Form **1120-PC**

Department of the Treasury
Internal Revenue Service

U.S. Property and Casualty Insurance Company Income Tax Return

For calendar year 2000, or tax year beginning _____, 2000, and ending _____, 20 _____

▶ **Instructions are separate. See page 18 for Paperwork Reduction Act Notice.**

OMB No. 1545-1027

2000

A Check applicable box if an election has been made under section(s):
(1) ☐ 953(c)(3)(C)
(2) ☐ 953(d)

Please type or print

Name

Number and street, and room or suite no. (If a P.O. box, see page 6 of Instructions)

City or town, state, and ZIP code

B Employer identification number

C Date incorporated

D Check if a consolidated return (Attach Form 851) ☐

E Check if: (1) ☐ Final return (2) ☐ Change of address (3) ☐ Amended return

Tax Computation and Payments

1	Taxable income (Schedule A, line 37)		1	
2	Taxable investment income for electing small companies (Schedule B, line 21)		2	
3	Check if a member of a controlled group (see sections 1561 and 1563) ▶ ☐			
	Important: Members of a controlled group, see instructions on page 6.			
a	If the box on line 3 is checked, enter the corporation's share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order): **(1)** $ **(2)** $ **(3)** $			
b	Enter the corporation's share of: **(1)** additional 5% tax (not to exceed $11,750) $			
	(2) additional 3% tax (not to exceed $100,000) $			
4	Income tax		4	
5	Enter amount of tax that a reciprocal must include		5	
6	Alternative minimum tax (attach Form 4626)		6	
7	**Total.** Add lines 4 through 6		7	
8a	Foreign tax credit (attach Form 1118)	8a		
b	Other credits (see page 7 of instructions)	8b		
c	General business credit. Enter here and check which forms are attached: ☐ 3800 ☐ 3468 ☐ 5884 ☐ 6478 ☐ 6765 ☐ 8586 ☐ 8830 ☐ 8826 ☐ 8835 ☐ 8844 ☐ 8845 ☐ 8846 ☐ 8820 ☐ 8847 ☐ 8861	8c		
d	Credit for prior year minimum tax (attach Form 8827)	8d		
e	Qualified zone academy bond credit (attach Form 8860)	8e		
f	**Total credits.** Add lines 8a through 8e		8f	
9	Subtract line 8f from line 7		9	
10	Foreign corporations—Tax on income not connected with U.S. business		10	
11	Personal holding company tax (attach Schedule PH (Form 1120))		11	
12	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611		12	
13	**Total tax.** Add lines 9 through 12		13	
14a	1999 overpayment credited to 2000	14a		
b	Prior year(s) special estimated tax payments to be applied	14b		
c	2000 estimated tax payments (See instructions)	14c		
d	2000 special estimated tax payments (Do not include on line 14f)	14d		
e	2000 refund applied for on Form 4466	14e ( )		
f	Enter the total of lines 14a through 14c less line 14e	14f		
g	Tax deposited with Form 7004	14g		
h	Credit by reciprocal for tax paid by attorney-in-fact under section 835(d)	14h		
i	Other credits and payments	14i	14j	
15	Estimated tax penalty (see page 9 of instructions). Check if Form 2220 is attached ▶ ☐		15	
16	**TAX DUE**. If line 14j is smaller than the total of lines 13 and 15, enter AMOUNT OWED		16	
17	**OVERPAYMENT**. If line 14j is larger than the total of lines 13 and 15, enter AMOUNT OVERPAID		17	
18	Enter amount of line 17 you want: **Credited to 2001 estimated tax** ▶ $ Refunded ▶		18	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer | Date ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ | Date | Check if self-employed ☐ | **Preparer's SSN or PTIN**

Firm's name (or yours if self-employed), address, and ZIP code ▶ | EIN ▶ | Phone no. ( )

Schedule A Taxable Income —Section 832 (See page 9 of instructions.)

Income

1	Premiums earned (Schedule E, line 7)	1	
2	Dividends (Schedule C, line 14)	2	
3a	Gross interest — (a) Interest received: ; (b) Amortization of premium:		
b	Interest exempt under section 103 — (a): ; (b):		
c	Subtract line 3b from line 3a — (a): ; (b):		
d	Taxable interest. Subtract line 3c, column (b) from line 3c, column (a)	3d	
4	Gross rents	4	
5	Gross royalties	5	
6	Capital gain net income (attach Schedule D (Form 1120))	6	
7	Net gain or (loss) (Form 4797, Part II, line 18, (attach Form 4797))	7	
8	Certain mutual fire or flood insurance company premiums (Section 832(b)(1)(D))	8	
9	Income on account of special income and deduction accounts	9	
10	Income from protection against loss account (See instructions)	10	
11	Mutual interinsurers or reciprocal underwriters —decrease in subscriber accounts	11	
12	Income from a special loss discount account (attach Form 8816)	12	
13	Other income (attach schedule)	13	
14	Gross income. Add lines 1 through 13	14	

Deductions (See instructions for limitations on deductions)

15	Compensation of officers (attach schedule) (See page 10 of instructions)	15	
16	Salaries and wages (less employment credits)	16	
17	Agency balances and bills receivable that became worthless during the tax year	17	
18	Rents	18	
19	Taxes and licenses	19	
20a	Interest ▶ ; b Less tax-exempt interest exp. ▶ ; c Bal. ▶	20c	
21	Charitable contributions (see page 11 of instructions for 10% limitation)	21	
22	Depreciation (attach Form 4562)	22	
23	Depletion	23	
24	Pension, profit-sharing, etc., plans	24	
25	Employee benefit programs	25	
26	Losses incurred (Schedule F, line 14)	26	
27	Additional deduction (attach Form 8816)	27	
28	Other capital losses (Schedule G, line 12, column (g))	28	
29	Dividends to policyholders	29	
30	Mutual interinsurers or reciprocal underwriters —increase in subscriber accounts	30	
31	Other deductions (See page 12 of instructions) (attach schedule)	31	
32	Total deductions. Add lines 15 through 31	32	
33	Subtotal. Subtract line 32 from line 14	33	
34a	Special deduction for section 833 organizations (Schedule H, line 6) — 34a		
b	Deduction on account of special income and deduction accounts — 34b		
c	Total. Add lines 34a and 34b	34c	
35	Subtotal. Subtract line 34c from line 33	35	
36a	Dividends-received deduction (Schedule C, line 25) — 36a		
b	Net operating loss deduction — 36b		
c	Total. Add lines 36a and 36b	36c	
37	Taxable income (subtract line 36c from line 35). Enter here and on page 1, line 1	37	

Schedule B Part I—Taxable Investment Income of Electing Small Companies —Section 834 (See page 13 of instructions.)

		(a) Interest received	(b) Amortization of premium		
Income	1a Gross interest				
	b Interest exempt under section 103				
	c Subtract line 1b from line 1a				
	d Taxable interest. Subtract line 1c, column (b) from line 1c, column (a)			1d	
	2 Dividends (Schedule C, line 14)			2	
	3 Gross rents			3	
	4 Gross royalties			4	
	5 Gross income from a trade or business, other than an insurance business, and from Form 4797			5	
	6 Income from leases described in sections 834(b)(1)(B) and 834(b)(1)(C)			6	
	7 Gain from Schedule D (Form 1120), line 14			7	
	8 Gross investment income. Add lines 1d through 7			8	
Deductions	9 Real estate taxes			9	
	10 Other real estate expenses			10	
	11 Depreciation (attach Form 4562)			11	
	12 Depletion			12	
	13 Trade or business deductions as provided in section 834(c)(8) (attach schedule)			13	
	14 Interest			14	
	15 Other capital losses (Schedule G, line 12, column (g))			15	
	16 Total. Add lines 9 through 15			16	
	17 Investment expenses (attach schedule)			17	
	18 Total deductions. Add lines 16 and 17			18	
	19 Subtract line 18 from line 8			19	
	20 Dividends-received deduction (Schedule C, line 25)			20	
	21 Taxable investment income. Subtract line 20 from line 19. Enter here and on page 1, line 2			21	

Part II—Invested Assets Book Values

(Complete only if claiming a deduction for general expenses allocated to investment income.)

	(a) Beginning of tax year		(b) End of tax year	
22 Real estate	22			
23 Mortgage loans	23			
24 Collateral loans	24			
25 Policy loans, including premium notes	25			
26 Bonds of domestic corporations	26			
27 Stock of domestic corporations	27			
28 Government obligations, etc.	28			
29 Bank deposits bearing interest	29			
30 Other interest-bearing assets (attach schedule)	30			
31 Total. Add lines 22 through 30	31			
32 Add columns (a) and (b), line 31			32	
33 Mean of invested assets for the tax year. Enter one-half of line 32			33	
34 Multiply line 33 by .0025			34	
35 Income base. Line 1b, column (a) plus line 8 less the sum of line 1b, column (b) and line 16	35			
36 Multiply line 33 by .0375	36			
37 Subtract line 36 from line 35. Do not enter less than zero	37			
38 Multiply line 37 by .25			38	
39 Limitation on deduction for investment expenses. Add lines 34 and 38			39	

Schedule C Dividends and Special Deductions (See page 14 of instructions.)

Income			Dividends-Received (a) Subject to section 832(b)(5)(B)	Dividends-Received (b) Total dividends-received
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)	1		
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)	2		
3	Dividends on debt-financed stock of domestic and foreign corporations	3		
4	Dividends on certain preferred stock of less-than-20%-owned public utilities	4		
5	Dividends on certain preferred stock of 20%-or-more- owned public utilities	5		
6	Dividends on stock of certain less-than-20%-owned foreign corporations and certain FSCs	6		
7	Dividends on stock of certain 20%-or-more-owned foreign corporations and certain FSCs	7		
8	Dividends on stock of wholly owned foreign subsidiaries and FSCs	8		
9	Dividends from affiliated companies	9		
10	Other dividends from foreign corporations not included on lines 6, 7, and 8	10		
11	Income from controlled foreign corporations under subpart F (attach Forms 5471)	11		
12	Foreign dividend gross-up (section 78)	12		
13	Other dividends (attach schedule)	13		
14	Total dividends. Add lines 1 through 13. Enter here and on Schedule A, line 2, or Schedule B, line 2, whichever applies	14		

Deduction			Dividends-Received Deduction (a) Subject to section 832(b)(5)(B)	Dividends-Received Deduction (b) Total dividends-received deduction
15	Multiply line 1 by 70%	15		
16	Multiply line 2 by 80%	16		
17	Deduction for line 3 (see page 15 of instructions)	17		
18	Multiply line 4 by 42%	18		
19	Multiply line 5 by 48%	19		
20	Multiply line 6 by 70%	20		
21	Multiply line 7 by 80%	21		
22	Enter the amount from line 8	22		
23	Total. Add lines 15 through 22. (See page 15 of instructions for limitation.)	23		
24	Total. Add line 23, column (a), and line 9, column (a). Enter here and on Schedule F, line 10	24		
25	Total deductions. Add line 23, column (b), and line 9, column (b). Enter here and on Schedule A, line 36a, or Schedule B, line 20, whichever applies	25		

Schedule E Premiums Earned —Section 832 (See page 15 of instructions.)

1	Net premiums written			1	
2	Unearned premiums on outstanding business at the end of the preceding tax year:				
a	Enter 100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A)) and all unearned premiums of section 833 organizations	2a			
b	Enter 90% of unearned premiums attributable to insuring certain securities	2b			
c	Discounted unearned premiums attributable to title insurance	2c			
d	Enter 80% of all other unearned premiums	2d			
e	Total. Add lines 2a through 2d			2e	
3	Total. Add lines 1 and 2e			3	
4	Unearned premiums on outstanding business at the end of the current tax year:				
a	Enter 100% of life insurance reserves included in unearned premiums (section 832(b)(7)(A) and all unearned premiums of section 833 organizations	4a			
b	Enter 90% of unearned premiums attributable to insuring certain securities	4b			
c	Discounted unearned premiums attributable to title insurance	4c			
d	Enter 80% of all other unearned premiums	4d			
e	Total. Add lines 4a through 4d			4e	
5	Subtract line 4e from line 3			5	
6	Transitional adjustments under section 832(b)(7)(D). (See page 16 of instructions.)			6	
7	Premiums earned. Add lines 5 and 6. Enter here and on Schedule A, line 1.			7	

Schedule F Losses Incurred —Section 832 (See page 16 of instructions.)

1	Losses paid during the tax year (attach schedule)			1	
2	Balance outstanding at the end of the current tax year for:				
a	Unpaid losses on life insurance contracts	2a			
b	Discounted unpaid losses	2b			
c	Total. Add lines 2a and 2b			2c	
3	Add lines 1 and 2c			3	
4	Balance outstanding at the end of the preceding tax year for:				
a	Unpaid losses on life insurance contracts	4a			
b	Discounted unpaid losses	4b			
c	Total. Add lines 4a and 4b			4c	
5	Subtract line 4c from line 3			5	
6	Estimated salvage and reinsurance recoverable at the end of the preceding tax year			6	
7	Estimated salvage and reinsurance recoverable at the end of the current tax year			7	
8	Losses incurred (line 5 plus line 6 less line 7)			8	
9	Tax-exempt interest subject to section 832(b)(5)(B)	9			
10	Dividends-received deduction subject to section 832(b)(5)(B) (Schedule C, line 24)	10			
11	The increase in policy cash value of section 264(f) policies as defined in section 805(a)(4)(F)	11			
12	Total. Add lines 9, 10 and 11			12	
13	Reduction of deduction under section 832(b)(5)(B). Multiply line 12 by .15			13	
14	Losses incurred deductible under section 832(c)(4). Subtract line 13 from line 8. Enter here and on Schedule A, line 26			14	

Schedule G Other Capital Losses (See page 16 of instructions.)

(Capital assets sold or exchanged to meet abnormal insurance losses and to pay dividends and similar distributions to policyholders.)

1	Dividends and similar distributions paid to policyholders			1	
2	Losses paid			2	
3	Expenses paid			3	
4	Total. Add lines 1, 2, and 3			4	
	Note: Adjust lines 5 through 8 to cash method if necessary.				
5	Interest received	5			
6	Dividends received (Schedule C, line 14)	6			
7	Gross rents, gross royalties, lease income, etc., and gross income from a trade or business other than an insurance business including income from Form 4797 (include gains for invested assets only)	7			
8	Net premiums received	8			
9	Total. Add lines 5 through 8			9	
10	Limitation on gross receipts from sales of capital assets. Line 4 less line 9. If zero or less, enter -0-			10	

	(a) Description of capital asset	(b) Date acquired	(c) Gross sales price	(d) Cost or other basis	(e) Expense of sale	(f) Depreciation allowed (or allowable)	(g) Loss ((d) plus (e) less the sum of (c) and (f))
11							
12	Totals—column (c) must not be more than line 10. (Enter amount from column (g): in Schedule A, line 28, or Schedule B, line 15, whichever applies)						

Schedule H Special Deduction And Ending Adjusted Surplus for Section 833 Organizations (See page 17 of instructions.)

1	Health care claims incurred during the tax year and liabilities incurred during the taxable year under cost-plus contracts	1	
2	Expenses incurred during the tax year in connection with the administration, adjustment, or settlement of health care claims or in connection with the administration of cost-plus contracts	2	
3	Total. Add lines 1 and 2	3	
4	Multiply line 3 by .25	4	
5	Beginning adjusted surplus	5	
6	Special deduction. Subtract line 5 from line 4. If zero or less, enter -0-. Enter here and on Schedule A, line 34a. (See page 17 of instructions for limitation.)	6	
7	Net operating loss deduction (Schedule A, line 36b)	7	
8	Net exempt income:		
a	Adjusted tax-exempt income	8a	
b	Adjusted dividends-received deduction	8b	
9	Taxable income (Schedule A, line 37)	9	
10	Ending adjusted surplus. Add lines 5 through 9	10	