

# CLOSING THE INSURANCE TAX HAVEN LOOPHOLE

## — By the Numbers —

2



Number of Administrations that have proposed closing the Insurance Tax Haven Loophole (Bush and Obama). Closing the Insurance Tax Haven Loophole has strong bipartisan support. It has also been proposed by Senior Republican and Democratic Members of the House Ways & Means Committee (former Rep. Dave Camp (R-MI) and current Ranking Member Richard Neal (D-MA))

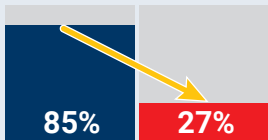
\$9  
BILLION



Amount of lost revenue to U.S. Treasury (over 10 years) due to foreign-based insurers exploiting the Insurance Tax Haven Loophole. (Source: Joint Committee on Tax)

\$12 BILLION

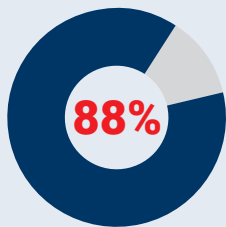
Amount of lost revenue to U.S. Treasury (over 10 years) due to continued use of corporate inversions and profit shifting by multinational companies. (Source: Congressional Budget Office)



The decline in percentage share of U.S.-based insurers in U.S. reinsurance market from 1989 to 2015, since the creation of the Insurance Tax Haven Loophole. (Source: Dowling & Partners, IBNR Weekly #49, Vol. XXIII, December 22, 2016)



Decline in market share percentage of U.S. based commercial primary insurers from 1990–2016, since the creation of the Insurance Tax Haven Loophole. (Source: Dowling & Partners, IBNR #25, June 22, 2017)



The amount of catastrophe losses paid by U.S. insurers in U.S. from 2001–2012. When natural disasters strike, it is U.S. insurers that come to the aid of American families to pay claims, assist in the recovery efforts, and bear the loss. Bermuda reinsurers' catastrophe losses only amounted to 12% (or \$35B out of \$287.7B total) of total U.S. insured catastrophe losses from 2001–2012. (Source: ABIR)



24 out of 25 top direct insurers in Florida are U.S.-based. Only one, Chubb, is foreign-based and able to exploit the Insurance Tax Haven Loophole. Therefore, closing the loophole would not have any impact on availability or capacity for the insurance market in a catastrophe-prone state like Florida. (Source: Dowling & Partners, 23 IBNR Weekly 15, April 6, 2016)