



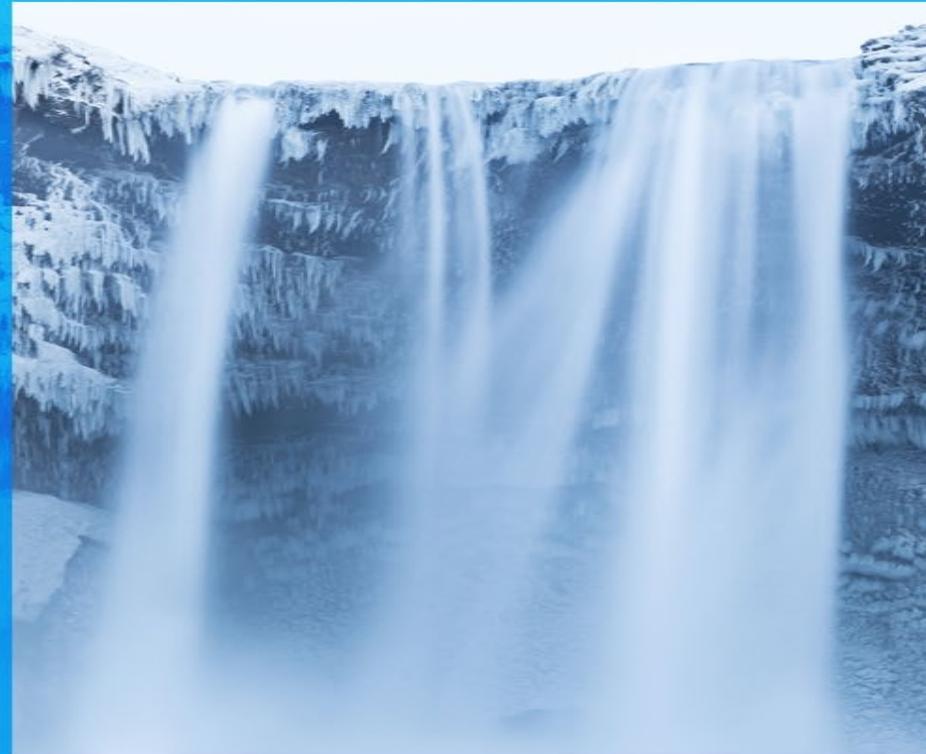
Insurance Statutory Reporting

Issues & Trends

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

January 2026

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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).
- **SSAP No. 61 and the Question and Answer of Appendix A-791 added guidance on risk transfer for contracts with interdependent features, including combination coinsurance and yearly renewable term reinsurance contracts.**

Effective for 2026 and later reporting

- SSAP Nos. 2, 21, 26, 30, 32 and 43 added an aggregate disclosure of key investment information by type of private placement investment and identify private placements in the investment schedules in the Annual Statement.
- 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 Spring National 2026 meeting is scheduled to be held in San Diego, CA March 22-25.

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 94, State and Federal Tax Credits	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
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
61, Life, Deposit-Type and Accident and Health Reinsurance Appendix A-791, Life and Health Reinsurance Agreements	2024-06	Measurement	Adopted December 9, 2025 Added guidance for risk transfer on contracts with interdependent features, including combination coinsurance and yearly renewable term reinsurance contracts. <i>Effective immediately for new or newly amended contracts and December 31, 2026 for existing contracts.</i>	Issues & Trends Fall 2025
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

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86, Derivatives	2024-23	Classification & Measurement	Adopted February 25, 2025 Clarified terminology and guidance for financing derivatives.	Issues & Trends Spring 2025
92, Postretirement Benefits Other Than Pensions 102, Pensions	2025-21	Measurement & Disclosure	Adopted December 9, 2025 Clarified that assets held at net asset value are included in the fair value disclosures under SSAP No. 100.	Issues & Trends Fall 2025
101, Income Taxes	2025-18	Measurement & Classification	Adopted December 9, 2025 Adopted, with modification, ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes that simplifies accounting for income taxes.	Issues & Trends Fall 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 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. <i>Effective December 31, 2025.</i>	Issues & Trends Spring 2025
INT 05-05, Accounting for Revenues Under Medicare Part D INT 24-02, Medicare Part D – Prescription Payment Plan	2024-24	Classification & Measurement	Adopted March 24, 2025 Added guidance for the Medicare Part D Prescription Payment Program. <i>Effective March 30, 2025.</i>	Issues & Trends Spring 2025

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
INT 23-01, Net Negative (Disallowed) Interest Maintenance Reserve	2022-19	Classification & Measurement	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.	Issues & Trends Summer 2025
INT 24-01, Principles-Based Bond Definition Implementation Questions and Answers	2019-21	Scope & Measurement	Adopted November 17, 2024 Provided a Q&A Implementation Guide that addresses the implementation of the principles-based bond definition.	Issues & Trends Fall 2024
Appendix A-791, Life and Health Reinsurance Agreements	2024-05	Measurement	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.	Issues & Trends Summer 2025
Accounting Practices and Procedures Manual Preamble	2024-27	Classification	Adopted February 25, 2025 Included issue papers within Level 5 of the statutory hierarchy and clarified guidance on the use and development of issue papers.	Issues & Trends Spring 2025
	2025-12EP	Classification	Adopted December 9, 2025 Clarified the treatment of issue papers in Level 5 of the statutory hierarchy and reference to SEC rules and interpretations as authoritative U.S. GAAP for SEC registrants.	NA

SSAP / INT/Other, Title	NAIC Ref.	Type	Revisions	Read more
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

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2, Cash, Cash Equivalents, Drafts and Short-Term Investments 21, Other Admitted Assets 26, Bonds 30, Unaffiliated Common Stock 32, Preferred Stock 43, Asset-Backed Securities	2025-19	Disclosure	Adopted December 9, 2025 Added an aggregate disclosure of key investment information by type of private placement investment and identify private placements in the investment schedules. <i>Effective December 31, 2026.</i>	Issues & Trends Fall 2025
2, Cash, Cash Equivalents, Drafts and Short-Term Investments 21, Other Admitted Assets 26, Bonds 43, Asset-Backed Securities	2025-20	Disclosure	Adopted December 9, 2025 Added (1) consistent disclosures in the SSAPs for debt securities and (2) new disclosures for residual interests, including whether the insurer is using the allowable earned yield method. <i>Effective December 31, 2026.</i>	Issues & Trends Fall 2025
37, Mortgage Loans	2025-13	Scope	Adopted December 9, 2025 Expanded the scope to include mortgage loans acquired through qualifying investments in a statutory trust. <i>Effective January 1, 2027, with early adoption permitted.</i>	Issues & Trends Fall 2025

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

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

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