

PLAN AMENDMENTS NOT REQUIRED UNTIL
JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1800–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of this title.

[§ 809. Repealed. Pub. L. 108–218, title II, § 205(a), Apr. 10, 2004, 118 Stat. 610]

Section, added Pub. L. 98–369, div. A, title II, § 211(a), July 18, 1984, 98 Stat. 733; amended Pub. L. 99–514, title XVIII, § 1821(d)–(h), (r), Oct. 22, 1986, 100 Stat. 2839, 2840, 2843; Pub. L. 100–647, title I, § 1018(u)(47), Nov. 10, 1988, 102 Stat. 3593; Pub. L. 107–147, title VI, § 611(a), Mar. 9, 2002, 116 Stat. 61, related to reduction in certain deductions of mutual life insurance companies.

A prior section 809, added Pub. L. 86–69, § 2(a), June 25, 1959, 73 Stat. 121; amended Pub. L. 87–59, § 2(a), (b), June 27, 1961, 75 Stat. 120; Pub. L. 87–790, § 3(a), Oct. 10, 1962, 76 Stat. 808; Pub. L. 87–858, § 3(b)(3), (c), Oct. 23, 1962, 76 Stat. 1137; Pub. L. 88–272, title II, §§ 214(b)(4), 228(a), Feb. 26, 1964, 78 Stat. 55, 98; Pub. L. 91–172, title II, § 201(a)(2)(C), title IX, § 907(c)(2)(B), Dec. 30, 1969, 83 Stat. 558, 717; Pub. L. 94–455, title XV, § 1508(a), title XIX, §§ 1901(a)(98), (b)(1)(J)(iv), (L)–(N), 33(G), 1906(b)(13)(A), Oct. 4, 1976, 90 Stat. 1741, 1781, 1791, 1801, 1834; Pub. L. 97–248, title II, §§ 255(b)(2)–(4), 259(a), 264(c)(2), (3), Sept. 3, 1982, 96 Stat. 534, 538, 544; Pub. L. 97–448, title I, § 102(m)(1), Jan. 12, 1983, 96 Stat. 2374, related to general provisions regarding gain and loss from operations, prior to the general revision of this part by Pub. L. 98–369, § 211(a).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal applicable to taxable years beginning after Dec. 31, 2004, see section 205(c) of Pub. L. 108–218, set out as an Effective Date of 2004 Amendment note under section 807 of this title.

[§ 810. Repealed. Pub. L. 115–97, title I, § 13511(b)(1), Dec. 22, 2017, 131 Stat. 2142]

Section, added Pub. L. 98–369, div. A, title II, § 211(a), July 18, 1984, 98 Stat. 738; amended Pub. L. 111–92, § 13(c), Nov. 6, 2009, 123 Stat. 2994; Pub. L. 113–295, div. A, title II, § 221(a)(41)(J), Dec. 19, 2014, 128 Stat. 4044, related to operations loss deduction.

A prior section 810, added Pub. L. 86–69, § 2(a), June 25, 1959, 73 Stat. 125; amended Pub. L. 91–172, title I, § 121(b)(5)(B), title IX, § 907(a)(2), Dec. 30, 1969, 83 Stat. 541, 715, related to rules for certain reserves, prior to the general revision of this part by Pub. L. 98–369, § 211(a).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF REPEAL

Repeal applicable to losses arising in taxable years beginning after Dec. 31, 2017, see section 13511(c) of Pub. L. 115–97, set out as an Effective Date of 2017 Amendment note under section 381 of this title.

SUBPART D—ACCOUNTING, ALLOCATION, AND
FOREIGN PROVISIONS

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| Sec. | |
| 811. | Accounting provisions. |
| 812. | Definition of company's share and policyholders' share. ¹ |

¹Section catchline amended by Pub. L. 115–97 without corresponding amendment of analysis.

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| [813. | Repealed.] |
| 814. | Contiguous country branches of domestic life insurance companies. |
| [815. | Repealed.] |

Editorial Notes

AMENDMENTS

2017—Pub. L. 115–97, title I, § 13514(a), Dec. 22, 2017, 131 Stat. 2143, struck out item 815 “Distributions to shareholders from pre-1984 policyholders surplus account”.

1987—Pub. L. 100–203, title X, § 10242(c)(4), Dec. 22, 1987, 101 Stat. 1330–423, struck out item 813 “Foreign life insurance companies”.

§ 811. Accounting provisions

(a) Method of accounting

All computations entering into the determination of the taxes imposed by this part shall be made—

- (1) under an accrual method of accounting, or
- (2) to the extent permitted under regulations prescribed by the Secretary, under a combination of an accrual method of accounting with any other method permitted by this chapter (other than the cash receipts and disbursements method).

To the extent not inconsistent with the preceding sentence or any other provision of this part, all such computations shall be made in a manner consistent with the manner required for purposes of the annual statement approved by the National Association of Insurance Commissioners.

(b) Amortization of premium and accrual of discount

(1) In general

The appropriate items of income, deductions, and adjustments under this part shall be adjusted to reflect the appropriate amortization of premium and the appropriate accrual of discount attributable to the taxable year on bonds, notes, debentures, or other evidences of indebtedness held by a life insurance company. Such amortization and accrual shall be determined—

- (A) in accordance with the method regularly employed by such company, if such method is reasonable, and
- (B) in all other cases, in accordance with regulations prescribed by the Secretary.

(2) Special rules

(A) Amortization of bond premium

In the case of any bond (as defined in section 171(d)), the amount of bond premium, and the amortizable bond premium for the taxable year, shall be determined under section 171(b) as if the election set forth in section 171(c) had been made.

(B) Convertible evidence of indebtedness

In no case shall the amount of premium on a convertible evidence of indebtedness include any amount attributable to the conversion features of the evidence of indebtedness.

(3) Exception

No accrual of discount shall be required under paragraph (1) on any bond (as defined in