

Two Percent Foreign Fire Insurance Funds

A Guidance Book for FASNY Members

2026-27 Edition

FASNY TWO PERCENT TAX COMMITTEE

This guidance document was created by the FASNY Two Percent Tax Committee, which is comprised of FASNY members across New York State who help to inform the volunteer fire service of the purposes and uses of the 2% Foreign Fire Insurance Tax monies. For individual questions and implementation concerns, members are encouraged to consult with competent local legal counsel versed in these matters to ensure compliance with the law.

The Committee conducts a 2% Tax Forum each year at the Annual FASNY Convention. During this forum, speakers from the Office of the New York State Comptroller and the New York State Department of Financial Services provide FASNY members with an overview of the 2% Tax as well as guidance on eligibility and appropriate usage and tracking of such funds. FASNY appreciates its continued partnership with these agencies to provide FASNY members with information and insight on the Foreign Fire Insurance Tax, and encourages its members to utilize this important forum.

This 2026-27 revised edition is made in memory of longtime 2% Tax Committee member and FASNY Director, Michael K. Krummenacker.

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Note: This Guidance Document is intended for FASNY Members. The information contained herein does not establish an attorney-client relationship between the author and the reader. Matters addressed are for information purposes only and the reader should seek advice from competent local counsel in regard to taking action on any matters addressed herein.

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SECTION I

AN INTRODUCTION TO FOREIGN FIRE INSURANCE FUNDS

New York State imposes a two-percent tax rate on the premiums of fire insurance policies written by out-of-state insurers against loss or damage by fire on property located in the State. The monies derived from this tax are known as "two percent funds" or "foreign fire insurance funds". According to the Department of Financial Services, approximately 35% of the premium paid for homeowners' insurance policy is attributable to fire protection for purposes of calculating amounts owed by insurers.

The monies collected through this tax are remitted annually by insurers to the New York State Department of Financial Services. Thereafter, the Department of Financial Services distributes these funds to fire service entities, including fire departments, fire companies, benevolent associations and FASNY.

Unless a special law enacted by the State Legislature states otherwise (i.e., a "benevolent association" that is specifically created and authorized by the legislature to receive and expend foreign fire insurance funds), the distribution and use of foreign fire insurance funds is governed by New York Insurance Law Sections 9104 and 9105. Generally, Insurance Law §§ 9104 and 9105 provide that the foreign fire insurance funds may be used for any purpose that the members of the fire department or company determine to be for the use and benefit of the department or company as a whole. However, it is important to emphasize that <u>each entity's use of foreign fire insurance funds depends on the specific law and/or chartered purpose applicable to it</u>.

The relevant statutory authority is set forth below:

Insurance Law § 9104 – <u>Fire insurance premium tax on foreign and alien insurers</u>

(a) Except in the cities of New York and Buffalo, there shall be paid by every foreign and alien fire insurance corporation, association or individuals which insure property against loss or damage by fire, except foreign mutual fire insurance companies, on or before the first day of March the sum of one dollar and eighty cents upon the hundred dollars, and at that rate, upon the amount of all premiums which during the year, or part of a year, ending on the last preceding thirty-first day of December, shall have been received by any such insurer for any insurance against loss or damage by fire written by it upon property situated within each city, village, fire district, or fire alarm district, or fire protection district to:

(1) the treasurer or other fiscal officer of the fire department affording fire protection in such city, village, fire district, fire alarm district, or fire protection district, or

(2) if any such fire department does not have a treasurer or other fiscal officer then to the fiscal officer of the authorities having jurisdiction and control of such fire department, or

(3) to such other person or entity as shall be designated in any special law to receive the premium tax, and

4) if such payment is made to the treasurer or other fiscal officer of a fire department or fiscal officer of authorities having jurisdiction and control of such fire department, such treasurer or fiscal officer shall on or before the fifteenth day of March in each year distribute the amount so received to the fire companies constituting the fire department if such fire department is constituted of more than one fire company.

(b) There shall also be paid to the treasurer of the Firemen's Association of the State of New York, on or before the first day of March in each year, by each such insurer, for the support and maintenance of the firemen's home at Hudson, New York, the sum of twenty cents upon the hundred dollars, and at that rate, upon the amount of all premiums upon which a fire insurance premium tax is payable as aforesaid.

(c) Each insurer required to pay a tax pursuant to this section shall, at the time of paying such tax, file with the person to whom the tax is required to be paid a report, subscribed and affirmed by the person making it as true under the penalties of perjury, setting forth the aggregate amount of premiums upon which the tax is payable.

(d) Corporations, associations or individuals required to pay a fire insurance premium tax by this section may elect to pay such tax to the superintendent, which shall be distributed by him as prescribed in this section, except that such distribution shall be made with the distribution required by section nine thousand one hundred five of this article after adding any earnings and deducting the expenses as specified in such section.

(e) Every agent for any such insurer writing a policy of fire insurance upon property in this state shall report to the insurer the name of the city, village, fire district or fire alarm district or fire protection district in which the property insured is situated, and, if the property insured is situated in territory not protected by any fire department or fire company, that fact shall be reported.

(f) Except as otherwise provided in any special law, and except as to the Firemen's Association of the State of New York, such tax shall be used for the benefit of, as determined by the members thereof:

(1) the fire company receiving the same, but this shall not preclude the payment by a fire company of all or a part of such tax so received to the fire department of which it is a part, or

(2) the fire department when such tax is not required under paragraph four of subsection (a) of this section to be distributed to fire companies.

(g) The provisions of this section shall not be changed, modified or amended by any charter, local law, ordinance, resolution or regulation.

(h) Those provisions of subsections (a) and (e) of this section which require the determination of the city, village, fire district, fire alarm district or fire protection district within which an insured property is located shall not apply to policies which insure motor vehicles, provided that:

(1) the insurer allocates the tax to be paid on fire premiums received from such policies by city, village, fire district, fire alarm district or fire protection district using a percentage of allocation which is based upon the amounts of tax to be paid on all other fire premiums; and

(2) the insurer has received the approval of the superintendent to use this percentage of allocation.

Insurance Law § 9105 – Fire insurance premium tax; foreign mutual fire insurance companies

(a)

(1) Every mutual fire insurance company or association authorized to do business in this state pursuant to section four thousand one hundred eight of this chapter shall pay to the superintendent on or before the fifteenth day of February of each year a tax of two per centum on all gross premiums collected or received by it or them for direct insurance against loss or injury upon property situated within this state during the preceding year ending the thirty-first day of December.

(2) The tax shall be determined after deducting from such gross premiums, premiums upon policies not taken; premiums returned on cancelled policies; and any dividends or refunds or returns paid to policyholders or applied in part payment of any renewal premium during such year.

(b)

(1) Every such mutual fire insurance company or association whose business is confined chiefly to the insurance of sprinklered risks and which is conducted solely for the benefit and protection of its members and which pays no commissions or brokerages for the acquirement of its business, in lieu of all other taxes on premiums, shall pay to the superintendent on or before the fifteenth day of February of each year a tax at the rate of two per centum on all gross premiums upon policies on risks located in this state in force on the thirty-first day of December next preceding.

(2) The tax shall be determined after deducting from such gross premiums the dividends and returns and the unused or unabsorbed portion of such gross premiums computed at the average rate of such dividends and returns and the unused or unabsorbed portion of such gross premiums actually paid to policyholders or applied in part payment of any renewal premiums on its annual policy expiring during such year.

(c)

(1) On or before the fifteenth day of February of each year every mutual fire insurance company or association shall file with the superintendent a statement showing the aggregate amount of gross premiums collected for insurance against loss or injury and the several items of deduction referred to under paragraph two of subsection (a) hereof, and specifying the aggregate amounts of such gross premiums so collected and the deductions therefrom by city, village, fire district, fire alarm district, or fire protection district in which the property covered by such insurance is located.

(2) In the case of a mutual fire insurance company or association whose business is confined chiefly to the insurance of sprinklered risks and which is conducted solely for the benefit and protection of its members and which pays no commissions or brokerages for

the acquirement of its business, such statement shall, in lieu of the information required pursuant to paragraph one hereof, specify by city, village, fire district, fire alarm district, or fire protection district:

(A) the aggregate amount of such gross premiums upon policies on risks located in this state in force at last year-end; and

(B) the dividends and returns and the unused or unabsorbed portion of such aggregate amount of gross premiums, computed at the average rate of such dividends and returns and the unused or unabsorbed portion of such gross premiums, actually paid or applied in part payment of any renewal premiums on its annual policies expiring during such year.

(3) Those provisions of this subsection which would require the determination of the city, village, fire district, fire alarm district or fire protection district in which an insured property is located shall not apply to policies which insure motor vehicles provided that:

(A) the mutual fire insurance company or association allocates the gross premiums and deductions, subject to the tax required by this section, received from such policies by city, village, fire district, fire alarm district or fire protection district using a percentage of allocation which is based upon the amounts of all other premiums required to be reported by this section; and

(B) the mutual fire insurance company or association has received the approval of the superintendent to use this percentage of allocation.

(d)

(1) The amount of all monies which were received by the superintendent on or before the first day of April in each year under the provisions of this section or section nine thousand one hundred four of this article shall be distributed by him not later than the first day of July in such year, after adding any earnings resulting from the investment of such monies and deducting the expenses of collection and distribution. Ten percent of such remaining monies received under this section shall be paid to the treasurer of the Firemen's Association of the State of New York for the support and maintenance of the firemen's home at Hudson, New York, and the balance shall be paid as specified in paragraph two hereof, in amounts which will be that proportion of the balance so to be distributed which the total amount of fire insurance business written by foreign mutual fire insurance companies on property situated in such locality bears to the total amount of fire insurance business written by foreign mutual fire insurance companies on property situated in any and all of the protected localities in the state having treasurers or other fiscal officers as designated in paragraph two hereof afforded fire protection by a fire department or fire company and upon which the tax provided in this section has been paid.

(2) Such payment shall be made:

(A) in the city of New York to the fire commissioner as treasurer of the fire department of the city of New York, and

(B) to the treasurer or other fiscal officer of the fire department affording fire protection in each city, village, fire district, fire alarm district, or fire protection district, or

(C) if any such fire department does not have a treasurer or other fiscal officer then to the fiscal officer of the authorities having jurisdiction and control of such fire department, or

(D) to such other person or entity as shall be designated in any special law to receive such tax, and

(E) if such payment is received by the treasurer or other fiscal officer of a fire department or fiscal officer of authorities having jurisdiction and control of such fire department, such treasurer or fiscal officer shall on or before the fifteenth day of July in each year distribute the amount so received to the fire companies constituting the fire department if such fire department is constituted of more than one fire company.

(3) Except as otherwise provided in any special law, and except as to the Firemen's Association of the State of New York, such tax shall be used for the benefit of, as determined by the members thereof:

(A) the fire company receiving the tax, but this shall not preclude the payment by a fire company of all or a part of such tax to the fire department of which it is a part, or

(B) the fire department when such tax is not required under subparagraph (E) of paragraph two of this subsection to be distributed to fire companies.

(e) The provisions of this section shall not be changed, modified or amended by any charter, local law, ordinance, resolution or regulation.

SECTION II

THE NUTS AND BOLTS OF TWO PERCENT FUNDS

1. **Who is designated to receive foreign fire insurance funds?**

Answer: As noted above, the treasurer or other fiscal officer of the fire department affording fire protection in such city, village, or fire district would be designated to receive the fire tax distribution.

If the department or district does not have a treasurer or other fiscal officer, then the fiscal officer of the authorities having jurisdiction or control of the fire department would be designated. The fire tax funds may also be designated in a special act of the New York State Legislature to be received by another person or entity.

2. **How are foreign fire insurance funds paid to my fire service entity?**

Answer: The Department of Financial Services makes payments by direct deposit, only. To ensure that your organization receives its portion of the funds, a completed "Authorization Agreement" form and voided check must be sent to the Department of Financial Services.

The form, as well as all information required by DFS, may be obtained via e-mail to firetax@dfs.ny.gov or online at:

https://www.dfs.ny.gov/system/files/documents/2025/07/ft-direct-deposit-form-2025.pdf

https://www.dfs.ny.gov/apps_and_licensing/property_insurers/fire_tax_information

3. **What can my fire service agency do on an ongoing basis to ensure that we obtain the total amount of foreign fire insurance funds owed to us?**

Answer: Update the street listing for your response district/area. Street lists are important because they determine the fire district code that insurance companies and brokers use to allocate fire insurance premiums and calculate the amount owed under the foreign fire insurance tax. Streets are assigned to fire district codes by primary area of responsibility and zip codes. The Department of Financial Services relies upon fire service entities to self-report changes, additions, or deletions to the street listing for an entity's primary response district.

New housing developments, subdivisions, and commercial properties are not automatically added to street listings maintained by the Department of Financial Services for purposes of determining the amount of "Two Percent Funds" owed to your fire company or benevolent association. You can view the current street

listing maintained by the Department of Financial Services by entering the name of your district at the following link:

https://myportal.dfs.ny.gov/web/guest-applications/fire-code.

You can also search the street listing by zip code, but you must know your unique identifying "district code" in order to determine whether a particular street is properly listed as belonging to your primary response district. Should you determine that a new street was constructed in your district, or an existing street is not presently attributed (in whole or in part) to your district, contact firetax@dfs.ny.gov to correct the street listing.

4. Can the amount of the foreign fire insurance funds change from year to year?

Answer: Yes. The primary reason for any change in the amount of funds received by a fire department from year to year is a corresponding change in the amount of fire insurance premiums written by foreign or alien insurance companies in any given fire district or fire protection district. Insurance companies can have cancellations of policies which, if not offset by new customers, which will result in less premiums being written and less tax being paid by the company. Other factors include: multi-year policies where premiums are written all in one year but earned over multiple years; changes in rate structure where an insurance company raises or lowers their premium rates; and a person electing to be self-insured rather than pay for insurance.

Questions regarding fluctuations in the amount of foreign fire insurance funds paid to your fire service agency can be made to the Department of Financial Services at firetax@dfs.ny.gov.

5. How should foreign fire insurance funds be distributed in those cases where multiple fire companies have overlapping or concurrent primary response areas?

Answer: The general rule for distribution of fire tax funds for a multi-company fire department is that foreign fire insurance monies should be allocated between and among the fire companies on a pro-rata share based upon the number of active and "exempt" members in each fire company (see Question No. 6, below). If a department is comprised of both paid and volunteer members, each group is entitled to two-percent proceeds, and monies should be distributed on a pro rata basis as noted above.

The "pro-rata" share rule is established by court-made case law, and is not contained in Insurance Law §§ 9104 and 9105. In determining whether paid firemen are eligible to receive a portion of the foreign fire tax monies, New York's highest court – the Court of Appeals – held that paid and unpaid active members sharing a primary responsibility of providing fire protection to an area are entitled to a proportionate share of foreign fire insurance funds (see generally

Renn v Kimbark, 51 NY2d 189, 195 [1980]; Krol v Potter, 106 AD3d 1440, 1442 [3d Dept 2013]; Renn v Kimbark, 115 AD2d 112, 112-113 [3d Dept 1985]).

6. Who do we count as an "active member" of a fire company for purposes of calculating the pro-rata share entitlement to two percent funds?

Answer: Active Members and Exempt Members who are, by law, exempted from the requirements for active service based upon the fact that they provided five years of faithful service after age 18 while residing in the territory protected by the Fire Company (*see* General Municipal Law § 200).

An "active member" of a fire company is a member who participates in firefighting (Renn v Kimbark, 51 NY2d 189, 195 [1980]). "Active" members are those trained to perform interior or exterior firefighting and neither a member's response rate nor attendance record is determinative of whether a member is considered "active" for purposes of distributing two percent monies under the statutes (Hennessy v G.S. Mink Steamer, et al., 182 AD3d 830, [3rd Dept 2020]).

Precedent of the Court of Appeals also establishes that members of a fire company who are "exempt" under General Municipal Law § 200 are countable as active for 2% tax payment purposes, as "relief of deserving beneficiaries" (93 NY 313 at 327), and as "an honorable obligation founded upon [firefighters'] past services and the injuries and suffering which those had occasioned" (93 NY 313 at 326). In Trustees of the Exempt Firemen's Benevolent Fund of City of N.Y. v Roome, the Court explained the genesis of today's "exempt" firefighters, as follows:

"The firemen became dissatisfied with their exemptions, because limited to the period of their actual service, and the legislature, convinced of the justness of the demand, and feeling the duty and obligation of a further adjustment of the public burdens so as to approach equality more nearly, fixed a term of service for ten years, which was afterward reduced to seven, and then to five years, upon the completion of which, and an honorable discharge, the exemption continued for life (Laws of 1816, chap. 104; Laws of 1829, chap. 100; Laws of 1847, chap. 369). The law went upon the principle that an active and dangerous service for a term of years was not more than balanced by the exemption for life from lighter and less onerous duties; that further compensation for excess of public burdens faithfully borne was the just due of the firemen; and so set the example of a benefit continued because of the service after the service had been ended" (93 NY at 321).

The Court recognized "exempt firemen" as former volunteer firefighters whose active service had ended but whose entitlement to statutory benefits continued because of their prior public service. The Legislature had established terms of service—initially ten years, later reduced to five years—after which an honorably discharged fireman retained exemptions from specified public duties for life. The

court characterized those continuing exemptions as compensation for active, dangerous service, and not impermissible gifts.

General Municipal Law § 200 retains the five-year period of prior service for exempt status as described by the Court of Appeals in Trustees of the Exempt Firemen's Benevolent Fund of City of N.Y. v Roome. This assumes that persons who had five or more years of service as firefighters are members of the benevolent association or fire company that receives 2% funds.

7. What are the permissible uses of two percent funds by a Fire Department/Fire Company?

Answer: Except as otherwise provided by a special act (Chartered Benevolent Associations, below), two percent funds may be used for any purpose which the members of the fire department or company determine to be for the use and benefit of the department or company as a whole.

In the absence of a bright line test for what is – and what is not – an appropriate expenditure of two percent funds, the guidance below reflects previous opinions rendered by the Office of the State Comptroller in specific circumstances. The critical considerations for your entity are:

> "Does the expenditure of foreign fire insurance money benefit the members of the fire department as a whole?"
>
> AND
>
> "Is the subject of the expenditure equally available to all members?"

NOTE: It is noted that the members of a fire department or fire company are permitted to voluntarily determine to expend funds for items that are usually of a municipal charge (i.e. trucks, turnout gear, etc.) if the members determine that such purchases are for the use and benefit of the department (1979 Ops St Comp No. 79-680).

Even in regard to matters that may not ordinarily be paid for by a municipality, it may be advisable for members of a fire department or fire company to vote collectively to expend foreign fire insurance funds to demonstrate that the expenditure is for the benefit of all members, and record such vote in the minutes of the meeting. FASNY Members are advised to consult with competent local counsel regarding whether a particular proposed expenditure of two percent funds is permitted.

8. **<u>Examples of Appropriate uses of Two Percent Funds by a Fire Department or Fire Company Based upon previous opinions of the New York State Comptroller</u>:**

- Payment of Membership Dues in FASNY for all members.
- Payment of local training stipend to volunteer firefighters under General Municipal Law § 200-aa.
- Food and refreshment for monthly fire department and fire company meetings.
- Food and refreshment for members following response to a fire and/or drill.
- Food and refreshment for firefighters and their families at picnics and parades.
- Purchase of furniture, air conditioning, radios, televisions, appliances for the members' room or for use by the firefighters in general.
- Expenses for the annual firefighters banquet, Christmas party or firefighters picnic.
- Purchase of pagers or other radio receiving devices for firefighters [see note above regarding municipal charges.
- Purchase of dress & parade uniforms, hats, boots, jackets, t-shirts.
- Offset of costs from life or disability insurance (must be group insurance policies).
- Purchase of a vision care program (group policy).
- Purchase of office equipment such as computers and fax machines.
- Purchase and development of a piece of land for a firemen's park or training facility.
- Construct an addition to a fire house to be used either for recreational purposes or storage of vehicles.
- Construct or remodel firehouse kitchens.
- Paying for publication costs of a department newsletter.
- Use for gifts to the FASNY Firefighter's Home.
- Use for fees to attorneys, auditors, administrative services.
- Prudent investment of the funds for future use by the Department.
- Delegate attendance at Conventions or Conferences.
- An event or party that includes non-members upon an affirmative vote of members.

9. **<u>Examples of expenditures considered improper by a Fire Department or Fire Company:</u>**

- Direct cash payments to firefighters
- General purposes that are normally considered to be "municipal charges" or financial obligations of the authority having jurisdiction.
- Cost of Automobile Registration for individual members or reimbursement for individual use of personal vehicles.
- Donations to outside fire departments for the benefit of members injured or killed in the line of duty.
- Interest-free loans to members.
- Funding a Length of Service Award Program
- Donations to other benevolent associations.
- Payments of salaries to the secretary or treasurer of the fire department, except for administration of two percent monies.
- Fee and associated expenses for delegates attending firefighters conventions, except for the instruction in foreign fire insurance tax administrative matters.
- Fees and associated expenses for members attending special schools and courses for fire department services.
- Prizes and associated expenses for poster and essay contests for Fire Prevention Week .
- Temporary medical aid and assistance to disaster victims.
- Prizes and associated expenses for annual awards to the most active firefighter during the year.
- Expenses for annual Halloween or Christmas party for all of the children in the fire district.
- Payment of compensation to officers or employees and loans to individuals.

As noted above, FASNY members are advised to consult with competent local counsel regarding whether a particular proposed expenditure of two percent funds is permitted. Further clarification may also be obtained from the Office of the State Comptroller, Division of Legal Services, at (518) 474-5586.

10. <u>Should foreign fire insurance funds be maintained in a separate account from other Company or Department funds?</u>

Answer: The Office of the State Comptroller recommends that foreign fire tax funds be accounted for separately and a separate checking or savings account should be set up for the administration of the funds. However, there is no legal requirement that such funds be maintained in a separate account.

The Clerk or Secretary of the fire department or fire company should retain minutes in regard to policies, by-laws, rules and regulations established for the use of foreign fire insurance money, as well as any vote of the membership relative to the expenditure of two percent funds. The Fire Company Treasurer should also maintain a record of receipts and disbursements, bank statements, cancelled checks, claims, a copy of the annual report, and other relevant information.

Cash disbursement records should be kept detailing expenditures of foreign fire insurance funds, and indicate the check number, payee, date of the check, and the amount. In addition, the cash disbursements journal should indicate the purpose of the expenditure. Timely recording of such information contemporaneously with the expense will assist the Fire Company in preparation of the Annual Report on Revenues and Expenditures of Foreign Fire Insurance Premiums that must be transmitted each year to the Office of the State Comptroller.

SECTION III

CHARTERED BENEVOLENT ASSOCIATIONS

1. What is a Chartered Benevolent Association?

Answer: As relevant here, a Chartered Benevolent Association (commonly referred to as a "Benevolent" or a "Chartered Organization") is an organization created by a special act of the New York State Legislature. This type of organization is specifically authorized by the legislature to receive and expend foreign fire insurance funds. The purposes of the Chartered Benevolent Association are specifically stated in the special act that created to the individual organization.

2. What can foreign fire insurance funds received by a Chartered Benevolent Association be spent on?

Answer: Two percent funds received by a Benevolent Association may only be spent in furtherance of those purposes set forth in the special act. In general, the common language used to define the purpose of such Benevolent Associations is "for the care and relief of disabled or indigent volunteer and exempt firemen and their families." In such an instance, a Benevolent may only expend foreign fire insurance funds if such expenditures constitute the care and relief of disabled or indigent volunteer and exempt firefighters and their families.

3. Can a special act of the New York State Legislature be changed?

Answer: Yes, but only through another special act of the New York State Legislature. There is a recent trend to permit the funds to be used for certain other operational purposes of the association by specifying greater discretion through an amendment to the original act or a new special act of the legislature (see L 2022, ch 285 [2021 NY Senate-Assembly Bill 8835A/10039]; L 2021, ch 326 [2020 NY Senate-Assembly Bill 6470/6746]; L 2018, ch 353; 2018 NY Senate-Assembly Bill 8829/10999).

4. What does "care and relief of indigent or disabled firefighters" mean?

Answer: This applies to Benevolent Organizations that have this common phrase in their enabling legislation or Charter. The Office of the State Comptroller recommends that your entity create rules, whether in its bylaws or other policy, defining what those terms mean and establish parameters for providing funding to indigent or disabled firefighters. The law does not define these terms .

5. What is the definition of "family" for purposes of payment?

Answer: This is an important question in view of the fact that many benevolent association charters include language to the effect that funds can be used "for the care and relief of indigent and disabled firefighters and their families". When the term

"families" or "family" is used, the association has discretion to interpret such words as including persons not related to a member of the association by blood, marriage or adoption. However, the association's interpretation must consider factors that are "normal familial characteristics, such as the exclusivity and longevity of relationships, the level of financial and emotional commitment, the manner in which the parties conduct their everyday lives and hold themselves out to society, and the reliance placed upon one another for daily family services" (2000 Ops St Comp No. 2000-16).

In providing a benefit to a family member arising out of the association member's injury or indigency, the association should document its review of the criteria set forth above in its minutes or other review document to demonstrate compliance with guidance from the Office of the State Comptroller on that subject.

SECTION IV

ANNUAL REPORTING REQUIREMENT

Fire companies, fire departments and benevolent associations which receive and use foreign fire insurance funds must file an annual report of the receipts of expenditures and balances relating to such monies with the Office of the New York State Comptroller. This annual report is the starting point for review by OSC. There should be a clear relationship between the items stipulated on the report and the various records (identified in Section II, No. 8, above) supporting the expenditure.

A copy of the required form is available here: Annual Report Form [pdf]

For those using a paper copy of this guide, the form is accessible at:
https://www.osc.state.ny.us/localgov/finreporting/foreignfire.htm

Filing instructions are contained on the form. For assistance with the completion of the annual report form, the Office of the State Comptroller may be contacted at 1-866-321-8503 [select "option 4"] or (518) 408-4934.

Additional Resources

FASNY

Two Percent Guidance Document
https://fasny.com/membership/benefits/2-tax-information/

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

Information available at the link below includes street listings, direct deposit form, and a list of Frequently Asked Questions, among other resources:
https://www.dfs.ny.gov/apps_and_licensing/property_insurers/fire_tax_information

You can view the current street listing maintained by the Department of Financial Services by entering the name of your district at the following link:
https://myportal.dfs.ny.gov/web/guest-applications/fire-code

For additional questions and to obtain district street directory information, please e-mail:
firetax@dfs.ny.gov

OFFICE OF THE NEW YORK STATE COMPTROLLER

Annual Report Form for Required Reporting of Foreign Fire Insurance to OSC

https://www.osc.state.ny.us/local-government/required-reporting/foreign-fire-insurance-report-filing

Audits by the Office of the New York State Comptroller: Procedures

Audits of Local Governments and Schools