



Insurance Statutory Reporting

Issues & Trends

We summarize new and revised statutory accounting standards for 2024 and later financial reporting.

June 2024

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Introduction

This Insurance Statutory Reporting summarizes new and revised statutory accounting standards for 2024 and 2025 financial reporting, highlights the related NAIC meeting materials, and links to KPMG publications for additional discussion.

Effective for 2024 reporting

- SSAP No. 7 revised the Annual Statement Instructions to remove guidance permitting the allocation of non-interest related losses to IMR and to clarify that they should be allocated to AVR.
- SSAP No. 21R added disclosures of the total amount of collateral loans and collateral loans admitted and nonadmitted by qualifying investment type.

Effective for 2025 reporting

- SSAP No. 2R further restricted the investments reported as cash equivalents or short-term investments.
- SSAP Nos. 26R, 43R and other SSAPs added guidance for the principles-based bond definition.
- SSAP No. 21R added the earned yield with a cap method (the Allowable Earned Yield method) to measure residual tranches or interests, with a practical expedient that allows the use of the cost recovery method.
- SSAP Nos. 34, 48, 93 and 94R updated guidance for tax credit investments, by expanding the scope of SSAP 93 and 94R, and adding consistency between SSAPs.

Unless otherwise indicated, all guidance became effective on adoption.

The NAIC Summer 2024 meeting is scheduled to be held in Chicago, IL August 12-15.

2024 reporting

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
7, Asset Valuation Reserve and Interest Maintenance Reserve	2023-15	Measurement	<p>Adopted December 1, 2023</p> <p>Revised the Annual Statement Instructions to remove guidance permitting the allocation of non-interest related losses to IMR and to clarify that they should be allocated to AVR.</p> <p><i>Revisions were effective January 1, 2024.</i></p>	Issues & Trends Fall 2023 (January 2024 SAPWG Call)
	2023-29	Classification	<p>Adopted March 16, 2024</p> <p>Revised the Annual Statement instructions to exclude realized gain or loss on perpetual preferred and mandatory convertible preferred stock from IMR and report them through AVR, regardless of NAIC designation.</p>	Issues & Trends Spring 2024
21R, Other Admitted Assets	2023-28	Disclosure	<p>Adopted February 20, 2024</p> <p>Added disclosures of the total amount of collateral loans and collateral loans admitted and nonadmitted by qualifying investment type.</p>	February 2024 SAPWG Call
97, Investments in Subsidiary, Controlled and Affiliated Entities	2023-30	Measurement	<p>Adopted March 16, 2024</p> <p>Clarified the admissibility guidance for downstream noninsurance holding companies.</p>	Issues & Trends Spring 2024
107, Risk-Sharing Provisions of the Affordable Care Act	2024-13	Disclosure	<p>Adopted May 15, 2024</p> <p>Removed transitional reinsurance program disclosures and risk corridor disclosures because both programs have expired.</p>	May 2024 SAPWG Call

2025 reporting

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
2R, Cash, Cash Equivalents, Drafts, and Short-Term Investments	2023-17	Classification	<p>Adopted December 1, 2023 Further restricted the investments reported as cash equivalents or short-term investments. <i>Revisions are effective January 1, 2025.</i></p>	Issues & Trends Fall 2023 (January 2024 SAPWG Call)
21R, Other Admitted Assets	2019-21	Measurement	<p>Adopted March 16, 2024 Added the earned yield with a cap method (the Allowable Earned Yield method) to measure residual tranches or interests, with a practical expedient that allows the use of the cost recovery method. <i>Revisions are effective January 1, 2025.</i></p>	Issues & Trends Spring 2024
26R, Bonds 43R, Loan-Backed and Structured Securities	2019-21	Measurement	<p>Adopted August 13, 2023 Added guidance for the principles-based bond definition, effective January 1, 2025. <i>Revisions are effective January 1, 2025.</i></p>	Issues & Trends Summer 2023

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
<p>34, Investment Income Due and Accrued</p> <p>48, Joint Ventures, Partnerships and Limited Liability Companies</p> <p>93, Low-Income Housing Tax Credit Property Investments</p> <p>94R, Transferable and Non-Transferable State Tax Credits</p>	2022-14	Scope & Measurement	<p>Adopted March 16, 2024</p> <p>Updated guidance for tax credit investments to clarify its scope and added consistency between SSAPs.</p> <p><i>Revisions are effective January 1, 2025.</i></p>	<p>Issues & Trends Spring 2024</p>

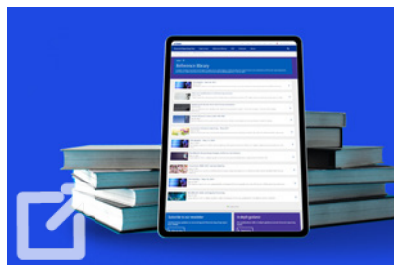
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Acknowledgments

This edition of *Insurance Statutory Reporting* has been produced by the insurance practice of the Department of Professional Practice of KPMG LLP in the United States.

We would like to acknowledge the efforts of the main contributors to this publication.

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KPMG Financial Reporting View

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