



# DRAFT

## Instructions for Filing Insurance Premium Installment Payment (Form DR-907)

Use black ink. Example A - Handwritten Example B - Typed

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9

DR-907N

R. XX/XX R. 01/25

Rule 12B-8.003, F.A.C.

Effective XX/XX Effective 02/25

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### Home Away From Home Tax Credits

#### When is the installment payment due and payable?

Installments of tax are due and payable on April 15, June 15, and October 15 of each year. A final payment of tax due for the year must be made at the time the taxpayer files the return (Form DR-908) for the year.

You are able to file and pay insurance premium tax electronically using the Department's secure website. If you paid **\$5,000 or more** in tax during the State of Florida's prior fiscal year (July 1 – June 30), you are required to file and pay electronically. Insurers are encouraged to file electronically and take advantage of the opportunity to save resources. Insurers can obtain a waiver by calling 850-488-6800. Please visit [floridarevenue.com/taxes/eservices](http://floridarevenue.com/taxes/eservices) for more information.

An installment will be considered timely filed if it is postmarked by the U.S. Postal Service on or before the applicable due date. If the due date falls on a Saturday, Sunday, or state or federal holiday, the installment will be considered timely filed if it is postmarked the next business day.

When you **electronically pay**, or electronically file and pay at the same time, you must initiate your electronic payment and **receive a confirmation number no later than 5 p.m. ET on the business day prior to the due date** to avoid penalty and interest. Keep the confirmation number in your records. See the *Florida eServices Calendar of Electronic Payment Deadlines* (Form DR-659) at [floridarevenue.com/forms](http://floridarevenue.com/forms) in the eServices section for payment deadlines.

**What are the installment payments based on?** Installments are based on the estimated gross amount of receipts of insurance premiums or assessments received during the immediately preceding calendar quarter. The second quarter installment due June 15 (not July 15) requires the estimate to be through June 30. **All of the taxes reported on Form DR-908 are subject to installment payment requirements, not just the insurance premium tax reported on Schedule I of Form DR-908.**

Because of the complexities of computing the standard 90% installment payment for all of the taxes reported on Form DR-908, most insurers use the safe harbor of paying 27% of the tax due in the preceding year for each installment payment. If each installment is 27% of the amount of the annual tax reported on the preceding year's Form DR-908 (Line 11 minus Line 9 and Line 10), there will be no installment penalty. The installment amounts that must be paid to meet the prior year exception are decreased by the amount of credits earned during the tax year for the:

- Strong Families Tax Credits
- Live Local Program Credits
- Florida Tax Credit Scholarship Program Credits
- New Worlds Reading Initiative Credits

Contributions must be made on or before the due date of Form DR-908 to decrease the amount that must be paid to meet the prior year exception. The installment amounts that must be paid to meet the prior year exception are also decreased by any Child Care Tax Credits earned during the tax year.

**For example**, an insurer that paid \$100,000 in insurance premium tax, after credits, last year is required to remit \$27,000 by April 15, another \$27,000 for a total of \$54,000 by June 15, and another \$27,000 for a

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total of \$81,000 by October 15 of the year. The amount required to be remitted by each installment due date to meet the prior year exception is reduced by any Strong Families Tax Credits, Live Local Program Credits, Child Care Tax Credits, Florida Tax Credit Scholarship Program Credits, or New Worlds Reading Initiative Credits earned for the taxable year. Assuming the insurer made a contribution of \$50,000 for the taxable year and received a certificate of contribution, or the insurer earned a \$50,000 Child Care Tax Credit, it would not need to make any installment payment to meet the prior year exception for the first installment, but it would need to remit \$4,000 by June 15 to meet the prior year exception for the second installment, and would need to remit a total of \$31,000 by October 15 to meet the prior year exception for the third installment.

#### Penalty for Underpayment/Late Filing of Insurance Premium Tax Installment Payments

Any taxpayer who fails to report and timely pay any installment of tax, who estimates any installment of tax to be less than 90% of the amount finally shown to be due in any quarter, and/or who fails to report and timely pay any tax due with the final return is subject to a penalty of 10% on any underpayment of taxes or delinquent taxes due and payable for that quarter and/or on any delinquent taxes due and payable with the final return.

#### Interest for Underpayment/Late Filing of Insurance Premium Tax

Interest accrues when a taxpayer fails to pay any amount due on or before the due date. A floating rate of interest applies to underpayments and late payments of tax. The rate is updated January 1 and July 1 of each year by using the formula established in section 213.235, Florida Statutes. For current and prior year interest rates, visit [floridarevenue.com/taxes/rates](http://floridarevenue.com/taxes/rates).

#### Where to Mail Your Form and Payment

Mail your completed Form DR-907 and payment to:

Florida Department of Revenue  
5050 W Tennessee Street  
Tallahassee FL 32399-0150

#### Account Changes

If you change your business name, location or mailing address, or close or sell your business, immediately notify the Department. The quickest way to notify us is online. Go to [floridarevenue.com/taxes/updateaccount](http://floridarevenue.com/taxes/updateaccount), then select the type of change you are requesting.

#### Contact Us

Information and tutorials are available at [floridarevenue.com/taxes/education](http://floridarevenue.com/taxes/education).

Tax forms and publications are available at [floridarevenue.com/forms](http://floridarevenue.com/forms).

If you have any questions, contact Taxpayer Services at 850-488-6800, Monday through Friday, excluding holidays.

**For a written reply to tax questions, email Taxpayer Services at [fdortaxpayerservices@floridarevenue.com](mailto:fdortaxpayerservices@floridarevenue.com).**

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## Reference

The following document was mentioned in this form and is incorporated by reference in the rule indicated below.  
The form is available online at [floridarevenue.com/forms](http://floridarevenue.com/forms).

Form DR-908

Insurance Premium Taxes and Fees Return

Rule 12B-8.003, F.A.C.