or (b) to reduce or eliminate your income-related monthly adjustment amount when all of the following occur:
(a) You experience a major life-changing event as defined in §418.1205; and
(b) That major life-changing event results in a significant reduction in your modified adjusted gross income for the year which you request we use and the next year, if applicable. For purposes of this section, a significant reduction in your modified adjusted gross income is one that results in the decrease or elimination of your income-related monthly adjustment amount; and
(c) You request that we use a more recent tax year’s modified adjusted gross income; and
(d) You provide evidence as described in §§418.1255 and 418.1265.

§ 418.1205 What is a major life-changing event?
For the purposes of this subpart, we will consider the following to be major life-changing events:
(a) Your spouse dies;
(b) You marry;
(c) Your marriage ends through divorce or annulment;
(d) You or your spouse stop working or reduce the hours you work;
(e) You or your spouse experiences a loss of income-producing property, provided the loss is not at the direction of you or your spouse (e.g., due to the sale or transfer of the property) and is not a result of the ordinary risk of investment. Examples of the type of property loss include, but are not limited to: Loss of real property within a Presidentially or Gubernatorially-declared disaster area, destruction of livestock or crops by natural disaster or disease, loss from real property due to arson, or loss of investment property as a result of fraud or theft due to a criminal act by a third party;
(f) You or your spouse experiences a scheduled cessation, termination, or reorganization of an employer’s pension plan;
(g) You or your spouse receives a settlement from an employer or former employer because of the employer’s closure, bankruptcy, or reorganization.

§ 418.1210 What is not a major life-changing event?
We will not consider events other than those described in §418.1205 to be major life-changing events. Certain types of events are not considered major life-changing events for the purposes of this subpart, such as:
(a) Events that affect your expenses, but not your income; or
(b) Events that result in the loss of dividend income because of the ordinary risk of investment.

§ 418.1215 What is a significant reduction in your income?
For purposes of this subpart, we will consider a reduction in your income to be significant if your modified adjusted gross income decreases; and
(a) The decrease reduces the percentage of the income-related monthly adjustment amount you must pay according to the Table of Applicable Percentages in §418.1120; or
(b) The decrease reduces your modified adjusted gross income to an amount below the threshold described in §418.1105 and eliminates any income-related monthly adjustment amount you must pay.

§ 418.1220 What is not a significant reduction in your income?
For purposes of this subpart, we will not consider a reduction in your income to be significant unless the reduction affects the amount of income-related monthly adjustment you must pay.

§ 418.1225 Which more recent tax year will we use?
We will consider evidence of your modified adjusted gross income that you provide for a tax year that is more recent than the year described in §418.1135 (a) or (b) when you meet all of the requirements described in §418.1201. We will always ask you for your retained copy of your filed Federal Income tax return for the more recent