

**For Calendar Year 2024**

All Home Protection Companies must complete and file a *Home Protection Insurance (Premium) Tax Return (CDI FS-004)*, whether or not business was transacted during the Calendar Year of **2024**. Complete all items, including the method of tax payment.

1. **Due on or before April 1, 2025:** File one (1) *Home Protection Insurance (Premium) Tax Return (CDI FS-004)* with the California Department of Insurance (CDI). Groups: Prepare a separate Insurance (Premium) Tax Return and tax payment for each member company. No group filings are accepted.

2. **File Online via the CDI Premium Tax Processing System (PTPS) Online portal:**

- a. **Register for the CDI PTPS** – The Executive Officer that filed a **2023** Insurance (Premium) Tax Return with CDI should have received instructions on system registration. If the registration communication was not received, please contact the CDI via e-mail to [PremiumTaxFiling@insurance.ca.gov](mailto:PremiumTaxFiling@insurance.ca.gov).

3. **Tax Payments and Vouchers:**

a. **Electronic Funds Transfer (EFT) Payment:**

- I. Pursuant to California Insurance Code (CIC) section 12976.5 and California Revenue and Taxation Code (CRTC) section 12602, entities subject to insurance tax whose **2024** Annual Insurance (Premium) Tax was \$20,000 or more are required to participate in the Electronic Funds Transfer (EFT) Program.
- II. **For quarterly payments**, submit the *Insurer Quarterly Insurance (Premium) Tax Prepayment Voucher (CIA-T-4)* via e-mail to [PremiumTaxFiling@insurance.ca.gov](mailto:PremiumTaxFiling@insurance.ca.gov).
- III. **On e-mail subject line**, include the California Permanent Number (not NAIC Number), the Name of the Insurer, the associated Tax Year, and the Tax form being filed. **Example:** 0000-0 - Any Insurance Company – 2025 HP Tax Payment Voucher Q1.
- IV. Regardless of amount due, **CDI encourages the use of EFT** to ensure timely receipt of payment.

b. **Check Payment:**

- I. Each tax payment type must be made on separate checks payable to “California Department of Insurance”.
- II. Send the check along with a copy of the first page of the completed *Home Protection Insurance (Premium) Tax Return (CDI FS-004)* and/or a completed *Insurer Quarterly Insurance (Premium) Tax Prepayment Voucher (CIA-T-4)* to:

California Department of Insurance  
P.O. Box 1918  
Sacramento, CA 95812-1918

For information regarding the EFT Program, visit [Electronic Funds Transfer \(EFT\) Program for Tax Payments](#) or contact the CDI via e-mail to [EFT@insurance.ca.gov](mailto:EFT@insurance.ca.gov).

For questions concerning the completion of the Insurance (Premium) Tax Return, visit the CDI [Tax Forms, Instructions & Information](#) webpage to download the [PTPS Frequently Asked Questions \(FAQs\)](#) or contact the CDI via e-mail to [PremiumTaxAudit@insurance.ca.gov](mailto:PremiumTaxAudit@insurance.ca.gov).

**Note:** PTPS calculation error messages are to be used as a guide only. It is to help the filer identify if amounts were entered correctly. All amounts entered should be based on the filer’s books and accounts. Some tax forms require that all information be entered to populate correct calculations for Page 1 items of the Tax Return. A tax return can still be submitted if calculation error message is visible.

## Instructions

The following are line-by-line instructions for the Home Protection Insurance (Premium) Tax Return for the calendar year of 2024.

**Complete the following information:** Name of Insurer, Mailing Address, City, State, Zip Code, Telephone Number, and State of Domicile. Also provide the Federal Tax Identification Number, California Permanent Number (CA Perm. No.), National Association of Insurance Commissioners Number (NAIC No.), EFT Taxpayer Identification Number (TIN), and select the appropriate Method of Tax Payment.

**Check the appropriate box(s) for the following information:** “New Company” - If admitted during **2024**; “Name Change” - If name was changed during **2024**; “Final Return” - If no further business transacted due to withdrawal of the Certificate of Authority or a non-survivor of a merger during **2024**, enter the effective date of the final transaction; and/or “Amended Return” – If filing to make a correction, enter the date when it was amended.

### Record All Amounts in Whole Dollars

#### Page 1

Line	Instructions
Line 1:	<b>Direct Premiums Written.</b> Record the amount shown on the Annual Statement, Schedule T, Line 5, Column for “Direct Premiums Written”. Premiums are defined pursuant to California Insurance Code section 12743(j)(3): “Premium” shall mean protection contract fee.
Line 2:	<b>Additional Contract Fees.</b> Record fees that are charged for additional expenses incurred in selling insurance on an installment basis such as additional bookkeeping expense or collection expense. <i>Allstate Insurance Co. v State Board of Equalization</i> (1959) 169 Cal.App.2d 165.
Line 3:	<b>Orphan Premiums.</b> Record premium from foreign states and alien countries where company is not licensed. This is for California domiciled companies <b>Only</b> .
Line 4:	<b>Total Net Taxable Premiums.</b> Total of Lines 1, 2 and 3.
Line 5:	<b>Tax Rate</b> - the tax rate of 2.35 %.
Line 6:	<b>2024 Annual Tax</b> – Multiply Line 4 by the tax rate on Line 5 to determine the <b>2024 Annual Tax</b> . <b>If the result is negative, record zero (-0-) tax due.</b> If the <b>2024 Annual Tax</b> is more than \$20,000, then the insurer is required to participate in the EFT Program. <b>Note: CDI encourages the use of EFT for all payments to ensure timely receipt of payment. For questions regarding EFT, contact the CDI via e-mail to <a href="mailto:EFT@insurance.ca.gov">EFT@insurance.ca.gov</a>.</b>
Line 7:	<b>Low-Income Housing Tax Credit (LIHTC)</b> - Record any Low-Income Housing Tax Credit for the calendar year of <b>2024</b> pursuant to CRTC section 12206. The following must be attached to claim the credit: (1) copy of <b>Certificate of Final Award of California (3521-A) form</b> issued by the California Tax Credit Allocation Committee; (2) copy of the Final <b>Schedule K-1 Partner's Share of Income, Deductions, Credits, etc. (565) form</b> filed with the FTB; (3) copy of <b>Schedule K-1 Partner's Share of Income, Deductions, Credits, etc. (1065) form</b> filed with the IRS; and (4) a <b>spreadsheet</b> showing details on how the credit amount was determined and must clearly indicate the carry-forward credit amount claims over a minimum of four years based on allowable periods to claim. <b>Note: For taxable years beginning on or after January 1, 2023</b> , CDI can accept a “taxpayer certification” (CPA letter) if Form 3521-A is not yet available. CDI would still require the Form 3521-A to support LIHTC for taxable years 2022 and prior (active years only). <b>Failure to provide these documents may result in the disallowance of credit and/or delay in processing.</b> Any underpayment of tax is subject to Penalty and/or Interest. The Company's name and California Permanent Number must be shown on all attachments and certificates filed with the CDI.
Line 8:	<b>College Access Tax Credit (CATC)</b> - Record any credits claimed for the calendar year of <b>2024</b> that was certified by the California Educational Facilities Authority (CEFA) pursuant to CRTC section 12207. Attach a copy of the CATC Certification from CEFA showing the amount of the credit. Failure to provide a copy of the certificate of credit will result in the credit being disallowed. <b>(For Taxable Years 2017-2027.)</b> Subject to CRTC section 12209 limitations.
Line 9:	<b>Prepayments Made During the Calendar Year of 2024</b> (CRTC sections 12251-12260) - Only include those prepayments made or applied to the first quarter during the calendar year of <b>2024</b> . Exclude all payments of interest and penalties.

Line	Instructions
Line 9a:	<b>Overpayment applied from prior year</b> - If there was an overpayment applied to the <b>2024</b> First Quarter Prepayment, as reported on Line 13a of the <b>2023</b> tax return, then record the amount applied on Line 9a (for example, if the <b>2024</b> First Quarter Prepayment due was \$2,500 and the amount of <b>2023</b> Overpayment applied was \$500, then record \$500 on Line 9a). Include prior year overpayment amount of \$10 or less applied as Credit towards future tax liabilities. <b>-OR-</b> If there was no overpayment applied to the <b>2024</b> First Quarter Prepayment and no prior year overpayment amount of \$10 or less, then record zero ("0") on Line 9a.
Line 9b:	<b>First Quarter (Balance Paid)</b> - If there was an overpayment applied to the <b>2024</b> First Quarter Prepayment, then record the net balance paid on Line 9b (for example, if the <b>2024</b> First Quarter Prepayment due was \$2,500 and the amount of <b>2023</b> Overpayment applied was \$500, then record \$2,000 on Line 9b). <b>-Or-</b> If there was no overpayment applied to the <b>2024</b> First Quarter Prepayment, then record the amount paid for the <b>2024</b> First Quarter Prepayment on Line 9b.
Line 9c - 9e:	<b>Second, Third, and Fourth Quarters</b> – Record the amount paid for each quarter.
Line 9f:	<b>Total Prepayments</b> – Record the sum of Lines 9a through 9e.
Line 10:	<b>Total Credits and Prepayments</b> – Record the sum of Lines 7, 8, and 9f.
Line 11:	<b>2024 Tax Due</b> – If Line 6 is <b>More</b> than Line 10, then subtract Line 10 from Line 6. The result will be the balance of the <b>2024</b> Annual Tax Due. Pay this amount on or before <b>April 1, 2025</b> . If Line 6 is <b>LESS</b> than Line 10, then record zero ("0") on this line and proceed to Line 12.
Line 12:	<b>2024 Tax Overpayment</b> – If Line 10 is <b>More</b> than Line 6, then subtract Line 6 from Line 10, and record the result of the overpayment on this line. If Line 10 is <b>LESS</b> than Line 6, record zero ("0") on this line and proceed to Line 13. Note: The tax overpayment (line 12) may be applied to the <b>2025</b> First quarter prepayment (line 13). A Refund <b>Shall Not</b> be applied to the <b>2025</b> Second quarter prepayment or any future tax payment unless prior approval has been granted by the CDI Premium Tax Audit Unit.
Line 13:	<b>2025 First Quarter Prepayment</b> – Record the <b>2025</b> First Quarter Prepayment on this line. If the Annual Tax, Line 6, is \$20,000 or more, the insurer is required to make prepayments equal to 25 percent of Line 6. If the amount on Line 6 is less than \$20,000, then record zero ("0") on this line. (CRTC sections 12251-12260)
Line 13a:	<b>2024 Tax Overpayment applied to the First Quarter Prepayment</b> - Record the amount of the <b>2024</b> Tax Overpayment, Line 12, applied to <b>2025</b> First Quarter Prepayment. Note: The application of the overpayment is not required. The insurer may pay the <b>2025</b> First Quarter Prepayment in full and receive a refund of the total amount reported on the tax overpayment, Line 12. <b>-Or-</b> If there is no tax overpayment or the insurer wishes to pay the <b>2025</b> First Quarter Prepayment in full, then record zero ("0") on this line.
Line 13b:	<b>2025 First Quarter Prepayment Balance Due</b> - If Line 13a is equal to or less than Line 13, then subtract Line 13a from Line 13. The result will be the <b>2025</b> First Quarter Prepayment Balance Due. Pay this amount on or before <b>April 1, 2025</b> .
Line 14, 14a, and 14b:	<b>Tax Refund / Credit</b> - The Tax Refund is equal to the <b>2024</b> Tax Overpayment, Line 12, less the amount applied to Line 13a. - <b>If there is no tax overpayment, then record zero ("0") on the following lines.</b> - <b>If the amount is greater than \$10, enter the amount on Line 14a (Tax Refund),</b> - <b>Or, if the amount is \$10 or less, enter the amount on Line 14b (Tax Credit).</b> Note: The annual tax overpayment <b>shall not</b> be applied towards the <b>2025</b> Second Quarter Prepayment or any future tax due unless prior approval has been granted by the CDI Premium Tax Audit Unit. Note: Overpayment amounts of \$10 or less will be automatically applied as Credit towards future tax liabilities.
<b>Declaration of Insurer (Tax Return, Page 2):</b>	<b>CRTC section 12303(a) states:</b> "Every return required by this article to be filed with the commissioner shall be signed by the insurer or an executive officer of the insurer and shall be made under oath or contain a written declaration that it is made under penalty of perjury. A return of a foreign insurer may be signed and verified by its manager residing within this state. A return of an alien insurer may be signed and verified by the United States manager of the insurer." <b>Enter the First Name, Last Name, Title, and E-mail of the signing Insurer's Executive Officer in the space provided. The Insurance (Premium) Tax Return must be signed.</b>

**\*Attach a copy of the Annual Statement - Schedule T and all supporting documents for this Insurance (Premium) Tax Return.**

## Extension of Time

- **Prepayments – CRTC section 12255:** The commissioner, for good cause shown, may extend for not to exceed 10 days the time for making a prepayment. The extension may be granted at any time, provided that a request therefore is filed with the commissioner within or prior to the period for which the extension may be granted. Interest at the rate prescribed by section 12631 shall be paid for the period of time for which the extension is granted.
- **Annual Tax – CRTC section 12306:** The commissioner, for good cause shown, may extend for not to exceed 30 days the time for filing a tax return or paying any amount required to be paid with the return. The extension may be granted at any time, provided that a request therefore is filed with the commissioner within or prior to the period for which the extension may be granted.
- **Interest on Extension – CRTC section 12307:** Any insurer to whom an extension is granted shall pay, in addition to the tax, interest at the modified adjusted rate per month, or fraction thereof, established pursuant to section 6591.5 from April 1<sup>st</sup> until the date of payment.
- **To request for extension of time,** submit your written request to the CDI for review **prior to the payment due date via e-mail to [PremiumTaxAudit@insurance.ca.gov](mailto:PremiumTaxAudit@insurance.ca.gov)**. The request is not considered granted until notice is received by the CDI. Any late and underpayment of tax shall be subject to Interest and/or Penalties assessments.

For Calendar Year 2024

## Amended Insurance (Premium) Tax Return – Tax Refund

1. **A claim for refund shall be in writing and shall state the specific grounds upon which it is founded. (See CRTC sections 12978 and 12979, and section 12432 for statute of limitations for notice of deficiency assessment.)**  
**Note: The California Department of Tax and Fee Administration (CDTFA) will not accept a claim for refund from tax years that have expired.**
  - It must be indicated that an Amended Insurance (Premium) Tax Return filing is being made with the Amendment Date provided.
  - Do not deduct or credit the requested refund when filing any future Insurance (Premium) Tax Returns or tax prepayments due. The amount claimed is not a refund until certified as correct and a Notice of Refund is issued to you. Any late and underpayment of tax shall be subject to Interest and/or Penalties assessments.
  - For Insurers only: The prepayment amount will remain unchanged from the original amount, which is based on the original Insurance (Premium) Tax Return as filed and processed by the CDI.
2. **File the Amended Insurance (Premium) Tax Return with the CDI:**
  - For the **2024** Amended Insurance (Premium) Tax Return, file online via the CDI PTPS at [Tax Forms, Instructions & Information](#) and attach an explanation letter and supporting documentation to reconcile with the total amount of refund being claimed. CDI may request for additional information during the review.
  - For the **2023** Amended Insurance (Premium) Tax Return and prior tax years (active tax years only), file by e-mail to [PremiumTaxAudit@insurance.ca.gov](mailto:PremiumTaxAudit@insurance.ca.gov).
3. **File the Amended Insurance (Premium) Tax Return with the CDTFA:**
  - Submit your request online: Go to <https://onlineservices.cdtfa.ca.gov/> and login with username and password if you have an account with the CDTFA, otherwise select "Claim a Refund or Request Relief for Insurance" under Limited Access Functions. (For questions or assistance, call CDTFA at 1-800-400-7115.)
  - Or submit via e-mail to: [BTFDADABInsuranceStaff@cdtfa.ca.gov](mailto:BTFDADABInsuranceStaff@cdtfa.ca.gov);
  - Or submit via mail to:

California Department of Tax and Fee Administration  
Appeals and Data Analysis Branch MIC: 33  
P.O. Box 942879  
Sacramento, CA 94279-0033

## Amended Insurance (Premium) Tax Return – Additional Tax Due

1. **To correct and report additional Insurance (Premium) tax, file an Amended Insurance (Premium) Tax Return and attach a letter of explanation.**
  - It must be indicated that an Amended Insurance (Premium) Tax Return filing is being made with the Amendment Date provided.
  - Any additional tax, penalty and interest payments are to be made by Check Payment Only and made payable to the State Controller's Office. Please note that EFT should only be used for the original annual tax and prepayments.
  - All payments made toward additional tax due will be applied pursuant to CRTC section 12636.5: "Every payment on a delinquent tax shall be applied as follows: (a) First, to any interest due on the tax. (b) Second, to any penalty imposed by this part. (c) The balance, if any, to the tax itself."
  - For Insurers only: The prepayment amount will remain unchanged from the original amount, which is based on the original Insurance (Premium) Tax Return as filed and processed by the CDI.
2. **File the Amended Insurance (Premium) Tax Return with the CDI:**
  - For the **2024** Amended Insurance (Premium) Tax Return, file online via the CDI PTPS at [Tax Forms, Instructions & Information](#).
  - For **2023** Amended Insurance (Premium) Tax Return and prior tax years, file by e-mail to [PremiumTaxAudit@insurance.ca.gov](mailto:PremiumTaxAudit@insurance.ca.gov).
3. **Send the Check payable to the State Controller's Office and a copy of the Amended Insurance (Premium) Tax Return (CDI FS Form Only) to:**

**(USPS Delivery)**

State Controller's Office  
Departmental Accounting Office  
Insurance Tax Program  
P.O. Box 942850  
Sacramento, CA 94250-0001

or

**(Overnight Delivery)**

State Controller's Office  
Departmental Accounting Office  
300 Capitol Mall, Suite 1500  
Sacramento, CA 95814  
Attention: Insurance Tax Program