PRESS RELEASE
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For Immediate Release
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Peter S. Rauner, FCAS, MAAA, publishes Monograph, "Does Your 831(b) Captive Quack?"

As captive insurance companies gain in popularity with non-insurance advisors, one should anticipate that the IRS' scrutiny of such vehicles will also become more frequent and comprehensive. So, while a properly constructed captive insurance company can afford its owner with a valuable tool for optimizing risk management strategies and operating efficiencies, "the devil is in the details." Essentially, one must be prepared to demonstrate that the captive is formed for a legitimate business purpose other than optimizing tax efficiencies, justify that the insurance contract(s) issued transfer a real risk of economic loss and that premiums are commensurate with the risk transferred and the benefits provided, and clearly establish compliance with the IRS' standards for risk distribution. In short, if you want your captive insurance company to quack, be sure that you "get your ducks in a row."

For the full article, click on Does Your 831(b) Captive Quack? (PDF)

For more information contact Peter Rauner at 309-807-2296 or prauner@pinnacleactuaries.com.

Pinnacle Actuarial Resources, Inc. is an independent actuarial and management consulting firm owned by its professional staff. Ranking among the top 10 largest property/casualty actuarial firms in the United States, Pinnacle's reputation for uncompromising professionalism, expertise and outstanding service explains why more and more companies and organizations consider Pinnacle to be the firm of choice for actuarial and management services.

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