# NAIC BLANKS (E) WORKING GROUP

# **Blanks Agenda Item Submission Form**

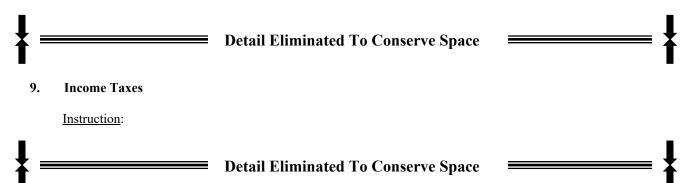
		FOR NAIC USE ONLY				
	DATE: 10/15/2018	Agenda Item # 2018-28BWG				
CONTACT PERSON:		Year <u>2019</u>				
TELEPHONE:		Changes to Existing Reporting [X]  New Reporting Requirement []				
		REVIEWED FOR ACCOUNTING				
EMAIL ADDRESS:		PRACTICES AND PROCEDURES IMPACT				
ON BEHALF OF:		No Impact [X]				
NAME:	Dale Bruggeman	Modifies Required Disclosure [ ] <u>DISPOSITION</u>				
TITLE:	Chair SAPWG	[ ] Rejected For Public Comment				
AFFILIATION:	Ohio Department of Insurance	[ ] Referred To Another NAIC Group [ ] Received For Public Comment				
ADDRESS:	50W. Town St., 3 <sup>rd</sup> Fl., Ste. 300	[ X ] Adopted Date <u>04/06/2019</u> [ ] Rejected Date				
TIDDILE OF		[ ] Deferred Date				
	Columbus, OH 43215	[ ] Other (Specify)				
BLANK(S) TO WHICH PROPOSAL APPLIES  [X] ANNUAL STATEMENT [X] INSTRUCTIONS [ ] CROSSCHECKS						
	TEMENT [X] INSTRUCTIONS STATEMENT [] BLANK	[ ] CROSSCHECKS				
[X] Life, Accident & [X] Property/Casualt		[X] Title Dther				
[X] Health	[ ] Health (Life Supplement					
Anticipated Effective Date: Annual 2019						
IDENTIFICATION OF ITEM(S) TO CHANGE						
Add instructions to Note 9 (Income taxes) for new disclosures 9H – Repatriation Transition Tax (RTT) and 9I – Alternative Minimum Tax (AMT) Credit. An Illustration will be added for Note 9I and will be data captured.						
R	EASON, JUSTIFICATION FOR AND/OR BEN	EFIT OF CHANGE**				
The purpose of this proposal is to add disclosures to Note 9 required by <i>INT 18-03: Additional Elements Under the Tax Cuts and Jobs Act</i> adopted by the Statutory Accounting Principles (E) Working Group.						
NAIC STAFF COMMENTS						
Comment on Effective Reporting Date:						
Other Comments:						

Revised 7/18/2018

<sup>\*\*</sup> This section must be completed on all forms.

#### ANNUAL STATEMENT INSTRUCTIONS – LIFE/FRATERNAL, HEALTH, PROPERTY & TITLE

#### NOTES TO FINANCIAL STATEMENTS



G. For any federal or foreign income tax loss contingencies as determined in accordance with SSAP No. 5R—Liabilities, Contingencies and Impairments of Assets with the modifications provided in SSAP No. 101—Income Taxes for which it is reasonably possible that the total liability will significantly increase within 12 months of the reporting date, the reporting entity shall disclose an estimate of the range of the reasonably possible increase or a statement that an estimate of the range cannot be made.

Refer to SSAP No. 101—Income Taxes for accounting guidance on disclosure requirements, and INT 06-12 for more detail on protective tax deposits.

#### H Repatriation Transition Tax (RTT)

Reporting entities that are subject to the RTT shall include the following disclosure:

- RTT owed under the TCJA.
- Schedule of payments made and expected future payments to satisfy the RTT liability. This disclosure shall explicitly identify whether the insurance entity has remitted full payment of the RTT, or whether the reporting entity is electing to pay the liability under the permitted installments. If the reporting entity fully remitted the RTT, disclosure of the RTT and the remitted payment is only required in the year-end 2018 financial statements. Reporting entities electing to make installment payments shall include the disclosure beginning in the year-end 2018 financial statements and continuing through the year-end statutory financial statements for the year in which the last installment payment was remitted.

### I Alternative Minimum Tax (AMT) Credit

Reporting entities with an AMT credit shall include the following narrative disclosure

<u>Identification of whether the AMT credit was recognized as a current year recoverable or Deferred Tax Asset (DTA).</u>

The balance of the AMT credit carryforward as of the beginning of the year; the amount of the AMT credit recovered during the year; other current year adjustments to the AMT credit carryforward; the balance of the AMT credit carryforward at the end of the year; the amount, if any, by which the ending balance has been reduced for sequestration; and the amount, if any, by which the reporting entity has elected to nonadmit. (This disclosure intends to capture any nonadmittance of the AMT Tax Credit by the reporting entity prior to application of the DTA admittance limitations reflected in SSAP No. 101.)

(These disclosures shall be made on an accrual basis beginning in the 2018 year-end statutory financial statements and continuing through the year-end statutory reporting period in which the AMT credit is fully utilized / received.)



## **Detail Eliminated To Conserve Space**



F. See example in paragraph 12.34 of the SSAP No. 101—Income Taxes Q&A.

### I Alternative Minimum Tax Credit

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(1)	Gross AMT Credit Recognized as:	
	a. Current year recoverable	\$ 
	b. Deferred tax asset (DTA)	\$ 
<u>(2)</u>	Beginning Balance of AMT Credit Carryforward	\$ 
(3)	Amounts Recovered	\$ 
(4)	Adjustments	\$ 
(5)	Ending Balance of AMT Credit Carryforward (5=2-3-4)	\$ 
(6)	Reduction for Sequestration	\$ 
(7)	Nonadmitted by Reporting Entity	\$ 
(8)	Reporting Entity Ending Balance (8=5-6-7)	\$ 

Note: The disclosure for Nonadmitted by Reporting Entity (Line 7) intends to capture any nonadmittance of the AMT Tax Credit by the reporting entity prior to application of the DTA admittance limitations reflected in SSAP No. 101.

Reporting Entity Ending Balance (Line 8) reflects the amount of AMT Credit recognized by the reporting entity. This amount may be further reduced by DTA admittance limitations required in SSAP No. 101.



**Detail Eliminated To Conserve Space** 



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