

**Special Loss Discount Account and Special  
 Estimated Tax Payments for Insurance Companies**

▶ Attach to tax return.  
 ▶ Go to [www.irs.gov/Form8816](http://www.irs.gov/Form8816) for the latest information.

Name	Employer Identification Number
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**Part I Special Loss Discount Amount**

Accident year	-----	-----	-----	-----	-----
<b>1</b> Undiscounted unpaid losses . . .					
<b>2</b> Discounted unpaid losses . . .					
<b>3</b> Special loss discount limitation. Subtract line 2 from line 1 . . .					

**Part II Special Loss Discount Account** (See instructions.)

<b>4</b> Balance at the beginning of the year					
<b>5</b> Additions—section 847(4) . . .					
<b>6</b> Subtractions—section 847(5) . . .					
<b>7</b> Balance at the end of the year. Add lines 4 and 5 and subtract line 6 from the result . . . . .					

**Part III Special Estimated Tax Payments** (See instructions.)

<b>8</b> Balance at the beginning of the year					
<b>9</b> Payments made for year . . .					
<b>10</b> Prior section 847 payments transferred to current year . . .					
<b>11</b> Payments applied for year . . .					
<b>12</b> Balance at the end of the year. Add lines 8 through 10 and subtract line 11 from the result . . .					

Section references are to the Internal Revenue Code unless otherwise noted.

**Future Developments**

For the latest information about developments related to Form 8816 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/Form8816](http://www.irs.gov/Form8816).

**General Instructions**

**Purpose of form.** Form 8816 must be filed by insurance companies that elect to take an additional deduction under section 847.

**Consolidated return.** Each member of a consolidated group claiming a section 847 deduction must file a separate Form 8816. Do not combine several taxpayers on one Form 8816. If a consolidated return is filed on Form 1120 and one or more members of the group is claiming a section 847 deduction, enter "Form 8816" and the

amount on the dotted line next to line 13 on Form 1120, Schedule J, Part II. This will assist the IRS in properly accounting for your Special Estimated Tax Payments.

**When to file.** Attach Form 8816 to the Form 1120-PC, Form 1120-L, or Form 1120 filed for the tax year of the additional deduction and for each subsequent tax year that has a remaining amount of unpaid losses resulting from the deduction.

**Specific Instructions**

**Note:** All line references to Form 1120-L, Form 1120-PC, and Form 1120 are to the 2016 forms.

**Part I. Special Loss Discount Amount**

**Accident year.** Enter the four-digit accident year in the space provided at the top of each column. For example, enter accident year 2015 as 2015.

**Line 1.** Enter the undiscounted unpaid losses (as defined in section 846(b)) for each accident year, measured as of the end of the tax year, related to losses incurred in tax years beginning after December 31, 1986.

**Line 2.** Enter the related discounted unpaid losses determined under section 846.

**Part II. Special Loss Discount Account (SLDA)**

Keep a separate SLDA for each accident year for which an additional deduction under section 847 is claimed. Do not net amounts from one year against amounts from another year.

**Line 4.** Enter the balance in the SLDA at the beginning of the year for which this return is filed.

**Line 5.** The amount entered on line 5 may not exceed the amount on line 3. The total of the amount(s) reported on line 5 must be