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Commissioner Donelon Reminds Property Insurance Policyholders of Rebate Available During Tax Season

Insurance Commissioner Jim Donelon is reminding property insurance policyholders that tax season is one of the easiest times to claim the Louisiana Citizens Property Insurance Assessment rebate. At a joint press conference today, Donelon and Louisiana Department of Revenue (LDR) Director of Customer Service Kent LaPlace encouraged Louisiana property owners to claim their Louisiana Citizens Property Insurance Corporation (Citizens) rebate when they file their taxes this year.

“The Citizens rebate can be claimed at any point during the year in one of three ways, but tax time may be the most convenient. At the end of 2013, nearly two-thirds of available Citizens rebate funds, nearly \$240 million, went unclaimed,” said Commissioner Donelon. “Whether you have insurance through Citizens or through another insurance company, you are entitled to the rebate once you have paid the assessment on your property insurance bill.”

The amount of the assessment rebate can be found on the declaration page of a property insurance policy. Once a policyholder knows the amount of their assessment, they can claim their rebates for 2010 through 2013 in one of three ways:

- 1.) **Claim the rebate as a tax credit** on your Louisiana Income Tax Return due each May. With this option your rebate will be included in your total tax calculation.
- 2.) **Claim the rebate online** through the Louisiana Department of Revenue’s Online Filing and Payments webpage www.revenue.louisiana.gov/fileonline. Users will need to create an account to access the electronic form for claiming their Citizens rebate.
- 3.) **Claim the rebate by filling out a paper form.** The one-page form along with the insurance declarations page can be mailed to the Louisiana Department of Revenue. Forms (R-540INS) for all four calendar years are located on the Louisiana Department of Insurance and Louisiana Department of Revenue websites.

Businesses may claim the Citizens rebate by filing the Department of Revenue Form R-620INS or by filing a current-year or amended tax return. Individual policyholders may also claim the

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rebate by amending a prior-year tax return. A copy of the insurance policy declaration page showing proof of the assessment amount must be attached to any claim form.

“Filing for the Citizens rebate on the tax return or at LDR’s Louisiana File Online option will certainly speed up payment of the rebate,” said LaPlace. “Since LDR introduced the online filing option, almost 200,000 Citizens rebate applications have been submitted electronically, with an average turnaround time of 21 days compared to a non-electronic refund rate of 16 weeks.”

LaPlace also gave several warnings that can slow down the Citizens rebate:

- Don’t claim the rebate on both the INS form and the tax return. It will delay your refund.
- Don’t claim the total insurance premium, only the Citizens assessment.
- Including a copy of the insurance policy declaration page if filing the **R-540INS** or **R-620INS** paper forms, showing proof of the assessment amount when requesting the Citizens rebate. If filing electronically, keep a copy of the declaration page with your tax form in case of an audit.
- For multiple properties, be sure to attach the **R-INS Supplement form**, along with your single rebate form, for all properties rather than a separate rebate form for each property.

Commissioner Donelon noted that the allotted time to claim funds for 2006 through 2009 has expired and nearly \$256 million or 54 percent of those assessment funds went unclaimed. The option to claim the 2010 assessment will expire after December 31, 2014.

All Citizens Assessments Unclaimed as of December 31, 2013

Year	Assessment Amount Collected	Dollar Amount Claimed with LDR	Dollar Amount Left Unclaimed	Percent Dollar Amount Unclaimed	Eligible to be claimed
2006	\$193,440,581	\$61,385,156	\$132,055,425	68.27%	No
2007	\$72,726,248	\$60,495,344	\$12,230,904	16.82%	No
2008	\$100,885,680	\$48,350,353	\$52,535,327	52.07%	No
2009	\$110,928,976	\$52,032,407	\$58,896,569	53.09%	No
2010	\$97,382,370	\$46,241,889	\$51,140,481	52.51%	Yes
2011	\$91,172,139	\$42,825,521	\$48,346,618	53.03%	Yes
2012	\$92,695,030	\$40,585,193	\$52,109,837	56.21%	Yes
2013	\$88,847,935	\$769,917	\$88,078,018	99.13%	Yes
Total 2010-2013 (Available)	\$370,097,474	\$130,422,520	\$239,674,954	64.76%	Yes
Total 2006-2009 (Expired)	\$477,981,485	\$222,263,260	\$255,718,225	53.50%	No

The Citizens assessment on insurance companies is to amortize the bonds issued by Citizens to cover the damages caused by the hurricanes of 2005 in excess of their cash and available reinsurance. The assessment was passed on to property and casualty policyholders each year by insurance companies. This Citizens assessment is fully refundable to consumers by the State of Louisiana once they have paid their annual insurance bill.

Policyholders can access the necessary forms and more information on both the rebates and the Louisiana State Uniform Construction Code state tax deduction and insurance premium discounts on the Louisiana Department of Insurance website www.ldi.la.gov. Citizens assessment rebate forms can also be found on the Department of Revenue website at www.revenue.louisiana.gov/citizens.

About the Louisiana Department of Insurance: *The Louisiana Department of Insurance works to improve competition in the state's insurance market while assisting individuals and businesses with the information and resources they need to be informed consumers of insurance. As a regulator, the LDI enforces the laws that provide a fair and stable marketplace and makes certain that insurers comply with the laws in place to protect policyholders. You can contact the LDI by calling 1-800-259-5300 or visiting www.ldi.la.gov.*