

losses which in the opinion of the district director are in excess of the actual liability determined as provided in the preceding sentence will be disallowed as a deduction. The district director may require any such insurance company to submit such detailed information with respect to its actual experience as is deemed necessary to establish the reasonableness of the deduction for "losses incurred".

(c) That part of the deduction for "losses incurred" which represents an adjustment to losses paid for salvage and reinsurance recoverable shall, except as hereinafter provided, include all salvage in course of liquidation, and all reinsurance in process of collection not otherwise taken into account as a reduction of losses paid, outstanding at the end of the taxable year. Salvage in course of liquidation includes all property (other than cash), real or personal, tangible or intangible, except that which may not be included by reason of express statutory provisions (or rules and regulations of an insurance department) of any State or Territory or the District of Columbia in which the company transacts business. Such salvage in course of liquidation shall be taken into account to the extent of the value thereof at the end of the taxable year as determined from a fair and reasonable estimate based upon either the facts in each case or the company's experience with similar cases. Cash received during the taxable year with respect to items of salvage or reinsurance shall be taken into account in computing losses paid during such taxable year.

(d) This section is effective for taxable years beginning before January 1, 1990.

[T.D. 8266, 54 FR 38970, Sept. 22, 1989; T.D. 8293, 55 FR 9425, Mar. 14, 1990]

§ 1.846-0 Outline of provisions.

The following is a list of the headings in §§ 1.846-1 through 1.846-4.

§ 1.846-1 Application of discount factors.

- (a) In general.
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- (b) Applicable discount factors.
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 - (i) Proportional reinsurance for accident years after 1987.
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 - (A) Accident years after 1991.
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 - (iii) Reinsurance for accident years before 1988.
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 - (4) International business.
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§ 1.846-2 Election by taxpayer to use its own historical loss payment pattern.

- (a) In general.
- (b) Eligible line of business.
 - (1) In general.
 - (2) Other published guidance.
 - (3) Special rule for 1987 determination year.
- (c) Anti-abuse rule.
- (d) Effect of section 338 election on section 846(e) election.

§ 1.846-3 Fresh start and reserve strengthening.

- (a) In general.
- (b) Applicable discount factors.
 - (1) Calculation of beginning balance.
 - (2) Example.
- (c) Rules for determining the amount of reserve strengthening.
 - (1) In general.
 - (2) Accident years after 1985.
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 - (ii) Exceptions.
 - (iii) Certain transactions deemed to be reinsurance assumed (ceded) in 1986.
 - (d) Section 845.
 - (e) Treatment of reserve strengthening.
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§ 1.846-4 Effective dates.

- (a) In general.
- (b) Section 338 election.

[T.D. 8433, 57 FR 40843, Sept. 8, 1992; 57 FR 48563, Oct. 27, 1992; T.D. 9257, 71 FR 18005, Apr. 10, 2006; T.D. 9377, 73 FR 3873, Jan. 23, 2008]

§ 1.846-1 Application of discount factors.

(a) *In general*—(1) *Rules*. A separate series of discount factors are computed for, and applied, to undiscounted unpaid losses attributable to each accident year of each line of business

shown on the annual statement (as defined by section 846(f)(3)) filed by that taxpayer for the calendar year ending with or within the taxable year of the taxpayer. See § 1.832-4(b) relating to the determination of unpaid losses. Paragraph (b) of this section provides rules relating to applicable discount factors and § 1.846-3(b) contains guidance relating to discount factors applicable to accident years prior to the 1987 accident year. Once a taxpayer applies a series of discount factors to unpaid losses attributable to an accident year of a line of business, that series of discount factors must be applied to discount the unpaid losses for that accident year for that line of business for all future taxable years. The discount factors cannot be changed to reflect a change in the taxpayer's loss payment pattern during a subsequent year or to reflect a different interest rate assumption. However, discount factors may be changed for taxpayers who elect to use their own historical loss payment pattern, if information upon which the pattern is based is adjusted upon examination by the district director.

(2) *Examples.* The following examples illustrate the principles of paragraph (a)(1) of this section:

Example 1. A taxpayer discounts unpaid losses attributable to all accident years prior to 1992 using discount factors published by the Service. In 1992, the taxpayer elects, under § 1.846-2, to compute discount factors using its own historical loss payment pattern. The taxpayer must continue to discount unpaid losses attributable to pre-1992 accident years using the discount factors published for those accident years by the Service.

Example 2. On its annual statements through 1987, a taxpayer did not allocate unpaid losses attributable to proportional reinsurance to the line of business associated with the risks being reinsured. Beginning with the 1988 annual statement, the taxpayer allocated those losses for all accident years to the line of business being reinsured. The taxpayer must continue to discount the unpaid losses attributable to proportional reinsurance from pre-1988 accident years using the discount factors that were used in determining tax reserves for the 1987 tax year. (See paragraph (b)(3) of this section for rules relating to the application of discount factors to reinsurance unpaid losses.)

(3) *Increase in discounted unpaid losses shown on the annual statement.* If the

amount of unpaid losses shown on the annual statement is determined on a discounted basis, and the extent to which the unpaid losses were discounted can be determined on the basis of information disclosed on or with the annual statement, the amount of the unpaid losses to which the discount factors are applied shall be determined without regard to any reduction attributable to the discounting reflected on the annual statement.

(4) *Increase in unpaid losses which take into account estimated salvage recoverable.* If the amount of unpaid losses shown on the annual statement reflects a reduction for estimated salvage recoverable and the extent to which the unpaid losses were reduced by estimated salvage recoverable is appropriately disclosed as required by § 1.832-4(d)(2), the amount of unpaid losses shall be determined without regard to the reduction for salvage recoverable.

(b) *Applicable discount factors*—(1) *In general.* Except as otherwise provided in section 846(f)(6) (relating to certain accident and health lines of business), in § 1.846-2 (relating to a taxpayer's election to use its own historical loss payment pattern), in this paragraph (b), or in other guidance published in the Internal Revenue Bulletin, the following factors must be used—

(i) *Discount factors published by the Service.* If the Service has published discount factors for a line of business, a taxpayer must discount unpaid losses attributable to that line by applying those discount factors; and

(ii) *Composite discount factors.* If the Service has not published discount factors for a line of business, a taxpayer must discount unpaid losses attributable to that line by applying composite discount factors.

(iii) *Annual statement changes.* If the groupings of individual lines of business on the annual statement changes, taxpayers must discount the unpaid losses on the resulting lines of business with the discounting patterns that would have applied to those unpaid losses based on their annual statement classification prior to the change.

(2) *Title insurance company reserves.* A title insurance company may only take into account case reserves (relating to claims which have been reported to the

insurance company). Unless the Service publishes other guidance, the reserves must be discounted using the "Miscellaneous Casualty" discount factors published by the Service. Section 832(b)(8) provides rules for determining the discounted unearned premiums of a title insurance company.

(3) *Reinsurance business*—(i) *Proportional reinsurance for accident years after 1987*. For the 1988 accident year and subsequent accident years, unpaid losses for proportional reinsurance must be discounted using discount factors applicable to the line of business to which those unpaid losses are allocated as required on the annual statement.

(ii) *Non-proportional reinsurance*—(A) *Accident years after 1991*. For the 1992 accident year and subsequent accident years, unpaid losses for non-proportional reinsurance must be discounted using the applicable discount factors published by the Service for the appropriate reinsurance line of business.

(B) *Accident years 1988 through 1991*. For the 1988, 1989, 1990, and 1991 accident years unpaid losses for non-proportional reinsurance must be discounted using composite discount factors.

(iii) *Reinsurance for accident years before 1988*. If on its annual statement a taxpayer does not allocate unpaid losses to the applicable line of business for proportional or nonproportional reinsurance attributable to the 1987 accident year or a prior accident year, those losses must be discounted using composite discount factors. If on its annual statement a taxpayer allocates to the underlying line of business reinsurance unpaid losses that are attributable to the 1987 accident year or a prior accident year, those losses must be discounted using discount factors applicable to the underlying line of business.

(iv) *90 percent exception*. For purposes of §1.846-1(b)(3) (i) and (iii), if more than 90 percent of all the unallocated losses of a taxpayer for an accident year relate to one underlying line of business, the taxpayer must discount all unallocable reinsurance unpaid losses attributable to that accident year using the discount factors pub-

lished by the Service for the underlying line of business.

(4) *International business*. For any accident year, unpaid losses which are attributable to international business must be discounted using composite discount factors unless more than 90 percent of all losses for that accident year relate to one underlying line of business. If more than 90 percent of all losses for an accident year relate to one underlying line of business, the taxpayer must discount the losses attributable to that accident year using discount factors published by the Service for the underlying line of business.

(5) *Composite discount factors*. For purposes of the regulations under section 846, "composite discount factors" means the series of discount factors published annually by the Service determined on the basis of the appropriate composite loss payment pattern.

[T.D. 8433, 57 FR 40844, Sept. 8, 1992]

§ 1.846-2 Election by taxpayer to use its own historical loss payment pattern.

(a) *In general*. If a taxpayer has one or more eligible lines of business in a determination year, the taxpayer may elect on the taxpayer's timely filed Federal income tax return for the determination year to discount unpaid losses using its own historical loss payment pattern instead of the industry-wide pattern determined by the Secretary. A taxpayer making the election must use its own historical loss payment pattern in discounting unpaid losses for each line of business that is an eligible line of business in that determination year. The election applies to accident years ending with the determination year and to each of the four succeeding accident years. If a taxpayer makes the election for the 1987 determination year, the taxpayer must use its 1987 loss payment pattern (determined by reference to its 1985 annual statement) to discount unpaid losses attributable to all accident years prior to 1988.

(b) *Eligible line of business*—(1) *In general*. A line of business is an eligible line of business in a determination year if, on the most recent annual statement filed by the taxpayer before the beginning of that determination

year, the taxpayer reports losses and loss expenses incurred (in Schedule P, part 1, column 24 of the 1990 annual statement or comparable location in an earlier or subsequently revised blank) for at least the number of accident years for which losses and loss expenses incurred for that line of business are required to be separately reported on that annual statement. For example, for the 1987 determination year, the 1985 annual statement is used. The annual statement to be used to determine eligibility in subsequent determination years is the annual statement for each fifth year after 1985 (e.g., 1990, 1995, etc.).

(2) *Other published guidance.* A line of business is also an eligible line of business for purposes of the election if the line is an eligible line under requirements published for this purpose in the Internal Revenue Bulletin.

(3) *Special rule for 1987 determination year.* A line of business is an eligible line of business in the 1987 determination year if it is eligible under paragraph (b) (1) or (2) of this section, or if on the most recent annual statement filed by the taxpayer before the beginning of the 1987 determination year, the taxpayer reports written premiums for the line of business for at least the number of accident years that unpaid losses for that line of business are required to be separately reported on that annual statement.

(c) *Anti-abuse rule.* To prevent avoidance of the requirement that the election to use historical loss payment patterns apply to all eligible lines of business of a taxpayer, the district director may—

(1) Nullify a taxpayer's election to compute discounted unpaid losses based on its historical loss payment pattern;

(2) Adjust a taxpayer's historical loss payment pattern; or

(3) Make other proper adjustments.

(d) *Effect of section 338 election on section 846(e) election.* For rules regarding qualified stock purchase occurring on or after April 10, 2006, see §§1.338-1(b)(2)(vii) and 1.338-11(e).

[T.D. 8433, 57 FR 40845, Sept. 8, 1992, as amended by T.D. 9257, 71 FR 18005, Apr. 10, 2006; T.D. 9377, 73 FR 3873, Jan. 23, 2008]

§ 1.846-2T Election by taxpayer to use its own historical loss payment pattern (temporary).

(a) through (c) [Reserved]. For further guidance, see §1.846-2(a) through (c).

(d) *Effect of section 338 election on section 846(e) election.* For rules regarding qualified stock purchases occurring on or after April 10, 2006, see §§1.338-1(b)(2)(vii) and 1.338-11T(e).

[T.D. 9257, 71 FR 18005, Apr. 10, 2006]

§ 1.846-3 Fresh start and reserve strengthening.

(a) *In general.* Section 1023(e) of the Tax Reform Act of 1986 ("the 1986 Act") provides rules relating to fresh start and reserve strengthening. For purposes of section 1023(e) of the 1986 Act, a taxpayer must discount its unpaid losses as of the end of the last taxable year beginning before January 1, 1987. The excess of undiscounted unpaid losses over discounted unpaid losses as of that time is not required to be included in income, except (as provided in paragraph (e) of this section) to the extent of any "reserve strengthening" in a taxable year beginning in 1986. The exclusion from income of this excess is known as "fresh start." The amount of fresh start is, however, included in earnings and profits for the first taxable year beginning after December 31, 1986.

(b) *Applicable discount factors—(1) Calculation of beginning balance.* For purposes of section 1023(e) of the 1986 Act, a taxpayer discounts unpaid losses as of the end of the last taxable year beginning before January 1, 1987—

(i) By using the same discount factors that are used in the succeeding taxable year to discount unpaid losses attributable to the 1987 accident year and prior accident years (see section 1023(e)(2) of the 1986 Act); and

(ii) By applying those discount factors as if the 1986 accident year were the 1987 accident year.

(2) *Example.* The following example illustrates the principles of this paragraph (b):

Example. X, a calendar year taxpayer, does not make an election in 1987 to use its own historical loss payment pattern. When X computes discounted unpaid losses for its last taxable year beginning before January 1,

1987, the discount factor for AY+0 published in Rev. Rul. 87-34, 1987-1 C.B. 168, must be applied to unpaid losses attributable to the 1986 accident year; the discount factor for AY+1 is applied to unpaid losses attributable to the 1985 accident year; etc.

(c) *Rules for determining the amount of reserve strengthening (weakening)*—(1) *In general.* The amount of reserve strengthening (weakening) is the amount that is determined under paragraph (c)(2) or (3) to have been added to (subtracted from) an unpaid loss reserve in a taxable year beginning in 1986. For purposes of section 1023(e)(3)(B) of the 1986 Act, the amount of reserve strengthening (weakening) must be determined separately for each unpaid loss reserve by applying the rules of this paragraph (c). This determination is made without regard to the reasonableness of the amount of the unpaid loss reserve and without regard to the taxpayer's discretion, or lack thereof, in establishing the amount of the unpaid loss reserve. The amount of reserve strengthening for an unpaid loss reserve may not exceed the amount of the reserve, including any undiscounted strengthening amount, as of the end of the last taxable year beginning before January 1, 1987. For purposes of this section, an "unpaid loss reserve" is the aggregate of the unpaid loss estimate for losses (whether or not reported) incurred in an accident year of a line of business.

(2) *Accident years after 1985*—(i) *In general.* The amount of reserve strengthening (weakening) for an unpaid loss reserve for an accident year after 1985 is the amount by which that reserve at the end of the last taxable year beginning in 1986 exceeds (is less than) a hypothetical unpaid loss reserve.

(ii) *Hypothetical unpaid loss reserve.* For purposes of this paragraph (c)(2), the term "hypothetical unpaid loss reserve" means a reserve computed for losses the estimates of which were included, at the end of the last taxable year beginning in 1986, in the unpaid loss reserve for which reserve strengthening (weakening) is being determined. The hypothetical unpaid loss reserve must be computed using the same assumptions, other than the assumed interest rates in the case of reserves determined on a discounted basis for an-

nual statement reporting purposes, that were used to determine the 1985 accident year reserve, if any, for the line of business for which the hypothetical reserve is being computed. If there was no 1985 accident year reserve for that line of business, the hypothetical unpaid loss reserve is the reserve, at the end of the last taxable year beginning in 1986, for which reserve strengthening (weakening) is being determined (and thus there is no reserve strengthening or weakening).

(3) *Accident years before 1986*—(i) *In general.* For each taxable year beginning in 1986, the amount of reserve strengthening (weakening) for an unpaid loss reserve for an accident year before 1986 is the amount by which the reserve at the end of that taxable year exceeds (is less than)—

(A) The reserve at the end of the immediately preceding taxable year; reduced by

(B) Claims paid and loss adjustment expenses paid ("loss payments") in the taxable year beginning in 1986 with respect to losses that are attributable to the reserve. The amount by which a reserve is reduced as a result of reinsurance ceded during a taxable year beginning in 1986 is treated as a loss payment made in that taxable year.

(ii) *Exceptions.* Notwithstanding paragraph (c)(3)(i) of this section, the amount of reserve strengthening (weakening) for an unpaid loss reserve for an accident year before 1986 does not include—

(A) An amount added to the reserve in a taxable year beginning in 1986 as a result of a loss reported to the taxpayer from a mandatory state or federal assigned risk pool if the amount of the loss reported is not discretionary with the taxpayer; or

(B) Payments made with respect to reinsurance assumed during a taxable year beginning in 1986 or amounts added to the reserve to take into account reinsurance assumed for a line of business during a taxable year beginning in 1986, but only to the extent that the amount does not exceed the amount of a hypothetical reserve for the reinsurance assumed. The amount of the hypothetical reserve is determined using the same assumptions (other than the assumed interest rates)

that were used to determine a reserve for reinsurance assumed for the line of business in a taxable year beginning in 1985.

(iii) *Certain transactions deemed to be reinsurance assumed (ceded) in 1986.* For purposes of this paragraph (c)(3), reinsurance assumed (ceded) in a taxable year beginning in 1985 is treated as assumed (ceded) during the succeeding taxable year if the appropriate unpaid loss reserve is not adjusted to take into account the reinsurance transaction until that succeeding taxable year.

(d) *Section 845.* Any reinsurance transaction that has as one of its purposes the avoidance of the reserve strengthening limitation is subject to section 845.

(e) *Treatment of reserve strengthening.* The fresh start provision of section 1023(e)(3)(A) of the 1986 Act does not apply to the portion of the taxpayer's unpaid losses attributable to reserve strengthening. Thus, the difference between the undiscounted unpaid losses attributable to reserve strengthening and the discounted unpaid losses attributable to reserve strengthening must be included in income and, therefore, included in earnings and profits for the first taxable year beginning after December 31, 1986. The amount that a taxpayer must include in income for its first taxable year beginning after December 31, 1986, as a result of reserve strengthening is equal to the excess (if any) of—

(1) The sum of each amount of reserve strengthening multiplied by the difference between 100 percent and the discount factor that, under paragraph (b) of this section, is applicable to the unpaid loss reserve which was strengthened; over

(2) The sum of each reserve weakening multiplied by the difference between 100 percent and the discount factor that, under paragraph (b) of this section, is applicable to the unpaid loss reserve which was weakened.

(f) *Examples.* The following examples illustrate the principles of this section. For purposes of these examples, it is assumed that the taxpayers are property and casualty insurance companies that in 1987 did not elect to use their own historical loss payment patterns.

Example 1. (i) As of the end of 1985, X, a calendar year taxpayer, had undiscounted unpaid losses of \$1,000,000 in the workers' compensation line of business for the 1984 accident year. The same reserve had undiscounted unpaid losses of \$900,000 at the end of 1986. During 1986, X's loss payments for this reserve were \$300,000. Accordingly, under paragraph (c)(3)(i) of this section, X has a reserve strengthening of \$200,000 ($\$900,000 - (\$1,000,000 - \$300,000)$).

(ii) This was X's only reserve strengthening or weakening. Thus, under paragraph (e) of this section, for 1987 X must include in income \$54,361.40 ($\$200,000 \times (100\% - 72.8193\%)$). The factor of 72.8193% is the AY+2 factor from the workers' compensation series of discount factors published in Rev. Rul. 87-34, 1987-1 C.B. 168.

Example 2. The facts are the same as in *Example 1*, except that X's 1986 loss payments for the reserve were \$1,100,000. If only paragraph (c)(3)(i) of this section were applied, X would have a \$1,000,000 reserve strengthening ($\$900,000 - (\$1,000,000 - \$1,100,000)$). Under paragraph (c)(1) of this section, however, the amount of reserve strengthening for the reserve is limited to the amount of the reserve at the end of 1986. Accordingly, X has a reserve strengthening of \$900,000 and for 1987 must include in income \$244,626.30 ($\$900,000 \times (100\% - 72.1893\%)$).

Example 3. (i) As of the end of 1985, Y, a calendar year taxpayer, had undiscounted unpaid losses of \$1,000,000 in the auto physical damage line of business for the 1985 accident year. The same reserve included undiscounted unpaid losses of \$600,000 at the end of 1986. During 1986, Y had loss payments of \$300,000 for this line of business. Under paragraph (c)(3)(i) of this section Y has a \$100,000 reserve weakening $\$600,000 - (\$1,000,000 - \$300,000)$.

(ii) Under paragraph (e) of this section, the only effect of the reserve weakening is to reduce the amount that Y is required to include in income as a result of any strengthening of another reserve.

Example 4. The facts are the same as in *Example 1* except that X also has a \$100,000 reserve weakening for the 1985 accident year in its auto physical damage line of business. Under paragraph (b) of this section, the reserve discount factor for the reserve is 93.3400, the AY+1 factor from the auto physical damage series of discount factors published in Rev. Rul. 87-34. Thus, under paragraph (e) of this section, the amount that X is required to include in income in 1987 is reduced by \$6,660 ($\$100,000 \times (100\% - 93.3400\%)$), resulting in an amount of \$47,761.40 ($\$54,361.40 - \$6,660$).

Example 5. (i) At the end of 1985, Z, a calendar year taxpayer, had undiscounted unpaid losses of \$1,000,000 in the workers' compensation line of business for the 1984 accident year. On May 1, 1986, Z ceded \$130,000 of

the reserve to an unrelated reinsurer. Z added \$250,000 to the 1985 year end reserve to take into account workers' compensation risks for the 1984 accident year that Z assumed in a reinsurance transaction on September 1, 1986. Z had \$230,000 of 1986 loss payments related to the 1984 accident year of its workers' compensation line, \$60,000 of which was attributable to the reinsurance assumed by Z. At the end of 1986, Z's reserve for the workers' compensation line for the 1984 accident year was \$1,100,000.

(ii) If only paragraph (c)(3)(i) of this section were applied, Z would have a \$460,000 reserve strengthening (\$1,100,000 - (\$1,000,000 - \$230,000 - \$130,000)).

Under paragraph (c)(3)(ii)(B) of this section, however, reserve strengthening does not include the \$250,000 that Z added to the reserve to take into account the reinsurance assumed. Also, none of the \$60,000 of loss payments attributable to the reinsurance assumed in 1986 are taken into account. Accordingly, Z has \$150,000 of reserve strengthening (\$460,000 - \$250,000 - \$60,000). If this is Z's only reserve strengthening or weakening, then the amount that Z must include in income for 1987 under paragraph (e) of this section is \$40,771.05 (\$150,000 × (100% - 72.8193%)). The factor of 72.8193% is the AY+2 factor from the workers' compensation series of discount factors published in Rev. Rul. 87-34.

Example 6. (i) X was a calendar year taxpayer before July 1, 1986, the date on which X became a member of an affiliated group of corporations that files a consolidated return with a June 30 year end. Thus, X had two taxable years beginning in 1986: a short taxable year ending June 30, 1986, and a fiscal taxable year ending June 30, 1987.

(ii) As of the end of 1985, X had undiscounted unpaid losses of \$800,000 in the automobile liability line of business for the 1983 accident year. At the end of the short taxable year, X had reserves of \$700,000 of undiscounted unpaid losses, and on June 30, 1987, had reserves of \$600,000 of undiscounted unpaid losses. During the short taxable year, ending June 30, 1986, X's loss payments for this reserve were \$120,000. During the taxable year ending June 30, 1987, X's loss payments for this reserve were \$180,000. Under paragraph (c)(3)(i) of this section, X has a \$100,000 reserve strengthening; of which \$20,000 (\$700,000 - (\$800,000 - \$120,000)) is attributable to the short taxable year ending June 30, 1986 and \$80,000 (\$600,000 - (\$700,000 - \$180,000)) is attributable to the taxable year ending June 30, 1987.

(iii) The amount of reserve strengthening for this line of business is determined pursuant to the principles of paragraph (c)(2) of this section.

[T.D. 8433, 57 FR 40845, Sept. 8, 1992; 57 FR 48563, Oct. 27, 1992; 57 FR 57531, Dec. 4, 1992]

§ 1.846-4 Effective/applicability date.

(a) *In general.* Sections 1.846-1 through 1.846-3 apply to taxable years beginning after December 31, 1986.

(b) *Section 338 election.* Section 1.846-2(d) applies to section 846(e) elections made with regard to a qualified stock purchase made on or after April 10, 2006.

[T.D. 9257, 71 FR 18006, Apr. 10, 2006, as amended by T.D. 9377, 73 FR 3873, Jan. 23, 2008]

§ 1.846-4T Effective dates (temporary).

(a) [Reserved]. For further guidance, see § 1.846-2(a).

(b) *Section 338 election.* Section 1.846-2(d) applies to section 846(e) elections made with regard to a qualified stock purchase made on or after April 10, 2006.

[T.D. 9257, 71 FR 18006, Apr. 10, 2006]

§ 1.848-0 Outline of regulations under section 848.

This section lists the paragraphs in §§ 1.848-1 through 1.848-3.

§ 1.848-1 Definitions and special provisions.

- (a) Scope and effective date.
- (b) Specified insurance contract.
 - (1) In general.
 - (2) Exceptions.
 - (i) In general.
 - (ii) Reinsurance of qualified foreign contracts.
 - (c) Life insurance contract.
 - (d) Annuity contract.
 - (e) Noncancellable accident and health insurance contract.
 - (f) Guaranteed renewable accident and health insurance contract.
 - (g) Combination contract.
 - (1) Definition.
 - (2) Treatment of premiums on a combination contract.
 - (i) In general.
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 - (3) Example.
 - (h) Group life insurance contract.
 - (1) In general.
 - (2) Group affiliation requirement.
 - (i) In general.
 - (ii) Employee group.
 - (iii) Debtor group.
 - (iv) Labor union group.
 - (v) Association group.
 - (vi) Credit union group.
 - (vii) Multiple group.
 - (viii) Certain discretionary groups.
 - (ix) Employees treated as members.