

### Part III

#### Administrative, Procedural, and Miscellaneous

26 CFR 601.201: Rulings and determination letters.  
(Also Part I, Sections 846; 1.846-1.)

Rev. Proc. 2009-55

#### SECTION 1. PURPOSE

This revenue procedure prescribes the loss payment patterns and discount factors for the 2009 accident year. These factors will be used for computing discounted unpaid losses under § 846 of the Internal Revenue Code. See Rev. Proc. 2008-10, 2008-3 I.R.B. 290, for background concerning the loss payment patterns and application of the discount factors.

#### SECTION 2. SCOPE

This revenue procedure applies to any taxpayer that is required to discount its unpaid losses under § 846 for a line of business using discount factors published by the Secretary.



### SECTION 3. TABLES OF DISCOUNT FACTORS

.01 The following tables present separately for each line of business the discount factors under § 846 for accident year 2009. All the discount factors presented in this section were determined using the applicable interest rate under § 846(c) for 2009, which is 4.06 percent, and by assuming all loss payments occur in the middle of the calendar year.

.02 If the groupings of individual lines of business on the annual statement change, taxpayers must discount the unpaid losses on the affected lines of business in accordance with the discounting patterns that would have applied to those unpaid losses based on their classification on the 2005 annual statement. See Rev. Proc. 2008-10, section 2, for additional background on discounting under § 846 and the use of the Secretary's tables.

.03 Section V of Notice 88-100, 1988-2 C.B. 439, sets forth a composite method for computing discounted unpaid losses for accident years that are not separately reported on the annual statement. The tables separately provide discount factors for taxpayers who elect to use the composite method of section V of Notice 88-100. See Rev. Proc. 2002-74, 2002-2 C.B. 980.



.04 Tables.

**Tables of Factors to be Used to Discount  
Unpaid Losses Incurred in  
Accident Year 2009**

**(Interest rate: 4.06 percent)**

**Accident and Health (Other Than Disability Income or Credit Disability Insurance)**

Taxpayers that do not use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the 2009 and later taxable years.

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount all unpaid losses in this line of business that are outstanding at the end of the 2009 taxable year.

**Auto Physical Damage**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	89.4096	89.4096	10.5904	10.3639	97.8613
2010	99.6848	10.2752	0.3152	0.3030	96.1174

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2011 and later years	0.1576	0.1576	0.1545	98.0298
----------------------	--------	--------	--------	---------

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2011 taxable year.



**Commercial Auto/Truck Liability/Medical**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	23.6718	23.6718	76.3282	70.1942	91.9637
2010	47.5425	23.8708	52.4575	48.6936	92.8249
2011	66.6847	19.1421	33.3153	31.1437	93.4816
2012	81.5105	14.8258	18.4895	17.2843	93.4819
2013	90.0548	8.5443	9.9452	9.2701	93.2115
2014	94.7311	4.6763	5.2689	4.8762	92.5459
2015	97.0602	2.3292	2.9398	2.6982	91.7820
2016	98.1174	1.0572	1.8826	1.7293	91.8572
2017	98.8692	0.7518	1.1308	1.0326	91.3161
2018	99.1160	0.2467	0.8840	0.8228	93.0737

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	0.2467	0.6373	0.6045	94.8560
2020	0.2467	0.3906	0.3774	96.6210
2021 and later years	0.2467	0.1439	0.1410	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 95.8392 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Composite**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	34.7004	34.7004	65.2996	59.2808	90.7829
2010	58.6076	23.9072	41.3924	37.2999	90.1131
2011	71.7608	13.1532	28.2392	25.3968	89.9346
2012	81.4987	9.7379	18.5013	16.4943	89.1521
2013	87.8488	6.3501	12.1512	10.6863	87.9440
2014	91.4226	3.5739	8.5774	7.4744	87.1415
2015	93.4057	1.9831	6.5943	5.7549	87.2720
2016	94.2280	0.8222	5.7720	5.1498	89.2206
2017	95.4875	1.2595	4.5125	4.0741	90.2843
2018	96.3560	0.8685	3.6440	3.3535	92.0287

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	0.8685	2.7754	2.6036	93.8109
2020	0.8685	1.9069	1.8233	95.6199
2021	0.8685	1.0383	1.0114	97.4044
2022 and later years	0.8685	0.1698	0.1664	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 95.6075 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Fidelity/Surety**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	25.2328	25.2328	74.7672	71.0916	95.0839
2010	61.1025	35.8698	38.8975	37.3872	96.1174

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2011 and later years	19.4487	19.4487	19.0655	98.0298
----------------------	---------	---------	---------	---------

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2011 taxable year.

**Financial Guaranty/Mortgage Guaranty**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	7.7824	7.7824	92.2176	88.2568	95.7050
2010	62.1390	54.3565	37.8610	36.3911	96.1174

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2011 and later years	18.9305	18.9305	18.5575	98.0298
----------------------	---------	---------	---------	---------

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2011 taxable year.



**International (Composite)**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	34.7004	34.7004	65.2996	59.2808	90.7829
2010	58.6076	23.9072	41.3924	37.2999	90.1131
2011	71.7608	13.1532	28.2392	25.3968	89.9346
2012	81.4987	9.7379	18.5013	16.4943	89.1521
2013	87.8488	6.3501	12.1512	10.6863	87.9440
2014	91.4226	3.5739	8.5774	7.4744	87.1415
2015	93.4057	1.9831	6.5943	5.7549	87.2720
2016	94.2280	0.8222	5.7720	5.1498	89.2206
2017	95.4875	1.2595	4.5125	4.0741	90.2843
2018	96.3560	0.8685	3.6440	3.3535	92.0287

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	0.8685	2.7754	2.6036	93.8109
2020	0.8685	1.9069	1.8233	95.6199
2021	0.8685	1.0383	1.0114	97.4044
2022 and later years	0.8685	0.1698	0.1664	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 95.6075 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



### Medical Malpractice -- Claims-Made

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	4.9425	4.9425	95.0575	85.0276	89.4485
2010	19.9369	14.9944	80.0631	73.1839	91.4078
2011	44.3489	24.4120	55.6511	51.2525	92.0962
2012	64.8374	20.4885	35.1626	32.4331	92.2375
2013	80.2530	15.4156	19.7470	18.0245	91.2770
2014	85.7907	5.5377	14.2093	13.1072	92.2442
2015	91.2722	5.4815	8.7278	8.0478	92.2082
2016	93.3314	2.0593	6.6686	6.2739	94.0812
2017	96.1257	2.7942	3.8743	3.6782	94.9374
2018	97.6538	1.5281	2.3462	2.2687	96.6961

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019 and later years	1.5281	0.8182	0.8021	98.0298
----------------------	--------	--------	--------	---------

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.





**Medical Malpractice -- Occurrence**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	1.5878	1.5878	98.4122	82.1817	83.5076
2010	4.4720	2.8842	95.5280	82.5760	86.4417
2011	17.7738	13.3018	82.2262	72.3595	88.0005
2012	35.8814	18.1076	64.1186	56.8257	88.6260
2013	52.9447	17.0633	47.0553	41.7266	88.6757
2014	68.4348	15.4901	31.5652	27.6193	87.4993
2015	79.5616	11.1268	20.4384	17.3902	85.0861
2016	85.8198	6.2582	14.1802	11.7123	82.5961
2017	90.1267	4.3069	9.8733	7.7943	78.9437
2018	90.3701	0.2434	9.6299	7.8625	81.6469

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	0.2434	9.3865	7.9335	84.5197
2020	0.2434	9.1431	8.0073	87.5770
2021	0.2434	8.8998	8.0841	90.8352
2022	0.2434	8.6564	8.1641	94.3126
2023 and later years	0.2434	8.4130	8.2473	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 87.6495 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



### Miscellaneous Casualty

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	72.9064	72.9064	27.0936	26.1964	96.6888
2010	93.5836	20.6771	6.4164	6.1673	96.1174

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2011 and later years	3.2082	3.2082	3.1450	98.0298
----------------------	--------	--------	--------	---------

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2011 taxable year.



**Multiple Peril Lines (Homeowners/Farmowners, Commercial Multiple Peril, and Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery))**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	52.5880	52.5880	47.4120	44.2537	93.3385
2010	80.0449	27.4570	19.9551	18.0416	90.4110
2011	86.1625	6.1175	13.8375	12.5336	90.5767
2012	90.7452	4.5827	9.2548	8.3676	90.4137
2013	93.9006	3.1555	6.0994	5.4885	89.9844
2014	95.7613	1.8607	4.2387	3.8132	89.9627
2015	96.8755	1.1141	3.1245	2.8315	90.6219
2016	97.6715	0.7960	2.3285	2.1345	91.6659
2017	98.0329	0.3615	1.9671	1.8524	94.1706
2018	98.6810	0.6481	1.3190	1.2665	96.0207

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	0.6481	0.6709	0.6568	97.8997
2020 and later years	0.6481	0.0228	0.0224	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 97.9040 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Other (Including Credit)**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	67.9528	67.9528	32.0472	30.8190	96.1676
2010	89.4609	21.5081	10.5391	10.1299	96.1174

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2011 and later years	5.2695	5.2695	5.1657	98.0298
----------------------	--------	--------	--------	---------

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2011 taxable year.



**Other Liability -- Claims-Made**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	5.8796	5.8796	94.1204	83.2369	88.4367
2010	18.8735	12.9938	81.1265	73.3613	90.4283
2011	41.6840	22.8105	58.3160	53.0709	91.0056
2012	62.5322	20.8483	37.4678	33.9583	90.6333
2013	73.5207	10.9885	26.4793	24.1277	91.1189
2014	82.0036	8.4829	17.9964	16.4539	91.4286
2015	88.6279	6.6244	11.3721	10.3644	91.1391
2016	90.7107	2.0828	9.2893	8.6605	93.2317
2017	94.8439	4.1332	5.1561	4.7959	93.0145
2018	96.2689	1.4249	3.7311	3.5370	94.7977

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	1.4249	2.3062	2.2270	96.5683
2020 and later years	1.4249	0.8812	0.8639	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 97.1192 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



### Other Liability -- Occurrence

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	13.6594	13.6594	86.3406	74.5578	86.3531
2010	24.8389	11.1795	75.1611	66.1806	88.0517
2011	41.7792	16.9403	58.2208	51.5868	88.6055
2012	58.4995	16.7203	41.5005	36.6249	88.2518
2013	69.5197	11.0203	30.4803	26.8702	88.1560
2014	77.7513	8.2316	22.2487	19.5641	87.9336
2015	84.2243	6.4730	15.7757	13.7553	87.1929
2016	83.2275	-0.9968	16.7725	15.3306	91.4032
2017	88.8524	5.6249	11.1476	10.2151	91.6347
2018	91.3852	2.5328	8.6148	8.0461	93.3986

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	2.5328	6.0820	5.7891	95.1836
2020	2.5328	3.5492	3.4404	96.9345
2021 and later years	2.5328	1.0164	0.9964	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 96.1213 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Private Passenger Auto Liability/Medical**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	42.6108	42.6108	57.3892	54.0511	94.1835
2010	71.5827	28.9719	28.4173	26.6915	93.9269
2011	84.6947	13.1120	15.3053	14.3997	94.0826
2012	92.3556	7.6610	7.6444	7.1693	93.7860
2013	96.2369	3.8812	3.7631	3.5012	93.0391
2014	97.9275	1.6907	2.0725	1.9187	92.5799
2015	98.7719	0.8444	1.2281	1.1352	92.4394
2016	99.2692	0.4973	0.7308	0.6740	92.2334
2017	99.5053	0.2361	0.4947	0.4606	93.0998
2018	99.6440	0.1387	0.3560	0.3378	94.8818

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	0.1387	0.2174	0.2101	96.6446
2020 and later years	0.1387	0.0787	0.0772	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 97.0129 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Products Liability -- Claims-Made**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	1.0259	1.0259	98.9741	84.7900	84.6586
2010	11.7927	10.7667	88.2073	76.2088	86.3973
2011	29.3642	17.5716	70.6358	61.3781	86.8939
2012	55.1655	25.8012	44.8345	37.5503	83.7531
2013	83.4171	28.2516	16.5829	10.2554	61.8434
2014	64.8933	-18.5238	35.1067	29.5679	84.2229
2015	82.3346	17.4414	17.6654	12.9765	73.4571
2016	86.3986	4.0640	13.6014	9.3576	68.7991
2017	76.3310	-10.0676	23.6690	20.0075	84.5305
2018	78.7910	2.4600	21.2090	18.3104	86.3331

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	2.4600	18.7490	16.5444	88.2412
2020	2.4600	16.2890	14.7066	90.2855
2021	2.4600	13.8290	12.7943	92.5176
2022	2.4600	11.3691	10.8043	95.0326
2023 and later years	2.4600	8.9091	8.7336	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 90.1769 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.





**Products Liability – Occurrence**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	5.0466	5.0466	94.9534	80.1653	84.4260
2010	13.6935	8.6469	86.3065	74.5994	86.4354
2011	28.2541	14.5606	71.7459	62.7748	87.4961
2012	41.3083	13.0542	58.6917	52.0070	88.6104
2013	59.3693	18.0610	40.6307	35.6944	87.8509
2014	73.0717	13.7024	26.9283	23.1659	86.0279
2015	74.6612	1.5895	25.3388	22.4849	88.7371
2016	78.9833	4.3221	21.0167	18.9889	90.3513
2017	86.1231	7.1398	13.8769	12.4765	89.9085
2018	88.6931	2.5700	11.3069	10.3614	91.6379

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	2.5700	8.7369	8.1604	93.4018
2020	2.5700	6.1669	5.8701	95.1869
2021	2.5700	3.5969	3.4868	96.9378
2022 and later years	2.5700	1.0269	1.0067	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 95.5262 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Reinsurance -- Nonproportional Assumed Property**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	12.9458	12.9458	87.0542	80.8403	92.8620
2010	60.1796	47.2338	39.8204	35.9393	90.2535
2011	80.8225	20.6429	19.1775	16.3406	85.2075
2012	84.9430	4.1205	15.0570	12.8008	85.0155
2013	85.6680	0.7250	14.3320	12.5809	87.7821
2014	80.0452	-5.6229	19.9548	18.8276	94.3509
2015	86.7013	6.6561	13.2987	12.8020	96.2654
2016	97.2533	10.5520	2.7467	2.5578	93.1205
2017	97.6721	0.4188	2.3279	2.2344	95.9820
2018	98.8078	1.1357	1.1922	1.1665	97.8487

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019 and later years	1.1357	0.0564	0.0553	98.0298
----------------------	--------	--------	--------	---------

Taxpayers that use the composite method of Notice 88-100 should use 94.3133 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Reinsurance -- Nonproportional Assumed Liability**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	32.5917	32.5917	67.4083	54.5146	80.8723
2010	33.3995	0.8078	66.6005	55.9039	83.9392
2011	35.4948	2.0953	64.5052	56.0362	86.8708
2012	44.0321	8.5373	55.9679	49.6024	88.6265
2013	64.8299	20.7979	35.1701	30.4004	86.4383
2014	66.4358	1.6059	33.5642	29.9965	89.3706
2015	77.8097	11.3738	22.1903	19.6119	88.3805
2016	82.4438	4.6341	17.5562	15.6809	89.3183
2017	84.1944	1.7507	15.8056	14.5317	91.9406
2018	87.9223	3.7279	12.0777	11.3189	93.7176

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	3.7279	8.3498	7.9757	95.5191
2020	3.7279	4.6219	4.4967	97.2900
2021 and later years	3.7279	0.8940	0.8764	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 96.1991 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



### Reinsurance -- Nonproportional Assumed Financial Lines

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	8.4783	8.4783	91.5217	82.6377	90.2930
2010	28.0475	19.5693	71.9525	66.0302	91.7692
2011	60.4351	32.3875	39.5649	35.6726	90.1622
2012	82.4448	22.0097	17.5552	14.6688	83.5583
2013	90.2720	7.8271	9.7280	7.2799	74.8343
2014	85.3168	-4.9551	14.6831	12.6301	86.0181
2015	88.3777	3.0608	11.6223	10.0206	86.2186
2016	89.9934	1.6157	10.0066	8.7793	87.7346
2017	81.6664	-8.3269	18.3336	17.6300	96.1625
2018	91.0491	9.3827	8.9509	8.7745	98.0298

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019 and later years	—	—	—	98.0298
----------------------	---	---	---	---------

Taxpayers that use the composite method of Notice 88-100 should use 96.2888 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.



**Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft)**

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	44.5756	44.5756	55.4244	53.5639	96.6430
2010	88.4263	41.8507	13.5737	13.0467	96.1174

Taxpayers that do not use the composite method of Notice 88-100 should use the following factor to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2011 and later years	6.7869	6.7869	6.6531	98.0298
----------------------	--------	--------	--------	---------

Taxpayers that use the composite method of Notice 88-100 should use 98.0298 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2011 taxable year.



## Workers' Compensation

Tax Year	Estimated Cumulative Losses Paid (%)	Estimated Losses Paid Each Year (%)	Unpaid Losses at Year End (%)	Discounted Unpaid Losses at Year End (%)	Discount Factors (%)
2009	19.0410	19.0410	80.9590	69.6415	86.0207
2010	40.2442	21.2032	59.7558	50.8396	85.0789
2011	57.1497	16.9055	42.8503	35.6584	83.2162
2012	67.8601	10.7104	32.1399	26.1804	81.4579
2013	75.5399	7.6797	24.4601	19.4093	79.3507
2014	80.1157	4.5758	19.8843	15.5296	78.0994
2015	82.1828	2.0672	17.8172	14.0513	78.8640
2016	84.4045	2.2217	15.5955	12.3555	79.2248
2017	85.5195	1.1150	14.4805	11.7198	80.9346
2018	86.2855	0.7661	13.7145	11.4141	83.2269

Taxpayers that do not use the composite method of Notice 88-100 should use the following factors to discount unpaid losses incurred in this line of business in the 2009 accident year and that are outstanding at the end of the tax year shown.

2019	0.7661	12.9484	11.0961	85.6945
2020	0.7661	12.1823	10.7651	88.3666
2021	0.7661	11.4163	10.4207	91.2795
2022	0.7661	10.6502	10.0624	94.4802
2023 and later years	0.7661	9.8842	9.6894	98.0298

Taxpayers that use the composite method of Notice 88-100 should use 88.4259 percent to discount unpaid losses incurred in this line of business in 2009 and prior years and that are outstanding at the end of the 2019 taxable year.

## DRAFTING INFORMATION

The principal author of this revenue procedure is Sarah E. Swan of the Office of Associate Chief Counsel (Financial Institutions & Products). For further information regarding this revenue procedure, contact Ms. Swan at (202) 622-8443 (not a toll-free call).