



State of Hawai`i

Applicable Law: Hawai`i Revised Statutes, Title 24, Chapter 431, Article 19 (Enacted May 1986)

Supervisory Jurisdiction: Insurance Division, Department of Commerce and Consumer Affairs

Permitted Coverages: All Property/Casualty and Workers Compensation; Securitization of Insurance Risks, Other lines as may be allowed by Insurance Commissioner

Organizational Structures: Stock, Nonprofit, Mutual, Reciprocal or Limited Liability Company

Classes of Captives: Class 1 – Single Owner; Reinsurance only
Class 2 – Single Owner; Direct and Reinsurance
Class 3 – Multi Owner; Association or Risk Retention Captive
Class 4 – Sponsored Captive; Protected cells may be established to segregate risks of participants
Class 5 – Reinsurance or Excess Insurance only

Fees: Initial Incorporation Fee:	\$ 50
Annual Business Registration Fee:	\$ 15
Captive Application Fee:	\$ 1,000
Captive Annual License Fees:	
Class 1 and 2	\$ 300
Class 3	\$ 500
Class 4 and 5	\$ 1,000

State Taxes: Tax on captive's *premiums* only. Rates as follows:

- 0.25% on premiums from \$0 up to \$25 million
- 0.15% on premiums from \$25 million up to \$50 million
- 0.05% on premiums from \$50 million up to \$250 million
- 0.00% on premiums more than \$250 million

No minimum premium tax. Maximum premium tax of \$200,000.

No taxation of captive premiums if premiums were previously subjected to tax in jurisdiction where underlying risk is located, or on reinsurance premiums assumed by captive.

Captive License Activity: 179 active at 12/31/2012; 258 licensed since inception.

Capital and Surplus Provisions: Minimum *required* capital and surplus determined by Insurance Commissioner based on each captive program.

Minimum *statutory* requirements:

Class 1:	\$ 100,000
Class 2:	\$ 250,000
Class 3:	\$ 500,000 (RRG & Association)
Class 4:	\$ 500,000
Class 5:	As determined by Insurance Commissioner

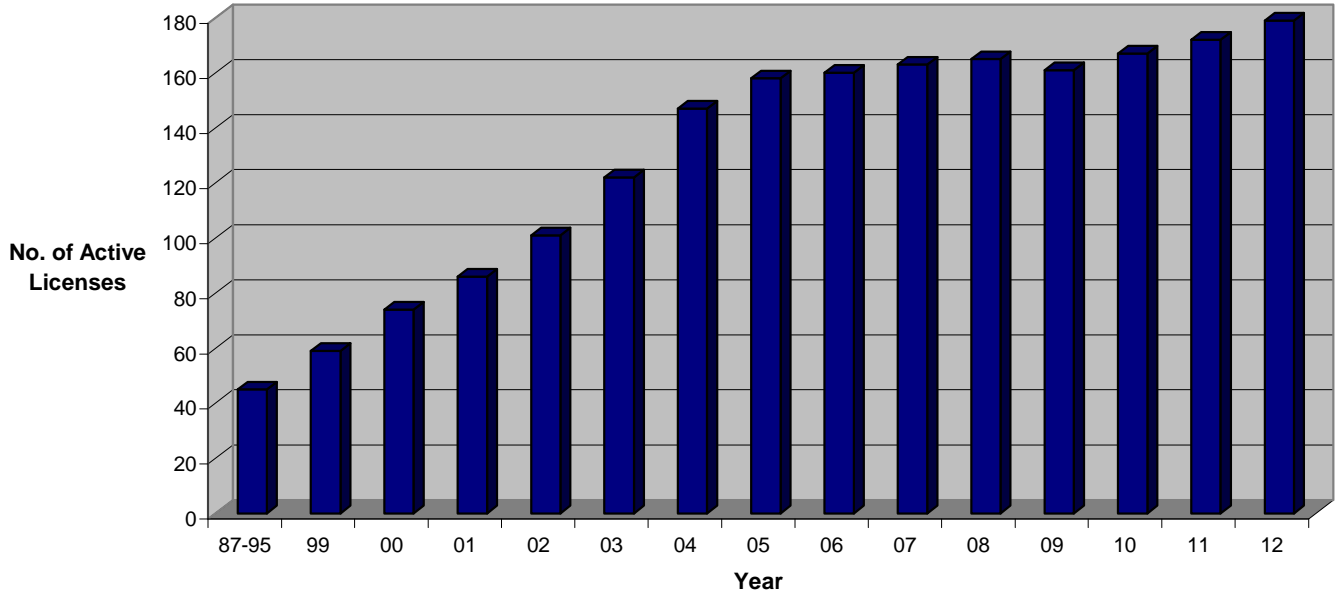
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Captive Insurance Activity



Recap By Year	87-00	01	02	03	04	05	06	07	08	09	10	11	12
Beginning Balance	0	74	86	101	122	147	158	160	163	165	161	167	172
Additions	92	15	16	23	30	18	8	10	8	4	12	10	12
Deletions	(18)	(3)	(1)	(2)	(5)	(7)	(6)	(7)	(6)	(8)	(6)	(5)	(5)
Ending Balance	74	86	101	122	147	158	160	163	165	161	167	172	179

Captive Owners by Location

U.S.	Western	133
	Eastern	26
	Central	10
Total U.S.		169
Non-U.S.	Asia / Pacific	9
	Atlantic	1
Total Non-U.S.		10
Total at 12/31/2012		179

Captive Owners by Industry Groups

Construction / Real Estate	57	
Health Care	32	
Telecommunications & Manufacturing	31	
Retail & Other Services	25	
Financial Services	16	
Transportation / Energy	18	
Total at 12/31/2012		179

Links to Related Sites:

Captive Insurance Branch	www.captiveinsurance.hawaii.gov
Hawai`i State Government	www.hawaii.gov
Hawai`i Captive Insurance Council	www.hawaiicaptives.com