



# PROTECT THE FINANCIAL SAFETY NET.

75 MILLION FAMILIES RELY ON IT.

- As an industry whose products provide peace of mind to 75 million American families, life insurance companies, financial advisors, and our customers have a significant stake in tax reform.
- Our industry serves as a private sector safety net for families by providing financial and retirement security through life insurance, retirement plans and annuities, and long-term care and disability income insurance.
- **We are alarmed that the Tax Cuts and Jobs Act (H.R. 1) contains several provisions that would have a profound negative impact on our industry if enacted in its current form.** For example, the life insurance company reserves provision alone is underscored by a factor of 20, raising taxes on life insurers by hundreds of billions of dollars and severely impacting consumers.
- Additional onerous changes to life insurance company taxation, such as dividends received deduction (DRD) and deferred acquisition costs (DAC), and provisions such as the small life insurance company deduction, nonqualified deferred compensation, and limited pass-through rules impose significant tax burden on the industry and weaken the private sector safety net.
- We appreciate House Ways & Means Committee Chairman Kevin Brady and Speaker Paul Ryan's commitment to addressing the unintended consequences of the bill on the life insurance industry and the families that rely on us for peace of mind. We also appreciate the preservation of current tax rules for retirement savings and workplace benefits which will help savers.
- **Tax reform should support, not undermine, our ability to provide accessible and affordable financial and retirement security to American families.**

**WE ASK THAT YOU PROTECT THE FINANCIAL SAFETY  
NET BY CORRECTING THE DAMAGING LIFE INSURANCE  
PROVISIONS IN H.R. 1 THAT WOULD HARM LIFE INSURANCE  
COMPANIES, FINANCIAL ADVISORS, AND OUR CUSTOMERS.**