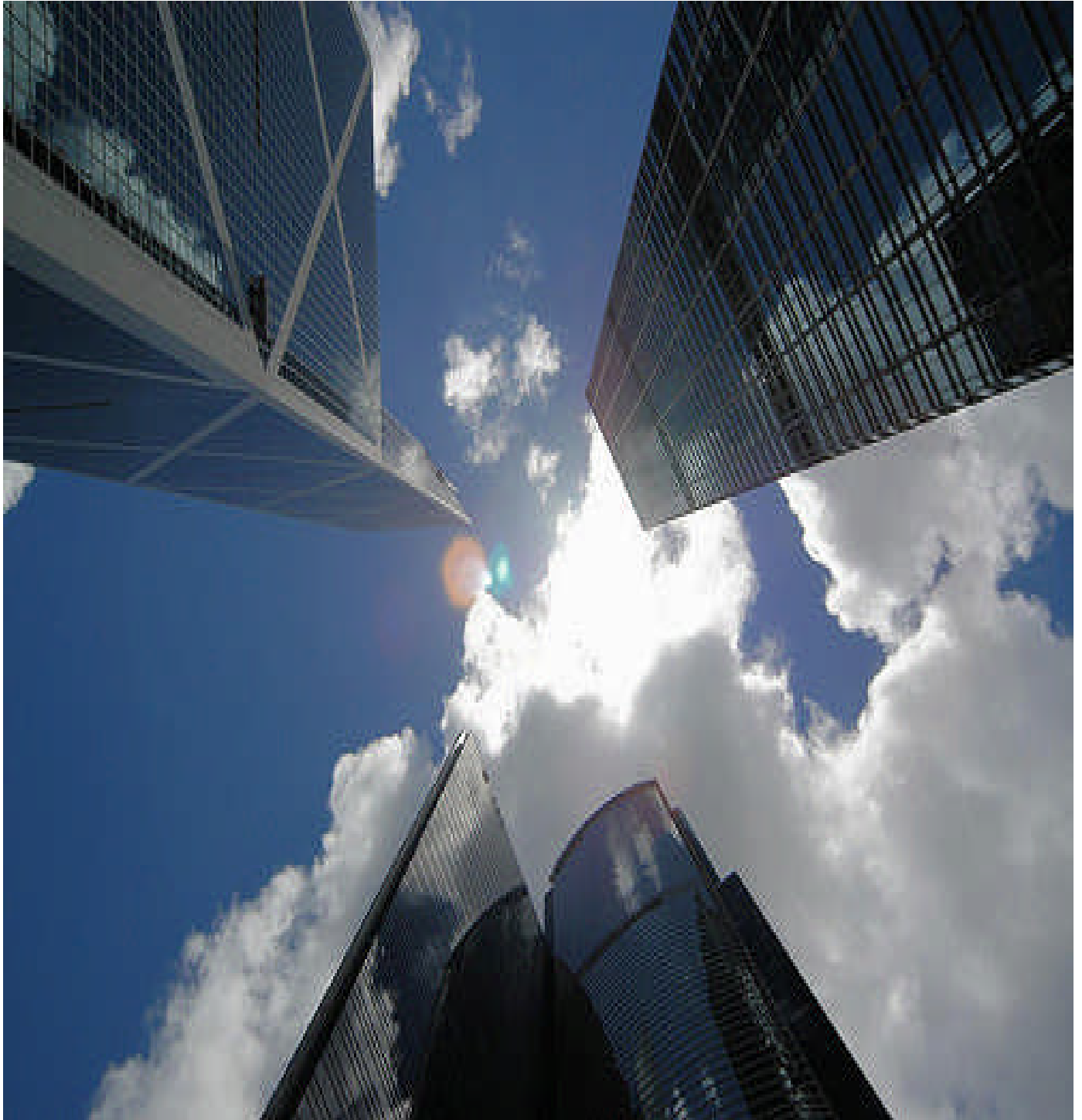


Financial Services

International Comparison of Insurance Taxation*

March 2009



*connectedthinking

PRICEWATERHOUSECOOPERS 

Welcome to the 2009 edition of the International Comparison of Insurance Taxation

We have the pleasure in presenting the recently updated survey of the accounting and taxation rules that apply to both life and non-life insurance business around the world. It contains chapters on 41 individual countries, each following a similar format covering both general and life insurance. The intention of this survey is to give an overview of the situation within each country.

Whilst we feel sure that you will find the overview helpful, it is intended only to give an indication of the regime applying within a country. Should you be considering establishing operations within a new jurisdiction, our country experts will be pleased to share their detailed knowledge with you. Contact details can be found for each country at the end of each survey document.

The countries included are:

Argentina	China	Ireland	Papua New Guinea	Spain
Australia	Denmark	Italy	Peru	Switzerland
Austria	Finland	Japan	Philippines	Taiwan
Belgium	France	Korea	Poland	Thailand
Brazil	Germany	Luxembourg	Portugal	Turkey
Cambodia	Hong Kong	Malaysia	Republic of South Africa	United Kingdom
Canada	India	Netherlands	Russia	United States
Chile	Indonesia	New Zealand	Singapore	Uruguay
				Vietnam

Thank you to all the partners and managers around the world who have contributed to the survey.



Andreas Staubli
Global FS Tax Insurance Leader

International Comparison of Insurance Taxation

Summary of Topics

General Insurance

Definition

Commercial accounts/tax and regulatory returns

- Basis for the company's commercial accounts
- Regulatory return
- Tax return

Technical reserves/equalisations reserves

- Unearned premium reserves (UPR)
- Unpaid claims reported
- Claims incurred but not reported (IBNR)
- Unexpired risks
- General contingency/solvency reserves
- Equalisation/catastrophe reserves

Expenses/refunds

- Acquisition expenses
- Loss adjustment expenses on unsettled claims
- Experience-rated refunds

Investments

- Gains and losses on investments
- Investment reserves
- Investment income

Reinsurance

- Reinsurance premiums and claims

Mutual companies

- Mutual companies

Life Insurance

Definition

Commercial accounts/tax and regulatory returns

- Basis for the company's commercial accounts
- Regulatory return
- Tax return

General approach to calculation of income

- Allocation of income between shareholders and policyholders

Calculation of investment return

- Calculation of investment income and capital gains

Calculation of underwriting profits or total income

- Actuarial reserves
- Acquisition expenses
- Gains and losses on investments
- Reserves against market losses on investments
- Dividend income
- Policyholder bonuses
- Other special deductions

Reinsurance

- Reinsurance premiums and claims

Mutual companies/stock companies

- Mutual companies

General Insurance: Other Tax Features

Further corporate tax features

- Loss carry-overs
- Foreign branch income
- Domestic branch income
- Corporate tax rate

Other tax features

- Premium taxes
- Capital taxes & taxes on securitisation
- Captive insurance companies

Life Insurance: Other Tax Features

Further corporate tax features

- Loss carry-overs
- Foreign branch income
- Domestic branch income
- Corporate tax rate

Policyholder taxation

- Deductibility of premiums
- Interest build-up
- Proceeds during lifetime
- Proceeds on death

Other tax features

- Premium taxes
- Capital taxes
- Captive insurance companies

International Comparison of Insurance Taxation

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