



Senate

General Assembly

File No. 46

January Session, 2015

Senate Bill No. 752

Senate, March 10, 2015

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT REQUIRING LIFE INSURANCE COMPANIES TO PROVIDE CERTAIN INFORMATION WITH LIFE INSURANCE POLICY PROCEEDS PAYMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2015*) Each life insurance
2 company that pays, on or after October 1, 2015, the proceeds of a life
3 insurance policy shall include with such payment the information
4 needed for a beneficiary to complete an Internal Revenue Service Form
5 712 or any replacement form adopted by the Internal Revenue Service.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2015</i>	New section
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INS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill requires life insurance companies to provide certain information to beneficiaries. As this concerns private insurance transactions, there is no state or municipal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 752*****AN ACT REQUIRING LIFE INSURANCE COMPANIES TO PROVIDE CERTAIN INFORMATION WITH LIFE INSURANCE POLICY PROCEEDS PAYMENTS.*****SUMMARY:**

This bill requires any life insurance company that pays the proceeds of a life insurance policy after September 30, 2015, to include with the payment all information necessary for a beneficiary to complete IRS Form 712 (or any replacement IRS form).

IRS Form 712 is used to calculate estate or gift tax. It documents the value of a life insurance policy when the insured dies or the policy is transferred as a gift. It requires, among other things, beneficiary and decedent personal information, policy value (including accumulated dividends), and premium payment information.

EFFECTIVE DATE: October 1, 2015

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 15 Nay 0 (02/26/2015)