

K. Exclusions (G.S. 105-228.5)

The following premiums may be excluded when computing a taxable premium base:

1. Premiums properly reported and properly allocated as being received from business done in some other nation, territory, state, or states.
2. Premiums from policies written in federal areas for persons in military service who pay premiums by assignment of service pay.
3. Premiums from policies or contracts issued in connection with the funding of a pension, annuity, or profit-sharing plan qualified or exempt un section 401, 403, 404, 408, 457 or 501 of the IRS Code.
4. Premiums or considerations received from annuities, as defined in G.S. 58-7-15.
5. Funds or considerations received in connection with funding agreements, as defined in G.S. 58-7-16.
6. Medicaid or Medicare premiums, to the extent federal law prohibits their taxation.