

SCHEDULE M-3
(Form 1120-L)

Department of the Treasury
Internal Revenue Service

Net Income (Loss) Reconciliation for U.S. Life Insurance
Companies With Total Assets of \$10 Million or More

► Attach to Form 1120-L.

► Information about Schedule M-3 (Form 1120-L) and its separate instructions is at www.irs.gov/form1120L.

OMB No. 1545-0123

2014

Name of corporation (common parent, if consolidated return)

Employer identification number

Check applicable box(es): (1) ☐ Non-consolidated return (2) ☐ Consolidated return (Form 1120-L only)
(3) ☐ Mixed 1120/L/PC group (4) ☐ Dormant subsidiaries schedule attached

Part I Financial Information and Net Income (Loss) Reconciliation (see instructions)

- 1a** Did the corporation file SEC Form 10-K for its income statement period ending with or within this tax year?
☐ **Yes.** Skip lines 1b and 1c and complete lines 2a through 11 with respect to that SEC Form 10-K.
☐ **No.** Go to line 1b. See instructions if multiple non-tax-basis income statements are prepared.
- b** Did the corporation prepare a certified audited non-tax-basis income statement for that period?
☐ **Yes.** Skip line 1c and complete lines 2a through 11 with respect to that income statement.
☐ **No.** Go to line 1c.
- c** Did the corporation prepare a non-tax-basis income statement for that period?
☐ **Yes.** Complete lines 2a through 11 with respect to that income statement.
☐ **No.** Skip lines 2a through 3c and enter the corporation's net income (loss) per its books and records on line 4a.
- 2a** Enter the income statement period: Beginning _____ Ending _____
- b** Has the corporation's income statement been restated for the income statement period on line 2a?
☐ **Yes.** (If "Yes," attach an explanation and the amount of each item restated.)
☐ **No.**
- c** Has the corporation's income statement been restated for any of the five income statement periods preceding the period on line 2a?
☐ **Yes.** (If "Yes," attach an explanation and the amount of each item restated.)
☐ **No.**
- 3a** Is any of the corporation's voting common stock publicly traded?
☐ **Yes.**
☐ **No.** If "No," go to line 4a.
- b** Enter the symbol of the corporation's primary U.S. publicly traded voting common stock
- c** Enter the nine-digit CUSIP number of the corporation's primary publicly traded voting common stock

4a Worldwide consolidated net income (loss) from income statement source identified in Part I, line 1	4a	
b Indicate accounting standard used for line 4a (see instructions): (1) <input type="checkbox"/> GAAP (2) <input type="checkbox"/> IFRS (3) <input type="checkbox"/> Statutory (4) <input type="checkbox"/> Other (specify) _____		
5a Net income from nonincludible foreign entities (attach statement)	5a	()
b Net loss from nonincludible foreign entities (attach statement and enter as a positive amount)	5b	
6a Net income from nonincludible U.S. entities (attach statement)	6a	()
b Net loss from nonincludible U.S. entities (attach statement and enter as a positive amount)	6b	
7a Net income (loss) of other includible foreign disregarded entities (attach statement)	7a	
b Net income (loss) of other includible U.S. disregarded entities (attach statement)	7b	
c Net income (loss) of other includible corporations (attach statement)	7c	
8 Adjustment to eliminations of transactions between includible entities and nonincludible entities (attach statement)	8	
9 Adjustment to reconcile income statement period to tax year (attach statement)	9	
10a Intercompany dividend adjustments to reconcile to line 11 (attach statement)	10a	
b Other statutory accounting adjustments to reconcile to line 11 (attach statement)	10b	
c Other adjustments to reconcile to amount on line 11 (attach statement)	10c	
11 Net income (loss) per income statement of includible corporations. Combine lines 4a through 10c Note. Part I, line 11, must equal the amount on Part II, line 30, column (a).	11	
12 Enter the total amount (not just the corporation's share) of the assets and liabilities of all entities included or removed on the following lines.		

	Total Assets	Total Liabilities
a Included on Part I, line 4 ►		
b Removed on Part I, line 5 ►		
c Removed on Part I, line 6 ►		
d Included on Part I, line 7 ►		

Name of corporation (common parent, if consolidated return)

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Check applicable box(es): (1) ☐ Consolidated group (2) ☐ Parent corp (3) ☐ Consolidated eliminations (4) ☐ Subsidiary corp (5) ☐ Mixed 1120/L/PC groupCheck if a sub-consolidated: (6) ☐ 1120-L group (7) ☐ 1120-L eliminations

Name of subsidiary (if consolidated return)

Employer identification number

Part II Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return (see instructions)

Income (Loss) Items (Attach statements for lines 1 through 11)	(a) Income (Loss) per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Income (Loss) per Tax Return
1 Income (loss) from equity method foreign corporations				
2 Gross foreign dividends not previously taxed				
3 Subpart F, QEF, and similar income inclusions				
4 Section 78 gross-up				
5 Gross foreign distributions previously taxed				
6 Income (loss) from equity method U.S. corporations				
7 U.S. dividends not eliminated in tax consolidation				
8 Minority interest for includible corporations				
9 Income (loss) from U.S. partnerships				
10 Income (loss) from foreign partnerships				
11 Income (loss) from other pass-through entities				
12 Items relating to reportable transactions (attach statement)				
13 Interest income (attach Form 8916-A)				
14 Accrual of bond discount				
15 Hedging transactions				
16 Mark-to-market income (loss)				
17 Deferred and uncollected premiums				
18 Sale versus lease (for sellers and/or lessors)				
19 Section 481(a) adjustments				
20 Amortization of interest maintenance reserve				
21 Original issue discount and other imputed interest				
22 Market discount reclassification				
23a Income statement gain/loss on sale, exchange, abandonment, worthlessness, or other disposition of assets other than pass-through entities				
b Gross capital gains from Schedule D, excluding amounts from pass-through entities				
c Gross capital losses from Schedule D, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
d Net gain/loss reported on Form 4797, line 17, excluding amounts from pass-through entities, abandonment losses, and worthless stock losses				
e Abandonment losses				
f Worthless stock losses (attach statement)				
g Other gain/loss on disposition of assets				
24 Capital loss limitation and carryforward used				
25 Other income (loss) items with differences (attach statement)				
26 Total income (loss) items. Combine lines 1 through 25				
27 Total expense/deduction items (from Part III, line 41)				
28 Other items with no differences				
29a Mixed groups, see instructions. All others, combine lines 26 through 28				
b 1120 subgroup reconciliation totals				
c PC insurance subgroup reconciliation totals				
30 Reconciliation totals. Combine lines 29a through 29c				

Note. Line 30, column (a) must equal the amount on Part I, line 11, and column (d) must equal Form 1120-L, page 1, line 20.

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Name of subsidiary (if consolidated return)

Employer identification number

Part III Reconciliation of Net Income (Loss) per Income Statement of Includible Corporations With Taxable Income per Return—Expense/Deduction Items (see instructions)

Expense/Deduction Items	(a) Expense per Income Statement	(b) Temporary Difference	(c) Permanent Difference	(d) Deduction per Tax Return
1 U.S. current income tax expense				
2 U.S. deferred income tax expense				
3 State and local current income tax expense				
4 State and local deferred income tax expense				
5 Foreign current income tax expense (other than foreign withholding taxes)				
6 Foreign deferred income tax expense				
7 Foreign withholding taxes				
8 Equity-based compensation				
9 Capitalization of deferred acquisition costs				
10 Amortization of deferred acquisition costs				
11 Meals and entertainment				
12 Fines and penalties				
13 Judgments, damages, awards, and similar costs				
14 Parachute payments				
15 Compensation with section 162(m) limitation				
16 Pension and profit-sharing				
17 Other post-retirement benefits				
18 Deferred compensation				
19 Charitable contribution of cash and tangible property				
20 Charitable contribution of intangible property				
21 Charitable contribution limitation/carryforward				
22 Change in section 807(c)(1) tax reserves				
23 Change in section 807(c)(2) tax reserves				
24 Change in all other section 807(c) tax reserves				
25 Section 807(f) adjustments for change in computing reserves				
26 Section 807(a)(2)(B) tax reserve amount with respect to policyholder share of tax-exempt interest				
27 Current year acquisition/reorganization costs (attach statement)				
28 Amortization of acquisition, reorganization, and start-up costs				
29 Amortization/impairment of goodwill, insurance in force and ceding commissions				
30 Other amortization or impairment write-offs				
31 Section 846 amount				
32 Depreciation				
33 Bad debt expense/agency balances written off				
34 Corporate owned life insurance premiums				
35 Purchase versus lease (for purchasers and/or lessees)				
36 Interest expense (attach Form 8916-A)				
37 Domestic production activities deduction				
38 Research and development costs				
39 Section 118 exclusion (attach statement)				
40 Other expense/deduction items with differences (attach statement)				
41 Total expense/deduction items. Combine lines 1 through 40. Enter here and on Part II, line 27, reporting positive amounts as negative and negative amounts as positive				