

SENATE BILL 1136

By Marrero

AN ACT to amend Tennessee Code Annotated, Title 50,
Chapter 6 and Title 56, relative to workers'
compensation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 50-6-401(b), is amended by deleting the subsection in its entirety and substituting instead the following:

(b)

(1) All insurance carriers provided for by this section shall be subject to a tax of four percent (4%) on the written manual premiums for each workers' compensation insurance policy issued by the insurance carrier and a surcharge of four tenths of one percent (0.4%) of the written manual premium for each workers' compensation insurance policy issued by the insurance carrier for the administration of the Occupational Safety and Health Act of 1972, compiled in chapter 3 of this title, and this shall be in lieu of any other tax on premiums for writing of the business of workers' compensation insurance otherwise provided by law.

(2) The surcharge of four tenths of one percent (0.4%) on the tax on workers' compensation insurance premiums levied by this section shall not apply to any employer who employs ten (10) or fewer employees unless the employer is in the business of construction or manufacturing.

(3) For purposes of this subsection (b), "written manual premium" means the premium produced by the manual rates in effect during the insured's policy period and, further, "written manual premium" means the full policy premium prior to the application of any discounts or credits and also includes the premium

before any allowable deviated discounts; any experience rating modification; any premium discount; any re-insurance; any deductible arrangement; or any dividend consideration.

SECTION 2. This act shall take effect July 1, 2011, the public welfare requiring it.