

State: Texas **Filing Company:** National Council on Compensation Insurance, Inc.
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: R-1422 Revisions to the Retrospective Rating Plan Manual Rule Related to the Tax Multiplier
Project Name/Number: /

Filing at a Glance

Company: National Council on Compensation Insurance, Inc.
Product Name: R-1422 Revisions to the Retrospective Rating Plan Manual Rule Related to the Tax Multiplier
State: Texas
TOI: 16.0 Workers Compensation
Sub-TOI: 16.0004 Standard WC
Filing Type: Rate/Rule
Date Submitted: 07/31/2023
SERFF Tr Num: NCCI-133760105
SERFF Status: Assigned
State Tr Num: S713939
State Status: AS-Assigned To Technician
Co Tr Num: R-1422

Effective Date: 01/01/2024
Requested (New):
Effective Date: 01/01/2024
Requested (Renewal):

Author(s): Lesley O'Brien, Nancy Mattei, Tyler Santos, Andrew Scott, Mario Morales
Reviewer(s): David Boon (primary), David Trautman, Connie Adams
Disposition Date:
Disposition Status:
Effective Date (New):
Effective Date (Renewal):

State Filing Description:
WC 1

State: Texas **Filing Company:** National Council on Compensation Insurance, Inc.
TOI/Sub-TOI: 16.0 Workers Compensation/16.0004 Standard WC
Product Name: R-1422 Revisions to the Retrospective Rating Plan Manual Rule Related to the Tax Multiplier
Project Name/Number: /

General Information

Project Name: Status of Filing in Domicile:
Project Number: Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 08/01/2023
State Status Changed: 08/01/2023 Deemer Date:
Created By: Nancy Mattei Submitted By: Nancy Mattei
Corresponding Filing Tracking Number:
State TOI: Workers Compensation State Sub-TOI: Workers Compensation

Filing Description:

This item revises Rule 1-B-2-g—Tax Multiplier (TM) in NCCI's Retrospective Rating Plan Manual for Workers Compensation and Employers Liability Insurance (Retrospective Rating Plan Manual).

Company and Contact

Filing Contact Information

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Filing Company Information

National Council on Compensation CoCode: State of Domicile: Florida
Insurance, Inc. Group Code: Company Type:
901 Peninsula Corporate Circle Group Name: State ID Number:
Boca Raton, FL 33487 FEIN Number: 65-0439698
(561) 893-3186 ext. [Phone]

State: Texas **Filing Company:** National Council on Compensation Insurance, Inc.
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Filing Fees

State Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

State Specific

- [PII] Does this filing contain any personally identifiable information (PII)? (See SERFF General Instructions for the definition and examples of PII.) Answer either YES or NO:: No
- [Associated filing] Provide the TDI file number or SERFF tracking number for all associated filings:: N/A
- [Deemer date] Do you waive the deemer for form, endorsement, and certificate of insurance filings under 28 TAC 5.9325? Answer either YES or NO:: Yes
- Do you waive the limits on requests for information for rate/rule filings under 28 TAC 5.9336? Answer either YES or NO:: Yes
- [Replacement number] Provide the TDI file number or SERFF tracking number of the previously approved forms and endorsements or accepted rates, rules, or rate/rules that you are replacing:: The previous filings were not made in Texas and generally the rules listed were adopted with the Manual adoption, which did not have a filing number
- [Reference/adopt] Provide the TDI file number or SERFF tracking number that contains approved forms and endorsements or accepted rates, rules, or rate/rules that you are referencing/adopting.: N/A
- [Interline] State if this is an interline filing and list all lines of insurance the endorsement or rate/rules applies to.: N/A
- [Dual] For dual filings (monoline and multi-peril) state if this is a new program. If not, provide the TDI file number or SERFF tracking number for either the previous dual filing, or the previous monoline and multi-peril filings approved for this program:: N/A
- [Policy form] What policy form do these endorsements and forms go with? List the TDI file number or SERFF tracking number where the policy form was approved or referenced:: N/A
- [RPG] Will this filing be used for a Risk Purchasing Group? Answer either YES or NO. If yes, provide the name:: No

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NCCI-133760105

State Tracking #:

S713939

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R-1422

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Rate Information

Rate data applies to filing.

Filing Method:

Rate Change Type:

Neutral

Overall Percentage of Last Rate Revision:

0.000%

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

SERFF Tracking Number of Last Filing:

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
National Council on Compensation Insurance, Inc.	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

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Rate/Rule Schedule

Item No.	Schedule Item Status	Exhibit Name	Rule # or Page #	Rate Action	Previous State Filing Number	Attachments
1		Exhibit 1	Rule 1-B-2-g	Replacement	The previous filings were not made in Texas and generally the rules listed were adopted with the Manual adoption, which did not have a filing number	Exhibit 1 .pdf

ITEM R-1422—REVISIONS TO THE RETROSPECTIVE RATING PLAN MANUAL RULE
RELATED TO THE TAX MULTIPLIER

EXHIBIT 1
RETROSPECTIVE RATING PLAN MANUAL—2009 EDITION
Rule 1—General Explanation
B. DEFINITIONS

2. Elements of the Retrospective Rating Plan Formula

(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MN, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WI, WV)

g. Tax Multiplier (TM)

Tax multipliers vary by state and generally cover licenses, fees, assessments, and taxes that the carrier must pay on the premium collected in an individual state.

For states where NCCI files full rates, refer to the State Special Rating Values pages of this manual for the individual state and federal tax multipliers.

For states where NCCI files loss costs, ~~refer to NCCI's *Tax and Assessment Directory* for the individual state tax multiplier.~~ carriers must calculate their own state and federal tax multipliers. The tax multiplier formula is provided in the Glossary of NCCI's ***Tax and Assessment Directory (TAAD)***. Information regarding state taxes and assessments, as well as the federal United States Longshore and Harbor Workers' (USL&HW) Compensation Act—Special Fund assessment, are contained in the relevant section of the ***TAAD***. State act weights can be found in each state's annual rate/loss cost filing circular. The federal act weight can be derived as one minus the state act weight.

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Supporting Document Schedules

Bypassed - Item:	Does this filing contain confidential information?
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Exhibit A
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Exhibit C
Bypass Reason:	N/A
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Filing Memorandum (Rates/Rules)
Comments:	
Attachment(s):	Filing Memorandum R-1422.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Side by Side
Comments:	
Attachment(s):	Side_by_side_R-1422 National.pdf
Item Status:	
Status Date:	

FILING MEMORANDUM

ITEM R-1422—REVISIONS TO THE RETROSPECTIVE RATING PLAN MANUAL RULE RELATED TO THE TAX MULTIPLIER

PURPOSE

This item revises Rule 1-B-2-g—Tax Multiplier (TM) in NCCI's *Retrospective Rating Plan Manual for Workers Compensation and Employers Liability Insurance (Retrospective Rating Plan Manual)*.

BACKGROUND

NCCI's *Retrospective Rating Plan Manual* Rule 1-B-2-g refers to NCCI's *Tax and Assessment Directory (TAAD)* for the individual state tax multipliers that carriers use to cover licenses, fees, assessments, and taxes that a carrier must pay on premium.

State and federal multipliers are no longer provided in the *TAAD*. The Glossary of the *TAAD* provides the tax multiplier formula so that carriers can calculate their own tax multipliers. State taxes and assessments, as well as the federal United States Longshore and Harbor Workers' (USL&HW) Compensation Act—Special Fund assessment, can be found in the relevant section of the *TAAD*. State act weights are included in each state's annual rate/loss cost filing circular.

As a result of the revisions made in the *TAAD*, it is necessary to revise *Retrospective Rating Plan Manual* Rule 1-B-2-g to clarify where carriers can locate this information.

PROPOSAL

This item proposes to revise Rule 1-B-2-g in NCCI's *Retrospective Rating Plan Manual* to update information related to state and federal tax multipliers.

IMPACT

No statewide premium impact will result from the changes proposed in this item.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibit	Exhibit Comments	Implementation Summary
1	Details the revisions to Rule 1-B-2-g in NCCI's <i>Retrospective Rating Plan Manual</i> .	To become effective for new and renewal voluntary policies only, with effective dates on and after 12:01 a.m. on January 1, 2024.

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COMPARISON OF CURRENT AND PROPOSED RULE 1-B-2-g REVISIONS FOR ITEM R-1422—REVISIONS TO THE RETROSPECTIVE RATING PLAN MANUAL RULE RELATED TO THE TAX MULTIPLIER*

Current	Proposed
<p>RETROSPECTIVE RATING PLAN MANUAL—2009 EDITION Rule 1—General Explanation B. Definitions 2. Elements of the Retrospective Rating Plan Formula</p>	<p>RETROSPECTIVE RATING PLAN MANUAL—2009 EDITION Rule 1—General Explanation B. Definitions 2. Elements of the Retrospective Rating Plan Formula</p>
<p>g. Tax Multiplier (TM)</p> <p>Tax multipliers vary by state and generally cover licenses, fees, assessments, and taxes that the carrier must pay on the premium collected in an individual state.</p> <p><i>For states where NCCI files full rates, refer to the State Special Rating Values pages of this manual for the individual state tax multiplier.</i></p> <p><i>For states where NCCI files loss costs, refer to NCCI's Tax and Assessment Directory for the individual state tax multiplier.</i></p>	<p>g. Tax Multiplier (TM)</p> <p>Tax multipliers vary by state and generally cover licenses, fees, assessments, and taxes that the carrier must pay on the premium collected in an individual state.</p> <p><i>For states where NCCI files full rates, refer to the State Special Rating Values pages of this manual for the individual state and federal tax multipliers.</i></p> <p>For states where NCCI files loss costs, carriers must calculate their own state and federal tax multipliers. The tax multiplier formula is provided in the Glossary of NCCI's Tax and Assessment Directory (TAAD). Information regarding state taxes and assessments, as well as the federal United States Longshore and Harbor Workers' (USL&HW) Compensation Act—Special Fund assessment, are contained in the relevant section of the TAAD. State act weights can be found in each state's annual rate/loss cost filing circular. The federal act weight can be derived as one minus the state act weight.</p>

*This Comparison is provided as a reference only in order to show the differences between the existing rule(s) or form(s), and the changes being proposed in the item filing. In the unlikely event that there is a conflict between the item filing Exhibits and this Comparison, the item filing Exhibits will control.