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Almost every form and publication also has its own easily accessible information page on IRS.gov. For example, the Form 1040 page is at [IRS.gov/form1040](https://www.irs.gov/form1040); the Form W-2 page is at [IRS.gov/w2](https://www.irs.gov/w2); the Publication 17 page is at [IRS.gov/pub17](https://www.irs.gov/pub17); the Form W-4 page is at [IRS.gov/w4](https://www.irs.gov/w4); the Form 8863 page is at [IRS.gov/form8863](https://www.irs.gov/form8863); and the Schedule A (Form 1040) page is at [IRS.gov/schedulea](https://www.irs.gov/schedulea). If typing in the links above instead of clicking on them: type the link into the address bar of your browser, not in a Search box; the text after the slash must be lowercase; and your browser may require the link to begin with “www.”. Note that these are shortcut links that will automatically go to the actual link for the page.

If you wish, you can submit comments about draft or final forms, instructions, or publications on the [Comment on Tax Forms and Publications](https://www.irs.gov/comment) page on IRS.gov. We cannot respond to all comments due to the high volume we receive, but we will carefully consider each one. Please note that we may not be able to consider many suggestions until the subsequent revision of the product.

Report of Employer-Owned Life Insurance Contracts

▶ **Attach to the policyholder's tax return. See instructions.**
 ▶ **Go to www.irs.gov/Form8925 for the latest information.**

Name(s) shown on return		Identifying number
Name of policyholder, if different from above		Identifying number, if different from above
Type of business		
1	Enter the number of employees the policyholder had at the end of the tax year	1
2	Enter the number of employees included on line 1 who were insured at the end of the tax year under the policyholder's employer-owned life insurance contract(s) issued after August 17, 2006. See <i>Section 1035 exchanges</i> on page 2 for an exception	2
3	Enter the total amount of employer-owned life insurance in force at the end of the tax year for employees who were insured under the contract(s) specified on line 2	3
4a	Does the policyholder have a valid consent for each employee included on line 2? See instructions <input type="checkbox"/> Yes <input type="checkbox"/> No	4b
b	If "No," enter the number of employees included on line 2 for whom the policyholder does not have a valid consent	

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Future Developments

For the latest information about developments related to Form 8925 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form8925.

Purpose of Form

Use Form 8925 to report the number of employees covered by employer-owned life insurance contracts issued after August 17, 2006, and the total amount of employer-owned life insurance in force on those employees at the end of the tax year. Policyholders must also indicate whether a valid consent has been received from each covered employee, and the number of covered employees for which a valid consent has not been received.

For more information, see sections 101(j) and 6039I, and Notice 2009-48, 2009-24 I.R.B. 1085, available at www.irs.gov/irb/2009-24_IRB/ar11.html.

Definitions

Employer-owned life insurance contract. For purposes of Form 8925, an insurance contract is an employer-owned life insurance contract if it is owned by a policyholder as defined below, and covers the life of the policyholder's employee(s) on the date the life insurance contract is issued. If you have master contracts, see section 101(j)(3) for additional information.

Policyholder. For purposes of Form 8925 and these instructions, a policyholder is an "applicable policyholder" as defined in section 101(j)(3)(B). Generally, a policyholder is the person who owns the employer-owned life insurance contract, and who is (a) engaged in a trade or business that employs the person insured under the employer-owned life insurance contract and (b) the direct or indirect beneficiary of the employer-owned life insurance contract.

Related person. A related person is considered a policyholder if that person is (a) related to the policyholder (defined earlier) under sections 267(b) or 707(b) (1), or (b) engaged in a trade or business under common control with the policyholder. See sections 52(a) and (b).

Employee. Employee includes an officer, director, or highly compensated employee under section 414(q).

Insured. An individual must be a U.S. citizen or resident to be considered insured under an employer-owned life insurance contract. Both individuals covered by a contract covering the joint lives of two individuals are considered insured.

Notice and consent requirements. To qualify as an employer-owned life insurance contract, the policyholder must meet the notice and consent requirements listed below before the issuance of the contract.

1. Provide written notification to the employee stating the policyholder intends to insure the employee's life and

the maximum face amount for which the employee could be insured at the time the contract was issued.

The written notification must include a disclosure of the face amount of life insurance, either in dollars or as a multiple of salary, that the policyholder reasonably expects to purchase with regard to the employee during the course of the employee's tenure. Additional notice and consent are required if the aggregate face amount of the employer-owned life insurance contracts with regard to an employee exceeds the amount of which the employee was given notice and to which the employee consented. See Q&A-9 and Q&A-12 in Notice 2009-48.

2. Provide written notification to the employee that the policyholder will be a beneficiary of any proceeds payable upon the death of the employee.

3. Receive written consent from the employee. See *Valid consent* under the instructions for line 4a.

Electronic notification and consent. The written notification and consent requirement can be met electronically only if the system for electronic notification and consent meets requirements 1 through 3, above. See Q&A-11 in Notice 2009-48 for more information.

Issue date of contract. Generally, the issue date of a life insurance contract is the date on the policy assigned by the insurance company on or after the date of application. For purposes of meeting the notice and consent requirements, the

issue date of the employer-owned life insurance contract is the later of (1) the date of application of coverage, (2) the effective date of coverage, or (3) the formal issuance of the contract. See Q&A-4 in Notice 2009-48 for more information.

Who Must File

Generally, every policyholder owning one or more employer-owned life insurance contracts issued after August 17, 2006, must file Form 8925 for each tax year the contract(s) is owned.

Section 1035 exchanges.

Policyholders are not required to complete Form 8925 for a life insurance contract issued after August 17, 2006, as part of a section 1035 exchange for a contract issued before August 18, 2006. See Q&A-15 in Notice 2009-48 for more information.

However, any material increase in the death benefit or other material change to the contract will cause it to be treated as a new contract and the policyholder is required to file Form 8925. See Q&A-14 in Notice 2009-48 for more information.

For master contracts under section 264(f)(4)(E), the addition of covered lives is treated as a new contract only for the additional covered lives.

See sections 1035 and 264(f)(4)(E) and Notice 2009-48 for more information.

When To File

Attach Form 8925 to the policyholder's income tax return for each tax year, during which the policyholder has employer-owned life insurance contract(s) in force.

Recordkeeping

You must keep adequate records to support the information reported on Form 8925.

Specific Instructions

Name of Policyholder

Enter the name of the policyholder (defined earlier).

Identifying Number

The identifying number of an individual is a social security number. For all other taxpayers, it is an employer identification number.

Type of Business

Enter the policyholder's trade or business activity.

Line 4a

Valid consent. Before the issuance of the employer-owned life insurance contract, the employee must provide written consent (a) to be insured under the contract and (b) that coverage may continue after the insured terminates employment.

Note. The written consent is not valid unless the related employer-owned life insurance contract is issued (see *Issue date of contract* on page 1) within a year after the consent was executed, or before the employee terminates employment with the trade or business of the applicable policyholder, whichever is earlier. For additional notice and consent requirements that may apply, see item 1 under *Notice and consent requirements* on page 1. Also, see Q&A-9 in Notice 2009-48 for more information.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual and business taxpayers filing this form is approved under OMB control numbers 1545-0074 and 1545-0123. The estimated burden for all other taxpayers who file this form is shown below.

Recordkeeping . . . 2 hrs., 23 min.

Learning about the law or the form . . . 1 hr., 00 min.

Preparing the form . . . 1 hr., 4 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.