

MARSH CAPTIVE SOLUTIONS: NEW YORK

Marsh Captive Solutions New York is the leading captive insurance manager in New York with 55% of the domicile share. The Captive Solutions NY office opened in Melville in 2004 and is the first and the only major captive manager with dedicated staff located in New York.

GENERAL INFORMATION

Location: New York is located in the northeastern United States.

Accessibility: New York is accessible via frequent flights from numerous global locales.

Applicable Legislation: Article 70 of the New York Insurance Law.

Regulatory Agency: Superintendent of Financial Services, New York State Department of Financial Services.

REGULATORY ISSUES

Acceptable Insurance Subsidiaries: Pure and Group Captives.

Acceptable Corporate Forms: Stock or Mutual Insurer.

Permitted Business: Direct and Reinsurance.

Reinsurance Permitted: Related and “controlled” unrelated risks. Third party business not exceeding 50% of gross written premium with approval of Superintendent.

Local Office Requirement: Principal office in New York. Annual directors meeting in New York. Minimum of three directors (two must be New York residents). Use of local manager required.

Head of Office

Nisala Weerasooryia

Senior Team

Gemma Mah

Office Address

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MARSH CAPTIVE SOLUTIONS: NEW YORK *CONTINUED*

PREMIUM TAXES

Annual Assessment (Sec.206 of New York State Financial Services Law), based upon direct premiums for risks located in New York only (non-New York and reinsurance premiums are not used in calculating the assessment). The estimated rate is approximately 0.89% of New York direct premiums written.

Premium Tax on Direct Premiums	0.400% on first \$20 million. 0.300% on next \$20 million. 0.200% on next \$20 million. 0.075% thereafter. Subject to a minimum of \$5,000 combined direct and reinsurance.
Premium Tax on Reinsurance Premiums	0.225% on first \$20 million. 0.150% on next \$20 million. 0.050% on next \$20 million. 0.025% thereafter. Subject to a minimum of \$5,000 combined direct and reinsurance.
Intercompany Loans	The captive may lend funds in excess of the minimum capitalization requirements subject to regulatory approval.
Investment Restrictions	None, unless solvency is threatened.
Taxation	Income generated by the captive will be subject to the federal tax rate of the captive parent (assuming the parent is US-based). No New York State Income tax applies to captive profits if the captive is an "insurance company for federal income tax purposes."