E. Tax Rates and Charges (G.S. 105-228.5, G.S. 58-6-25)

Tax rates and charges are as follows:

Workers' Compensation	2.50%
Other taxable contracts	1.90%
Additional Statewide Fire and Lightning (excluding auto and marine)	1.33%
Additional Local Fire and Lightning	.50%
Article 65 Corporations	1.90%
Health Maintenance Organizations (2007)	1.90%
Insurance Regulatory Charge (2007)	5.50%*

*Subject to change each year and is established by the General Assembly based on a proposed percentage rate submitted by the NC Department of Insurance sufficient to defray the estimated cost of the operations of the NC Department of Insurance for each upcoming fiscal year.

Effective for taxable years beginning on or after January 1, 2008, the additional statewide and local fire and lightning taxes are repealed and replaced with an additional tax on property coverage contracts. This additional tax on property coverage is imposed on ten percent (10%) of the gross premiums from policies providing coverage for automobile physical damage and all other property coverage contracts including policies providing coverage for wind damage. See G.S. 105-228.5(d)(3) for definitions. The tax rate is seventy-four hundredths percent (0.74%).