I was just a part of an investigation recently on strategies for very large insureds to purchase high limit excess liability insurance in the most tax-efficient way. As part of that investigation I was surprised to see what is summarized below. That is, that surplus lines (aka excess & surplus Lines, E&S or non-admitted) insurance placement taxes vary dramatically from a low of 1% to a high of 7%. With premiums under consideration of $500,000 to $1 million, that is a $30,000 to $60,000 swing in net cost for the coverage.

The other surprise to me after all these years in the business is that arriving at an exact property/casualty surplus lines tax figure for each state is not always clear cut. If fact, finding a concise table was not easy. Below is an approximate summary I did of low-medium-high tax jurisdictions but depending on the exact line of business and situation of the insured, the actual tax could vary. If you are curious on the details in your state, the NAIC has an 850-page guide summarizing the data state-by-state and each state and situation taken one at a time is more manageable. If you want that guide to look up your state, just email me and I'll send you the link.

**Surplus Lines Taxes By State**

![Map of Surplus Lines Taxes By State](image-url)

Click for larger version

**Source:** National Association of Insurance Commissioners (NAIC) and the Center for Insurance Policy and Research (2016): “Retaliation Guide”.

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_The product and eligibility may have been revised or discontinued since the original article was written. Review the Information page for each product on Big “I” Markets for current content and instructions._