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Final regulations: Information reporting under section 6050Y; reportable sales of life insurance contracts and death benefit payments

The U.S. Treasury Department and IRS this afternoon released for publication in the Federal Register final regulations [T.D. 9879] as guidance on information reporting obligations under section 6050Y related to reportable policy sales of life insurance contracts and payments of reportable death benefits.

- The final regulations also provide guidance on the amount of death benefits excluded from gross income under section 101 following a reportable policy sale.
- The final regulations implement measures that were enacted in December 2017 by the U.S. tax law (Pub. L. No. 115-97) that is often referred to as the “Tax Cuts and Jobs Act,” and affect parties involved in certain life insurance contract transactions including reportable policy sales, transfers of life insurance contracts to foreign persons, and payments of reportable death benefits.
- Today’s release finalizes, with certain changes, regulations that were proposed in March 2019. Read a KPMG report of initial impressions about the proposed regulations: [TaxNewsFlash](#)

Read text of today’s [final regulations](#) [PDF 381 KB] (30 pages as published in the Federal Register)

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