

## **TDI Meeting on Maintenance Tax Rates**

The TDI staff met yesterday to release their proposed maintenance tax rates for 2019. The life/health rate will be the same at 0.0040. This is the maximum rate allowed by law. Of interest is the fact that the TDI estimates current revenue required to regulate life/health insurance. This is estimated to be \$21,973,809. This includes allocation of actual TDI direct expenses for life/health such as policy form approval, financial analysis, legal, consumer complaints, and indirect allocations for Commissioner, Comptroller, and Attorney General. At the maximum rate, TDI estimates it will collect \$18,794,640. This \$3,179,169 difference is expressed as a shortfall. Other lines of business such as property/casualty and title make up this difference for funding. The good news is that this shortfall is less than in previous years because of increasing revenues in the life/health line.

One other item of interest for TALHI members is the overhead assessment rates. These rates fund the financial division and are paid by Texas domestic insurers and a foreign insurer if they are subjected to an examination. These rates are projected to increase because TDI did not participate in any examinations of foreign insurers.

The proposed 2019 rates will be published in a formal rule change.

Here are the pertinent documents:

1. [TDI agenda & tax & assessment methodology](#)
2. [The proposed maintenance tax and assessment rates for 2019](#)
3. [The comparison of maintenance tax & assessment revenues](#)