

Financial and Consumer Services
P.O. Box 2000 Charlottetown
Prince Edward Island
Canada C1A 7N8

Services financiers et aux consommateurs
C.P. 2000, Charlottetown
Île-du-Prince-Édouard
Canada C1A 7N8

BULLETIN

Financial and Consumer Services Division

Registry and Licensing Services

Insurance Update

Premium Tax and Automobile Levy - Electronic Funds Transfer (EFT)

Issue No. 2026-02

Issued: February 13, 2026

This bulletin is to advise that the Superintendent of Insurance now accepts **Electronic Funds Transfer (EFT)** for Insurance Premium Tax and Automobile Levy **effective April 1, 2026**.

(1) Premium Tax

Insurers are required to pay premium tax on premiums receivable for business transacted in the Province of Prince Edward Island. The premium tax rates are 3.75% on Life and Accident & Sickness insurance premiums, and 4.00% for all other classes of insurance ("General") insurance premiums.

Quarterly Returns

Insurers are required to remit quarterly premium tax they estimate will be payable for insurance premiums earned in the Province of Prince Edward Island during their taxation year. Estimates shall be made on the basis of the business transacted by the insurer in the province during the preceding taxation year.

A Quarterly Return is required to be filed with quarterly premium tax installment payments.

Annual Return

An Annual Return for premium tax for the insurer's preceding taxation year must be filed annually within three months of the end of the taxation year. The Annual Return details any further amount owed to the province or refund due to the insurer for the preceding year. Any premium tax balance owed is also due within three months of the end of the insurer's taxation year.

See Appendix A for detailed Returns and Payment Schedule.

(2) Automobile Levy

Automobile Levy ("Auto Levy") is payable by each insurer underwriting automobile insurance in the Province of Prince Edward Island based on their "*number of earned vehicles*". The purpose of the auto levy is to allow the province to recover health care costs associated with innocent victims of automobile accidents in an efficient manner. In return for payment of the auto levy, an insurer is exempt from the subrogated claim by the province for certain health care costs.

Quarterly Returns

Every licensed automobile insurer that is liable to pay auto levy shall, on or before the last day of the months of March, June, September and December in each levy year, pay an amount equal to one-quarter of the levy it estimates will be payable in respect of that levy year.

A Quarterly Return is required to be filed with quarterly auto levy installment payments.

Annual Automobile Levy Statement

The Superintendent of Insurance Office issues an **Annual Automobile Levy Statement** to each auto insurer annually in late January. The statement will detail the amount of auto levy due to the province or refundable for the preceding year following an accounting of the quarterly auto levy installments received during the preceding year.

See Appendix A for detailed Returns and Payment Schedule.

(3) Payment Process

Payments due for Premium Tax and Automobile Levy may be remitted in one of the following methods:

- **Electronic Funds Transfer (EFT)** (*NEW effective April 1, 2026*)
 - Contact insurance@gov.pe.ca to register for EFT payments
- **Cheque**
 - Send by mail a cheque payable to the *P.E.I. Minister of Finance* with a copy of the applicable return or statement to:

Financial and Consumer Services Division
c/o PEI Superintendent of Insurance
95 Rochford Street
Shaw Building, 4th Floor, Centre
Charlottetown, PE C1A 7N8

If you have any questions, please contact the Financial and Consumer Services Division:

- By email: insurance@gov.pe.ca
- By phone: 902-916-0875

Steve Dowling

Superintendent of Insurance
Financial and Consumer Services Division

Appendix A

Returns and Payment Schedule

Premium Tax – Return and Payment Schedule

Period	Filing Required for Premium Tax		Payment	Payment and Return Due Date
	Life and A&S Insurers	P&C Insurers		
1 st Quarter	Life and Accident & Sickness Quarterly Return	General Quarterly Return	1 st Installment	Last day of the 1 st quarter of the insurer's taxation year
2 nd Quarter	Life and Accident & Sickness Quarterly Return	General Quarterly Return	2 nd Installment	Last day of the 2 nd quarter of the insurer's taxation year
3 rd Quarter	Life and Accident & Sickness Quarterly Return	General Quarterly Return	3 rd Installment	Last day of the 3 rd quarter of the insurer's taxation year
4 th Quarter	Life and Accident & Sickness Quarterly Return	General Quarterly Return	4 th Installment	Last day of the 4 th quarter of the insurer's taxation year
Annual Return	Life and Accident & Sickness Annual Return	General Annual Return	Balance Due	Within <i>three months</i> of the end of the insurer's taxation year

* Reporting is based on the **taxation year**. As defined in section 1 of the Premium Tax Act, the “taxation year” means a financial year of an insurer in which premiums are receivable in respect to business transacted in the province.

Auto Levy – Return and Payment Schedule

Period	Date Range	Filing Required for Auto Levy	Payment	Payment and Return Due Date
		Auto Insurers		
1 st Quarter	January 1 to March 31	General Quarterly Return	1 st Installment	March 31 st
2 nd Quarter	April 1 to June 30	General Quarterly Return	2 nd Installment	June 30 th
3 rd Quarter	July 1 to September 30	General Quarterly Return	3 rd Installment	September 30 th
4 th Quarter	October 1 to December 31	General Quarterly Return	4 th Installment	December 31 st
Annual Automobile Levy Statement	January 1 to December 31	No filing – Annual Automobile Levy Statement is issued by Superintendent's Office	Balance Due	March 31 st

* Reporting is based on the **levy year**. As defined in section 65.1 of the Insurance Act, the “levy year” means a **calendar year** in which premiums are receivable in respect of automobile insurance business transacted in the province.