

Published based on [Calculating auto insurance premiums](#)

Calculating auto insurance premiums

An insurance premium for the same service can vary widely among insurance providers, which is why experts strongly recommend getting several quotes before committing to an insurance policy. Insurance agents or brokers will take your basic information and calculate an insurance premium estimate based on your answers and other risk factors.

Shortlist the insurance companies that appeal to you and phone them up them for an estimate premium. They generally hand out an approximate estimate within no time and more exact ones should be available if you offer more information and are prepared to wait. You may get immediate estimates from online insurance companies, which is the quickest way of getting information. This will give a fair impression of how much you may have to expend. You may also find out how your premium varies with the various choices you make. The insurance companies will offer you many choices and the price of the policy will depend on what you choose.

You should think about these options and inform your insurer of those risks that you do not want to cover which in turn will reduce your premium amount. Also make sure that you do not double insure since it is an insurance principle that you cannot benefit from the insured event's occurrence. So you will not be paid even if you have two insurance policies. Therefore, let your insurer know if a risk is already covered by another policy.

Premiums for [car insurance](#) often depend upon factors like what sort of car you drive, its age, how big its engine is, and its make and model. What kind of insurance you need also matters. Do you just need liability or do you need comprehensive too? What will you use the car for - for instance, is it for commuting to work, and how many miles do you plan to cover?

The biggest factor, by far, in determining your risk will be your driving history. Your age is a close second because younger drivers are both less experienced and take more risks, making them more likely to get into an accident. The gender of a younger driver will factor into insurance rates as well, but the older a driver gets, the less impact this factor has.

Now that you now how the insurance premium is calculated you will be able to get [cheap car insurance](#) quotes by following the tips outlined above.