

Statutory Issue Paper No. 1

Consolidation of Majority-Owned Subsidiaries

STATUS

Finalized March 16, 1998

Current Authoritative Guidance for Consolidation of Majority-Owned Subsidiaries: SSAP No. 3 and SSAP No. 97

This issue paper may not be directly related to the current authoritative statement.

Original SSAP from Issue Paper: SSAP No. 3

Type of Issue:

Common Area

SUMMARY OF ISSUE

1. Currently, statutory reporting entities do not consolidate the financial statements of a majority-owned subsidiary in their annual statement filing. Investments in majority-owned subsidiaries are reported in Schedule D of the Annual Statement as other investments of a similar type (e.g., common stock and preferred stock) and are valued in accordance with the pro

