

2025 Form INS-7

General Instructions

Who Must File. Every licensed producer and self-procured person/entity that has nonadmitted gross direct insurance premiums as described in the instructions for line 1 below must file Form INS-7. A fraternal benefit society, order, or lodge, as defined in 24-A.M.R.S. § 4101(1) is exempt from Maine insurance premiums taxes.

Election to Report on Behalf of Employee Producers. An agency may elect to report and pay nonadmitted insurance premiums tax on behalf of all of its employee producers. To make this election, the agency must include a statement listing the name and social security number of the licensed producer(s)/employee(s).

When to File. The annual return and the final tax payment for 2025 are due **March 16, 2026**.

Estimated Payment of Tax. Insurers must make estimated tax payments during the calendar year. Estimated tax payments for 2026 are due April 30, June 25, and November 2, 2026. Each estimated payment must be filed using Form INS-6 (Maine Estimated Payment for Nonadmitted Premiums Tax).

The surplus lines producer or the insured may elect to make estimated tax payments equal to 3% of the premiums on contracts written during each estimated tax period. See Form INS-UET.

Otherwise, the payments due on April 30 and June 25 must each equal 35% of the total tax liability for 2025 or at least 35% of the total tax liability for 2026 and the October installment must equal 15% of the total tax liability for 2025 or 15% of the total tax liability for 2026. The balance due must be submitted with the 2026 Form INS-7.

An insurance company with an annual tax liability not exceeding \$1,000 is not required to pay estimated payments.

Self-procured filers must base each estimated payment on actual premiums for the period.

Electronic Filing and Payment Requirements. Beginning in 2025, MRS Rule 104 (Filing of Maine Tax Returns) requires Form INS-7 to be filed electronically.

MRS Rule 102 (Electronic Funds Transfer) requires taxpayers with a combined annual tax liability for all Maine taxes that is \$10,000 or more to pay all Maine tax electronically.

Taxpayers unable to meet the electronic filing or payment requirements because of undue hardship may submit a written waiver request to the State Tax Assessor. The request must include the name, address, and account number of the business, a detailed explanation of why filing electronically poses a significant hardship,

and the length of time for which you are requesting a waiver. Mail waiver requests to: Maine Revenue Services, Insurance Tax Unit, P.O. Box 1060, Augusta, ME 04332-1060.

For more information, see MRS Rules 102 & 104 at maine.gov/revenue/publications/rules.

Maine Tax Portal (MTP). Use the MTP to create and manage your Maine insurance premiums tax account electronically, file tax returns, and pay Maine estimated premiums tax at revenue.maine.gov.

If filing a paper return, make check payable to Treasurer, State of Maine and mail with return to: Maine Revenue Services, P.O. Box 1065, Augusta, ME 04332-1065. If not enclosing a payment, mail the return to: Maine Revenue Services, P.O. Box 1064, Augusta, ME 04332-1064.

Interest and Penalties. For calendar year 2026, the interest rate is 9%, compounded monthly. The penalty for failure to file a return on time is the greater of \$25 or 10% of the tax due, unless the return is filed more than 60 days after the receipt of a demand notice from the State Tax Assessor, in which case the failure to file penalty is the greater of \$25 or 25% of the tax due. The penalty for failure to pay a tax liability timely is 1% of the outstanding liability for each month or fraction thereof during which the failure continues, to a maximum of 25% of the outstanding liability.

Whole Dollar Amounts. Enter money items as whole dollar amounts. Drop any amount under 50 cents to the lower dollar amount and increase any amount 50 cents through 99 cents to the higher dollar amount.

For Information and Forms:

Website: maine.gov/revenue
Telephone: (207) 624-9753
Monday-Friday, 9 a.m.- 12 p.m.
Order Forms: (207) 624-7894

Statutory References. 36 M.R.S. §§ 2512 through 2536.

Supporting Records. Taxpayers should be prepared to provide supporting documentation for reported amounts. Adequate records must be maintained in a manner that ensures their accessibility by the State Tax Assessor for a period of at least six years.

Specific Instructions

A premium is an amount paid or payable for an insurance policy, including all fees (except provider fees paid for service contracts), such as membership, policy, survey, inspection, service and finance fees in consideration for an insurance policy.

Note: Agencies reporting on behalf of employee producers must attach a schedule with the name, social security number and portion of taxable premiums attributable to each producer for whom the agency is filing.

Maine Surplus Lines Account Number. In the space provided, enter the producer's SSN or, if an agency is filing on behalf of its employees, the agency's federal EIN. If self-procured filer, enter the individual's SSN or the entity's EIN.

Line 1. Nonadmitted Gross Direct Insurance Premiums. Licensed producers enter the gross direct premiums received from persons whose principal place of business or principal residence is in Maine and whose insured risk is entirely or partially in Maine. In addition, regardless of the location of the insured risk, enter gross direct premiums received with respect to insurance policies that meet all of the following: **1)** the policy is held by a person whose principal place of business or principal residence is outside Maine; **2)** none of the insured risk of the policy is located in the state of the insured's principal place of business or principal residence; and **3)** the greater percentage of the insured risk of the policy is in Maine.

Specific Instructions - continued

Self-procured persons whose principal place of business or principal residence is in Maine and whose insured risk is entirely or partially in Maine: Enter the total gross direct premiums received, regardless of the location of the risk.

Self-procured persons whose principal place of business or principal residence is outside Maine: Regardless of the location of the risk, enter gross direct premiums received with respect to insurance policies that meet both of the following: **1)** none of the insured risk of the policy is located in the state of the insured's principal place of business or principal residence; and **2)** the greater percentage of the insured risk of the policy is in Maine.

2a. Return premiums. Enter the amount of direct return premiums that were returned to the policyholder during the tax year. Include return premiums paid that were subject to the Maine surplus lines premiums tax in a prior year, as well as return premiums that were paid in 2025 and included on line 1.

2b. Dividends paid, credited, or allowed on direct premiums. Enter the amount of direct dividends paid to the policyholder during the tax year. Include dividends paid that were subject to the Maine surplus lines premiums tax in a prior year, as well as dividends that were paid in 2025 and included on line 1.

Line 6. Estimated Payments. Enter the overpayment carried forward from the previous tax year and any estimated tax paid for the current tax year. If you are filing an amended return, include amounts paid with the original, or previously adjusted return.

Line 7. If you are filing an amended return, include any carryforward or refund amount allowed on the original, or previously adjusted return.

Line 9a. Amount due. If the amount on line 8 is a negative amount, treat it as a positive and add it to the amount on line 5. Any balance due must be paid in full with the return. Late payments are subject to interest and penalties (see General Instructions). File the return and remit the payment using the MTP at revenue.maine.gov or mail a check payable to Treasurer, State of Maine with the return.

Line 10. Underpayment of estimated tax. If line 5 is \$1,000 or more, use Form INS-UET to see if you owe interest for any underpayment of estimated tax. Form INS-UET is available at maine.gov/revenue/tax-return-forms.

Line 13a. Portion of overpayment to be credited to next year's estimated tax. Use this line only if you want to have all or part of the overpayment on line 12 applied as an estimated payment to your 2026 Maine surplus lines premiums tax.

Line 13b. Portion of overpayment to be refunded. Refunds of \$1.00 or more will be mailed to you. **Note:** For direct deposit of refunds less than \$20,000, you must file Form INS-7 on the MTP at revenue.maine.gov.