



Insurance Statutory Reporting

Issues & Trends

We summarize new and revised statutory accounting standards for 2025 and later financial reporting.

September 2025

fry.kpmg.us



Introduction

This Insurance Statutory Reporting summarizes new and revised statutory accounting standards for 2025, 2026 and thereafter financial reporting, highlights the related NAIC meeting materials, and links to KPMG publications for additional discussion.

Effective for 2025 reporting

- SSAP No. 1 (1) added restricted asset disclosure for modified coinsurance (Modco) and funds withheld assets reported on a cedent's financial statements, and a reconciliation between the restricted assets in the disclosure and those reported in the general interrogatories, and (2) expanded disclosures for restricted assets to identify whether the Modco and funds withheld assets are related to or affiliated with the reinsurer.
- SSAP No. 2 further restricted the investments reported as cash equivalents or short-term investments.
- SSAP No. 26 clarified the granularity of the disclosure of book adjusted carrying values, fair values, and unrealized gains or losses of bonds.
- SSAP No. 21 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 94 updated guidance for tax credit investments, by expanding the scope of SSAP Nos. 93 and 94, and adding consistency between SSAPs.
- INT 05-05 and INT 24-02 added guidance for the Medicare Part D Prescription Payment Program.
- INT 23-01 extended its effective date to December 31, 2026, clarified guidance, and established an additional current-period admittance limit for net negative interest maintenance reserve (IMR).

Effective for 2026 and later reporting

- SSAP No. 56 updated recognition and measurement guidance for the transfer of assets in exchange for cash between the general account and book value separate accounts.

Unless otherwise indicated, all guidance became effective on adoption.

The NAIC Fall National 2025 meeting is scheduled to be held in Hollywood, FL December 8-11.

2025 reporting

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
1, Accounting Policies, Risks & Uncertainties, and Other Disclosures	2024-20	Disclosure	<p>Adopted March 24, 2025</p> <p>Added a restricted asset disclosure for Modco and funds withheld assets reported on a cedent's financial statements and a reconciliation between the restricted assets in the disclosure and those reported in the general interrogatories.</p> <p><i>Effective December 31, 2025.</i></p>	Issues & Trends Spring 2025
	2025-05	Disclosure	<p>Adopted May 22, 2025</p> <p>Expanded disclosures in the quarterly and annual financial statements for restricted assets to identify whether the Modco and funds withheld assets are related to or affiliated with the reinsurer.</p> <p><i>Effective December 31, 2025.</i></p>	Issues & Trends Spring 2025 SAPWG Calls
2, Cash, Cash Equivalents, Drafts, and Short-Term Investments	2023-17	Classification	<p>Adopted December 1, 2023</p> <p>Further restricted the investments reported as cash equivalents or short-term investments.</p> <p><i>Effective January 1, 2025.</i></p>	Issues & Trends Fall 2023 (January 2024 SAPWG Call)
	2024-09	Classification	<p>Adopted August 13, 2024</p> <p>Removed references implying that asset-backed securities, mortgage loans, or other Schedule BA: Other Long-Term Invested Assets are permitted to be reported in the scope of SSAP No. 2.</p>	NA

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
			<i>Effective January 1, 2025.</i>	
15, Debt and Holding Company Obligations	2025-02	Classification	Adopted August 11, 2025 Adopted with modification, ASU 2024-04, Debt — Debt with Conversion and Other Options, clarifying when inducement is recognized as an expense by the issuer, and the fair value measurement of that expense.	NA
16, Electronic Data Processing Equipment and Software	2024-25	Classification	Adopted February 25, 2025 Clarified references to the FASB Accounting Standards Codification® (US GAAP).	NA
21, Other Admitted Assets	2019-21	Measurement	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>Effective January 1, 2025.</i>	Issues & Trends Spring 2024
26, Bonds	2024-01	Classification	Adopted September 12, 2024 Clarified debt securities issued by non-SEC registered funds that reflect operating entities can qualify as issuer credit obligations and debt securities issued for the raising of debt capital are required to be assessed as asset-backed securities. <i>Effective January 1, 2025.</i>	NA
	2024-26EP	Disclosure	Adopted December 17, 2024 Clarified the granularity of the disclosure	Issues & Trends Fall 2024

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
			of book adjusted carrying values, fair values, and unrealized gains or losses of bonds. <i>Effective January 1, 2025.</i>	
26, Bonds 30, Unaffiliated Common Stock 32, Preferred Stock 43, Asset-Backed and Structured Securities	2024-08	Classification & Measurement	Adopted August 13, 2024 Added a reference to SSAP No. 21 for the definition of a residual and related, accounting and reporting guidance. <i>Effective January 1, 2025.</i>	Issues & Trends Summer 2024
26, Bonds 41, Surplus Notes 56, Separate Accounts INT 22-01, Freddie Mac When Issued K-Deal (WI Trust) Certificates	2025-17EP	Classification, Measurement and Disclosure	Adopted August 11, 2025 Added editorial revisions, including updates to disclosures, removal of a remaining credit rating provider reference, and superseded terminology.	NA
26, Bonds 43, Asset-Backed and Structured Securities	2019-21	Measurement	Adopted August 13, 2023 Added guidance for the principles-based bond definition, effective January 1, 2025. <i>Effective January 1, 2025.</i>	Issues & Trends Summer 2023
34, Investment Income Due and Accrued 48, Joint Ventures, Partnerships and Limited Liability Companies 93, Investments in Tax Credit Structures	2022-14	Scope & Measurement	Adopted March 16, 2024 Updated guidance for tax credit investments to clarify its scope and added consistency between SSAPs. <i>Effective January 1, 2025.</i>	Issues & Trends Spring 2024

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
94, State and Federal Tax Credits				
41, Surplus Notes	2024-28	Classification, Measurement and Disclosure	Adopted February 25, 2025 Clarified which guidance applies to capital notes.	Issues & Trends Spring 2025
48, Joint Ventures, Partnerships and Limited Liability Companies 93, Investments in Tax Credit Structures 94, State and Federal Tax Credits	2024-18	Scope & Measurement	Adopted November 17, 2024 Updated to make the accounting guidance consistent with the journal entry examples.	Issues & Trends Fall 2024
51, Life Contracts	2025-09	Scope & Measurement	Adopted August 11, 2025 Updated to reflect different reserving methodologies in VM-22, Statutory Maximum Valuation Interest Rates for Income Annuities, principle-based reserve requirements.	NA
84, Health Care and Government Insured Plan Receivables	2025-08	Disclosure	Adopted May 22, 2025 Added disclosures for the Medicare Part D Prescription Payment Plan. <i>Effective December 31, 2025.</i>	Issues & Trends Spring 2025 SAPWG Calls
86, Derivatives	2024-23	Classification & Measurement	Adopted February 25, 2025 Clarified terminology and guidance for financing derivatives.	Issues & Trends Spring 2025
104, Shared-Based Payments	2024-22	Classification	Adopted February 25, 2025 Added guidance, with modification, from ASU 2024-01, Compensation – Stock Compensation (Topic 718), Scope	Issues & Trends Spring 2025

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
			<p>Application of Profits Interest and Similar Awards, that provides clarification on the application of the guidance for stock compensation in the form of profit interests and similar awards.</p> <p><i>Effective December 31, 2025.</i></p>	
INT 05-05, Accounting for Revenues Under Medicare Part D INT 24-02, Medicare Part D – Prescription Payment Plan	2024-24	Classification & Measurement	<p>Adopted March 24, 2025 Added guidance for the Medicare Part D Prescription Payment Program.</p> <p><i>Effective March 30, 2025.</i></p>	Issues & Trends Spring 2025
INT 23-01, Net Negative (Disallowed) Interest Maintenance Reserve	2022-19	Classification & Measurement	<p>Adopted August 11, 2025 Extended its effective date to December 31, 2026, clarified guidance and established an additional current-period admittance limit of net negative IMR.</p>	Issues & Trends Summer 2025
INT 24-01, Principles-Based Bond Definition Implementation Questions and Answers	2019-21	Scope & Measurement	<p>Adopted November 17, 2024 Provided a Q&A Implementation Guide that addresses the implementation of the principles-based bond definition.</p>	Issues & Trends Fall 2024
Appendix A-791, Life and Health Reinsurance Agreements	2024-05	Measurement	<p>Adopted August 11, 2025 Removed the reference to group term life and the use of Commissioner's Standard Ordinary rates from Appendix A-791, paragraph 2.c Question and Answer.</p>	Issues & Trends Summer 2025
Accounting Practices and Procedures Manual Preamble	2024-27	Classification	<p>Adopted February 25, 2025 Included issue papers within Level 5 of the statutory hierarchy and clarified</p>	Issues & Trends Spring 2025

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
			guidance on the use and development of issue papers.	
Accounting Practices and Procedures Manual	2025-16	Scope	<p>Adopted August 11, 2025</p> <p>Updated to streamline the status section of each SSAP, remove references to issue papers, and replace 'substantively revised' with 'conceptually revised' for consistency with previously adopted policy statement language.</p>	NA

2026 and later reporting

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
56, Separate Accounts	2024-10	Classification & Measurement	Adopted February 25, 2025 Updated the recognition and measurement guidance for the transfer of assets in exchange for cash between the general account and book value separate accounts. <i>Effective January 1, 2026.</i>	Issues & Trends Spring 2025

KPMG Financial Reporting View

Delivering guidance and insights, KPMG Financial Reporting View is ready to inform your decision making. Stay up to date with us.



Defining Issues

Our collection of newsletters with insights and news about financial reporting and regulatory developments, including Quarterly Outlook and FRV Weekly.



Handbooks and Hot Topics

Our discussion and analysis of accounting topics – from short Hot Topics that deal with a topical issue, to our in-depth guides covering a broad area of accounting.



CPE opportunities

Register for live discussions of topical accounting and financial reporting issues. CPE-eligible replays also available.



Financial Reporting Podcasts

Tune in to hear KPMG professionals discuss major accounting and financial reporting developments.



Visit frv.kpmg.us
and sign up for news and insights

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.

[Kelsey Anderson](#)

[Olga Roberts](#)

KPMG Financial Reporting View
frv.kpmg.us

Learn about us:



[kpmg.com](#)

Legal—The descriptive and summary statements in this newsletter are based on participating in conference meetings and conference calls and are not necessarily applicable to the specific circumstances of individual companies. They are not intended to be a substitute for the final texts of the relevant documents or the official minutes of the NAIC proceedings. Companies should consult the texts of any requirements they apply, the official minutes of the NAIC meetings, and seek the advice of their accounting and legal advisors.

© 2025 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.