

Insurance and Pensions Commission (Levy) Regulations, 2020

IT is hereby notified that the Minister of Finance and Economic Development has, in terms of section 33 of the Insurance and Pensions Commission Act [*Chapter 24:21*], made the following regulations:—

Title

1. These regulations may be cited as the Insurance and Pensions Commission (Levy) Regulations, 2020.

Interpretation

2. In these regulations:—

“levy” means a levy imposed in terms of section 30(1) of the Act;

“net written premium” means gross premium less reinsurance and fees payable to brokers or any other deduction whose recipient or beneficiary shall be levied under this statutory instrument.

Rate of levy

3. The amount of levy to be paid by—

(a) short term insurers shall be—

= $a + bx$, where—

a = a fixed levy of twenty thousand dollars per company per quarter

b = rate of 0.01

x = estimated net written premium for the quarter;

(b) short term Reinsurers shall be—

= $a + bx$, where—

a = a fixed levy of twenty thousand dollars per company per quarter

b = rate of 0.01

x = estimated gross written premium for the quarter;

(c) funeral assurers shall be—

$a + bx$, where—

a = fixed levy of twenty thousand dollars per company per quarter

b = rate of 0.01

x = estimated net written premium for the quarter. The net written premium includes both new and recurring business;

(d) life insurance companies shall be levied as follows—

(i) life insurance companies not administering pension funds—

= $a + bx$, where—

a = a fixed levy of twenty thousand dollars per company per quarter

b = rate of 0.01

x = estimated net premium written for the quarter;

(ii) life companies administering both pension and individual life business—

= $a + bx + cy$, where —

a = a fixed levy of twenty thousand dollars per company per quarter

b = rate of 0.01

x = estimated net premium written for the quarter, including both new and recurring business

c = fixed levy of two thousand dollars per fund per quarter

y = number of pension funds administered by the assurers;

(e) life reinsurance companies shall be levied as follows—

$a + bx$, where—

a = fixed levy of twenty thousand dollars per company per quarter

b = rate of 0.01

x = estimated gross written premium;

- (f) composite insurers/reinsurers shall be levied on a quarterly basis as follows—
- a + bx, where—
- a = fixed levy of twenty four thousand dollars per quarter
- b = rate of 0.01
- x = gross written premium for the quarter, including both new and recurring business;
- (g) insurance brokers administering pension funds and independent pension fund administrators shall be levied as follows—
- k + px + qy, where—
- k = fixed levy of twenty thousand dollars per quarter applicable to insurance brokers and fund administrators administering pension funds
- p = fixed levy of two thousand dollars per pension fund per quarter
- x = number of pension funds administered
- q = a rate of 0.0002
- y = estimated market value of assets of the funds;
- (h) stand alone or industrial pension funds levy per quarter shall be—
- p + xy, where—
- p = fixed levy of twenty four thousand dollars
- x = rate of 0.0002
- y = estimated market value of assets of the fund;
- (i) insurance brokers levy per quarter shall be—
- c + qx, where—
- c = a fixed levy of twenty thousand dollars per quarter
- q = a factor of 0.01
- x = estimated commission for the quarter;
- (j) loss adjusters and risk assessors shall pay a flat fee of five thousand dollars per quarter;

- (k) individual agents shall pay a flat fee of one thousand dollars per quarter;
- (l) multiple agents/corporate agents including banc assurance activities shall pay levies quarterly as follows—
= $a + by$, where—
a = a fixed levy of twelve thousand dollars per quarter
b = a rate of 0.01
y = estimated commission for the quarter;
- (m) insurers and brokers placing business outside Zimbabwe shall be levied as follows—
= $a + rx$, where —
a = a fixed levy of five thousand dollars per application;
r = a rate of 0.025
x = external premium
- (n) micro insurance companies shall pay quarterly levies as follows—
= $a + bx$, where—
a = a fixed levy of ten thousand dollars per quarter;
b = rate of 0,005
x = estimated net written premium for the quarter:

Provided that where an insurer, in addition to micro insurance business, carries on any other insurance business, paragraphs (a) to (m) shall be applied in the calculation of the levy in respect of those other insurance businesses.

Exemption from levy

4. (1) All pension funds whose annual pension contributions are less than twenty thousand dollars shall be exempted from applying the rate of 0.0002, but the fixed levy remains payable.

(2) Pension funds that are unable to pay the variable levy must apply for exemption to the Commissioner stating their annual contributions.

Payment of levy

5. (1) All levies shall be paid quarterly on or before the 12th of the first month of the quarter to which they apply as follows—

- (a) 1st quarter by 12th January;
(b) 2nd quarter by 12th April;
(c) 3rd quarter by 12th July;
(d) 4th quarter by 12th October;

(2) Any levy not paid on the specified date in subsection (1) shall be a debt due to the Commission to be paid at the prevailing unsecured lending rate of the Commission's core bankers.

(3) Levy computation schedules, together with proof of payment thereof, shall be submitted to the Commissioner on or before the applicable due date.

Repeal

6. The Insurance Pensions Commission (Levy) Regulations, 2016, published in Statutory Instrument 21 of 2016, are repealed.