

Interpretation of the Emerging Accounting Issues Working Group**INT 99-23: Disclosure of Premium Deficiency Reserves****ISSUE NULLIFIED BY SSAP NO. 53****INT 99-23 Dates Discussed**

October 4, 1999; December 6, 1999

INT 99-23 References

SSAP No. 53—Property Casualty Contracts – Premiums (SSAP No. 53)

INT 99-23 Issue

1. SSAP No. 53 requires that if a reporting entity utilizes anticipated investment income as a factor in the premium deficiency calculation, disclosure of such shall be made in the financial statements.
2. Is the reporting entity required to disclose the dollar amount of anticipated investment income or is a simple statement that anticipated investment income was used in the calculation of the premium deficiency reserve sufficient disclosure? Additionally, are reporting entities required to disclose (either a dollar amount or by simple disclosure statement) the use of anticipated investment income in the calculation of premium deficiency reserves whether a reserve is recorded or not recorded in the financial statements?

INT 99-23 Discussion

3. The working group reached a consensus that the entity's disclosure be limited to a statement that anticipated investment income was utilized and the dollar amount need not be included in such statement.
4. The working group reached a consensus that entities need to disclose by statement only that anticipated investment income was utilized in the calculation of premium deficiency reserves whether a reserve is recorded or not (i.e., the use of anticipated investment income mitigated the need for recording a premium deficiency reserve).

INT 99-23 Status

5. No further discussion is planned.