



**DESCRIPTION OF THE CHAIRMAN'S MODIFICATIONS TO THE
CHAIRMAN'S MARK PROPOSAL RELATING TO
MODIFICATIONS TO ALTERNATIVE TAX FOR
CERTAIN SMALL INSURANCE COMPANIES**

(a) Company requirements

The modification removes the additional restrictions intended to narrow the application of section 831(b). Specifically, it removes the requirement for a property and casualty insurance company to be eligible to make the section 831(b) election that no more than 20 percent of its net written premiums (or if greater, direct written premiums) for a taxable year can be attributable to any one policyholder. The associated reporting requirement is also removed. In addition, the modification removes the requirement that the company assume or otherwise take on no risks through reinsurance.

(b) Estimated revenue effects of the chairman's mark proposals as modified

Fiscal Years [Millions of Dollars]												
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2015-20</u>	<u>2015-25</u>
-9	-12	-13	-14	-14	-15	-16	-17	-18	-19	-20	-77	-167

NOTE: Details do not add to totals due to rounding.