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 year you request that we use and will use that information to make an initial determination. If you have not filed your Federal income tax return for the more recent year you request that we use, you must provide us with evidence that is equivalent to a copy of a filed Federal income tax return. Evidence that is equivalent to a copy of a filed Federal income tax return is defined in §418.1265(c).

§ 418.1230 What is the effective date of an income-related monthly adjustment amount initial determination that is based on a more recent tax year?
(a) Subject to paragraph (b) of this section, when your modified adjusted gross income for the more recent tax year is significantly reduced as a result of a major life-changing event, our initial determination is generally effective on January 1 of the year in which you make your request. If your first month of enrollment or reenrollment in Medicare Part B is after January of the year for which you make your request, our initial determination is effective on the first day of your Medicare Part B enrollment or reenrollment.
(b) We will make a determination about your income-related monthly adjustment amount for the year preceding the year that you make your request in the limited circumstances explained in §418.1310(a)(4). When we make a determination for the preceding year, our initial determination is generally effective on January 1 of that year. If your first month of enrollment or reenrollment in Medicare Part B is after January of that year, our initial determination is effective on the first day of your Medicare Part B enrollment or reenrollment.
(c) Our initial determination will be effective January 1 of the year following the year you make your request, when your modified adjusted gross income will not be significantly reduced as a result of one or more of the events described in §418.1205(a) through (g) until the year following the year you make your request.

§ 418.1235 When will we stop using your more recent tax year’s modified adjusted gross income to determine your income-related monthly adjustment amount?
We will use your more recent tax year’s modified adjusted gross income to determine your income-related monthly adjustment amount effective with the month and year described in