

Office of Chief Counsel  
Internal Revenue Service  
**Memorandum**

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CC:LB&I:HMP:NEW:2:DDHelfgott  
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date: June 07, 2016

to: Susan Delisle  
Revenue Agent

(

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from: Diane D. Helfgott  
General Attorney, (Newark, Group 2)  
(Large Business & International)

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subject:

This memorandum responds to your request for assistance. This advice may not be used or cited as precedent.

LEGEND

Taxpayer	=
Year 1	=
Year 2	=
Year 3	=
Year 4	=
Year 5	=
State	=
Life Insurance Company Subsidiary	=

ISSUE:

Whether any part of the increase in reserves in Year 4 for the \_\_\_\_\_ annuity rider is an adjustment due to a change in basis in computing reserves that should be taken into account under section 807(f) of the Internal Revenue Code?