

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: July 30, 2007
(Date of earliest event reported)

21ST CENTURY HOLDING COMPANY
(Exact name of registrant as specified in its charter)

<u>Florida</u> (State or other jurisdiction of incorporation)	<u>0-2500111</u> (Commission File Number)	<u>65-0248866</u> (I.R.S. Employer Identification No.)
<u>3661 West Oakland Park Blvd., Suite 300</u> <u>Lauderdale Lakes, FL</u> (Address of principal executive offices)	<u>33311</u> (Zip Code)	

Registrant's telephone number, including area code: (954) 581-9993

NOT APPLICABLE
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On July 30, 2007, 21st Century Holding Company (the “Company”) issued a press release to report its results for its fiscal quarter ended June 30, 2007. A copy of the press release is attached to this current report on Form 8-K as Exhibit 99.1 and incorporated herein by reference.

The information in this Current Report on Form 8-K and Exhibit 99.1 attached hereto is hereby intended to be furnished pursuant to Item 2.02, “Results of Operations and Financial Condition.” As provided in General Instruction B.6 of SEC Form 8-K, such information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and it shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or under the Exchange Act, whether made before or after the date hereof, except as expressly set forth by specific reference in such filing to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

99.1 21st Century Holding Company Press Release, dated July 30, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

21ST CENTURY HOLDING COMPANY

Date: July 30, 2007

By: /s/ Peter J. Prygelski, III
Name: Peter J. Prygelski, III
Title: Chief Financial Officer
(Principal Accounting and Financial Officer)

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Exhibit Title</u>
99.1	21 st Century Holding Company Press Release, dated July 30, 2007.

FOR IMMEDIATE RELEASE**CONTACT:**

**Edward J. Lawson, CEO and Chairman, 21st Century Holding Company
(954) 308-1257 or (954) 581-9993**

**21st CENTURY HOLDING COMPANY REPORTS
RECORD EARNINGS OF \$1.32 PER SHARE**

Lauderdale Lakes, Florida, July 30, 2007 - 21st Century Holding Company (Nasdaq: TCHC), today reported results for the quarter ended June 30, 2007 (see attached tables).

For the three months ended June 30, 2007, the Company reported record net income of \$10,478,429, or \$1.32 per share on 7,930,964 average undiluted shares outstanding, as compared to net income of \$8,904,559, or \$1.20 per share on 7,427,765 average undiluted shares outstanding in the same three month period last year. On a diluted share basis, the Company reported earnings of \$1.31 per share, based on 8,014,947 average diluted shares outstanding for the same three month period, as compared to \$1.19 per share on 7,465,896 average diluted shares outstanding for the three months ended June 30, 2006.

For the six months ended June 30, 2007, the Company reported net income of \$11,321,234, or \$1.42 per share on 7,944,933 undiluted shares versus net income of \$14,917,871 or \$2.02 per share on 7,370,592 undiluted shares in the same six month period last year. On a diluted share basis, the Company reported earnings of \$1.40 per share, based on 8,099,187 average diluted shares outstanding for the same six month period, as compared to \$1.89 per share based on 7,880,251 average diluted shares outstanding for the six months ended June 30, 2006.

Net premiums earned decreased \$3.9 million or 13.7% to \$24.8 million for the three months ended June 30, 2007, as compared to \$28.7 million for the same three-month period last year. Net premium earned decreased \$3.4 million or 6.6% to \$47.2 million for the six months ended June 30, 2007, as compared to \$50.5 million for the same six month period last year.

Total revenues increased \$2.2 million or 6.6% to \$34.5 million for the three months ended June 30, 2007, as compared to \$32.3 million for the same three-month period last year. Total revenues increased \$2.6 million or 4.6% to \$60.1 million for the six months ended June 30, 2007, as compared to \$57.5 million for the same six month period last year.

Edward J. (Ted) Lawson, Chief Executive Officer and Chairman, said, "Our record 2nd quarter results were, as forecast, substantially higher than our first quarter. Now with our reinsurance costs declining by approximately 5 to 7 million dollars per quarter on a go forward basis, we believe our 3rd and 4th quarters will be solid. I am most pleased with the fact that our commercial lines grew from 8.1 million dollars net written premium in the first quarter to over 10 million dollars this quarter. These record results demonstrate that the diversification we have set forward for the company is growing in the right direction. In 60 days our company will be debt free for the first time since going public in 1998. Our book value as of June 30, 2007 was \$9.50 per share, which is another all time high for the company. I want to assure our shareholders that our company is now well positioned for future growth and prosperity."

The Company will hold an investor conference call at 4:30 PM (ET) today, July 30, 2007. Mr. Lawson and Mr. Peter J. Prygelski, the Company's CFO, will discuss the financial results and review the outlook for the Company. Messrs. Lawson and Prygelski invite interested parties to participate in the conference call. Listeners can access the conference call by dialing toll free 888-460-6235, conference ID 7129995. Please call at least five minutes in advance to ensure that you are connected prior to the presentation. A replay of the conference call will be available for 7 days at 800-642-1687.

About the Company

The Company, through its subsidiaries, underwrites general liability insurance homeowners' property and casualty insurance, flood insurance and personal automobile insurance in the State of Florida. The Company underwrites general liability coverage as an admitted carrier in the States of Louisiana, Texas and Alabama for more than 300 classes of business, including special events. The Company also operates as an approved (non-admitted) carrier in the States of Georgia, Kentucky, Virginia, South Carolina, Missouri and Arkansas offering the same general liability products. The Company is licensed and has the facilities to market and underwrite other insurance carriers' lines of business, as well as to process and adjust claims for third party insurance carriers. In addition to insurance services, the Company offers premium finance services to its insureds as well as insureds of certain third party insurance companies.

Safe harbor statements under the Private Securities Litigation Reform Act of 1995: Statements in this press release that are not historical fact are forward-looking statements that are subject to certain risks and uncertainties that could cause actual events and results to differ materially from those discussed herein. Without limiting the generality of the foregoing, words such as “may,” “will,” “expect,” “believe,” “anticipate,” “intend,” “could,” “would,” “estimate,” or “continue” or the other negative variations thereof or comparable terminology are intended to identify forward-looking statements. The risks and uncertainties include, without limitation, uncertainties related to estimates, assumptions and projections generally; inflation and other changes in economic conditions (including changes in interest rates and financial markets); pricing competition and other initiatives by competitors; ability to obtain regulatory approval for applications to underwrite in an additional jurisdiction or for requested rate changes, and the timing thereof; legislative and regulatory developments; the outcome of litigation pending against the Company and any settlement thereof; risks related to the nature of the Company’s business; dependence on investment income and the composition of the Company’s investment portfolio; the adequacy of the Company’s liability for loss and loss adjustment expense; insurance agents; claims experience; limited experience in the insurance industry; ratings by industry services; catastrophe losses; reliance on key personnel; weather conditions (including the severity and frequency of storms, hurricanes, tornadoes and hail); changes in driving patterns and loss trends; acts of war and terrorist activities; court decisions and trends in litigation, and health care and auto repair costs; and other matters described from time to time by the Company in releases and publications, and in periodic reports and other documents filed with the United States Securities and Exchange Commission. In addition, investors should be aware that generally accepted accounting principles prescribe when a company may reserve for particular risks, including litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when a reserve is established for a major contingency. Reported results may therefore appear to be volatile in certain accounting periods.

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21st CENTURY HOLDING COMPANY
Consolidated Statements of Operations
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenue:				
Gross premiums written	\$ 44,461,504	\$ 50,752,672	\$ 93,652,233	\$ 86,361,745
Gross premiums ceded	<u>(15,803,043)</u>	<u>(3,371,781)</u>	<u>(15,808,830)</u>	<u>(3,371,781)</u>
Net premiums written	<u>28,658,461</u>	<u>47,380,891</u>	<u>77,843,403</u>	<u>82,989,964</u>
(Decrease) in prepaid reinsurance premiums	(845,752)	(593,089)	(17,817,830)	(9,264,661)
(Increase) in unearned premiums	<u>(2,999,006)</u>	<u>(18,047,162)</u>	<u>(12,838,842)</u>	<u>(23,177,223)</u>
Net change in prepaid reinsurance premiums and unearned premiums	<u>(3,844,758)</u>	<u>(18,640,251)</u>	<u>(30,656,672)</u>	<u>(32,441,884)</u>
Net premiums earned	24,813,703	28,740,640	47,186,731	50,548,080
Commission Income	6,491,356	--	6,491,356	--
Finance revenue	159,950	496,117	346,611	1,132,143
Managing general agent fees	803,834	723,020	1,422,045	1,380,988
Net investment income	2,131,326	1,612,014	3,699,936	2,808,279
Net realized investment (losses) gains	80,087	283,341	(48,045)	479,552
Other income	<u>12,561</u>	<u>486,962</u>	<u>979,218</u>	<u>1,107,761</u>
Total revenue	<u>34,492,817</u>	<u>32,342,094</u>	<u>60,077,852</u>	<u>57,456,803</u>
Expenses:				
Loss and loss adjustment expenses	9,657,700	9,343,158	23,760,355	16,912,001
Operating and underwriting expenses	3,099,590	2,308,331	7,065,363	4,612,576
Salaries and wages	1,733,616	1,772,511	3,289,868	3,610,472
Interest expense	60,253	181,403	145,253	410,287
Policy acquisition costs, net of amortization	<u>4,908,566</u>	<u>4,126,985</u>	<u>9,516,530</u>	<u>8,045,037</u>
Total expenses	<u>19,459,725</u>	<u>17,732,388</u>	<u>43,777,369</u>	<u>33,590,373</u>
Income before provision for income tax expense	15,033,092	14,609,706	16,300,483	23,866,430
Provision for income tax expense	<u>4,554,663</u>	<u>5,705,147</u>	<u>4,979,249</u>	<u>8,948,559</u>
Net income	<u>\$ 10,478,429</u>	<u>\$ 8,904,559</u>	<u>\$ 11,321,234</u>	<u>\$ 14,917,871</u>
Basic net income per share	<u>\$ 1.32</u>	<u>\$ 1.20</u>	<u>\$ 1.42</u>	<u>\$ 2.02</u>
Fully diluted net income per share	<u>\$ 1.31</u>	<u>\$ 1.19</u>	<u>\$ 1.40</u>	<u>\$ 1.89</u>
Weighted average number of common shares outstanding	<u>7,930,964</u>	<u>7,427,765</u>	<u>7,944,933</u>	<u>7,370,592</u>
Weighted average number of common shares outstanding (assuming dilution)	<u>8,014,947</u>	<u>7,465,896</u>	<u>8,099,187</u>	<u>7,880,251</u>
Dividends paid per share	<u>\$ 0.18</u>	<u>\$ 0.12</u>	<u>\$ 0.36</u>	<u>\$ 0.24</u>

21st CENTURY HOLDING COMPANY
Other Selected Data
(Unaudited)

Balance Sheet

	Period Ending	
	<u>06/30/07</u>	<u>12/31/06</u>
Total Cash & Investments	\$163,744,282	\$142,750,333
Total Assets	\$233,271,304	\$212,133,886
Unpaid Loss and Loss Adjustment Expense	\$45,206,419	\$39,615,478
Total Liabilities	\$158,340,482	\$145,940,468
Total Shareholders' Equity	\$74,930,822	\$66,193,418
Common Stock Outstanding	7,885,383	7,896,919
Book Value Per Share	\$9.50	\$8.38

Premium Breakout

<u>Line of Business</u>	3 Months Ending		6 Months Ending	
	<u>06/30/07</u>	<u>06/30/06</u>	<u>06/30/07</u>	<u>06/30/06</u>
	(Dollars in thousands)		(Dollars in thousands)	
Homeowners'	\$34,096	\$41,855	\$73,959	\$64,958
General Liability	10,075	8,237	18,225	16,457
Automobile	<u>271</u>	<u>660</u>	<u>1,468</u>	<u>4,947</u>
Gross Written Premiums	<u>\$44,462</u>	<u>\$50,753</u>	<u>\$93,652</u>	<u>\$86,362</u>

Commercial General Liability
Written Premium by State

<u>State</u>	3 Months Ending		6 Months Ending	
	<u>06/30/07</u>	<u>06/30/06</u>	<u>06/30/07</u>	<u>06/30/06</u>
	(Dollars in thousands)		(Dollars in thousands)	
Florida	\$6,881	\$6,174	\$12,505	\$12,741
Georgia	295	235	592	570
Kentucky	4	--	5	--
Louisiana	1,481	1,536	2,682	2,854
South Carolina	43	--	87	--
Texas	1,354	292	2,322	292
Virginia	<u>17</u>	<u>--</u>	<u>32</u>	<u>--</u>
Gross Written Premiums	<u>\$10,075</u>	<u>\$8,237</u>	<u>\$18,225</u>	<u>\$16,457</u>

Loss Ratios

<u>Line of Business</u>	3 Months Ending		6 Months Ending	
	<u>06/30/07</u>	<u>06/30/06</u>	<u>06/30/07</u>	<u>06/30/06</u>
Homeowners'	37.46%	25.81%	52.25%	26.74%
General Liability	39.98%	13.10%	36.06%	17.60%
Automobile	54.74%	97.70%	135.22%	83.57%
All Lines	38.92%	32.51%	50.34%	33.46%