

**§ 58-10-490. Inactive captive insurance companies.**

(a) As used in this section, unless the context requires otherwise, "inactive captive insurance company" means a captive insurance company which meets all of the following criteria:

- (1) The company has ceased transacting the business of insurance.
- (2) There are no remaining liabilities associated with policies written or assumed by the company.
- (3) The Commissioner declares the company inactive.

(b) The Commissioner may declare a captive insurance company, other than a risk retention group, an inactive captive insurance company, if such captive insurance company meets the criteria of subdivisions (a)(1) and (a)(2) of this section.

(c) An inactive captive insurance company shall possess and maintain unimpaired capital and surplus in an amount determined by the Commissioner.

(d) An inactive captive insurance company shall not be subject to or liable for the payment of any tax under Article 8B of Chapter 105 of the General Statutes for any full year the captive insurance company is inactive.

(e) The Commissioner may exempt an inactive captive insurance company from any of the filing and reporting requirements of this Part.

(f) G.S. 58-10-496 is inapplicable to subsection (a) of this section unless the captive insurance company has been placed into supervision, receivership, or liquidation pursuant to Article 30 of Chapter 58 of the General Statutes and the Commissioner has determined that the payment of the minimum tax required by G.S. 105-228.4A(f) will result in the captive insurance company's inability to meet its insurance obligations. (2015-99, s. 1; 2022-7, s. 9.)