

INSURANCE CODE

TITLE 3. DEPARTMENT FUNDS, FEES, SURCHARGES, AND TAXES

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SUBTITLE C. INSURANCE MAINTENANCE TAXES AND SURCHARGES

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CHAPTER 255. WORKERS' COMPENSATION INSURANCE

Text of section effective on January 01, 2026

Sec. 255.001. SURCHARGE IMPOSED. (a) A surcharge is imposed on each authorized insurer with gross premiums subject to the surcharge under Section 255.003, including a:

- (1) stock insurance company;
- (2) mutual insurance company;
- (3) reciprocal or interinsurance exchange; and
- (4) Lloyd's plan.

(b) The surcharge required by this chapter is in addition to taxes or other surcharges imposed that are not in conflict with this chapter.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 358 (S.B. 1455), Sec. 10, eff. January 1, 2026.

Text of section effective on January 01, 2026

Sec. 255.002. MAXIMUM RATE; ANNUAL ADJUSTMENT. (a) The sum of the rates of assessment for the surcharge imposed by this chapter and the surcharges imposed by Chapters 403 and 405, Labor Code, set by the commissioner, may not exceed 2.7 percent of the gross premiums subject to surcharges.

(b) The commissioner shall annually adjust the rate of assessment of the surcharge so that the surcharge imposed that year, together with any unexpended funds produced by the surcharge, produces the amount the commissioner determines is necessary to pay the expenses during the succeeding year of regulating workers' compensation insurance.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 358 (S.B. [1455](#)), Sec. 10, eff. January 1, 2026.

Text of section effective on January 01, 2026

Sec. 255.003. PREMIUMS SUBJECT TO SURCHARGE. (a) An insurer shall pay the surcharge under this chapter on the correctly reported gross workers' compensation insurance premiums from writing workers' compensation insurance in this state, including the modified annual premium of a policyholder that purchases an optional deductible plan under Subchapter [E](#), Chapter [2053](#).

(b) The rate of assessment for a surcharge shall be applied to the modified annual premium before application of a deductible premium credit.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 730 (H.B. [2636](#)), Sec. 2C.005, eff. April 1, 2009.

Acts 2025, 89th Leg., R.S., Ch. 358 (S.B. [1455](#)), Sec. 10, eff. January 1, 2026.

Text of section effective on January 01, 2026

Sec. 255.004. SURCHARGE DUE DATES. (a) The insurer shall pay the surcharge annually or semiannually.

(b) The comptroller may require semiannual payment only from an insurer whose surcharge liability under this chapter for the previous surcharge year was at least \$2,000.

Added by Acts 2003, 78th Leg., ch. 1274, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 358 (S.B. [1455](#)), Sec. 10, eff. January 1, 2026.

Text of section effective on January 01, 2026

Sec. 255.005. RECOVERY OF SURCHARGE. An insurer may recover a surcharge under this chapter by:

(1) reflecting the surcharge as an expense in a rate

filing required under this code; or

(2) charging the insurer's policyholders.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 358 (S.B. [1455](#)), Sec. 10, eff.
January 1, 2026.