the former law is continued in effect for the collection of
17 taxes due and for enforcement of the liability for those taxes.

18 SECTION 4. This Act takes effect September 1, 2023.