

In subsection (b)(1)(ii) of this section, the former phrase "including a partnership or sole proprietorship" is deleted as unnecessary because there are no limitations on the term "employer".

Also in subsection (b)(1)(ii) of this section, the former words "as amended", which modified "Internal Revenue Code", are deleted as unnecessary in light of the generally applicable rule of statutory construction in Art. 1, § 21 of the Code.

Defined terms: "Annuity" § 1-101

"Annuity contract" § 1-101

"Insurance" § 1-101

"Life insurance" § 1-101

"Policy" § 1-101

"Premium" § 1-101

5-308. SAME — RESERVE VALUATION METHOD FOR ANNUITY AND PURE ENDOWMENT BENEFITS.

(A) SCOPE OF SECTION.

(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION APPLIES TO ALL ANNUITY CONTRACTS AND PURE ENDOWMENT CONTRACTS.

(2) THIS SECTION DOES NOT APPLY TO:

(I) GROUP ANNUITY CONTRACTS OR PURE ENDOWMENT CONTRACTS PURCHASED UNDER A RETIREMENT PLAN OR PLAN OF DEFERRED COMPENSATION, ESTABLISHED OR MAINTAINED BY AN EMPLOYER, AN EMPLOYEE ORGANIZATION, OR BOTH, UNLESS THE PLAN PROVIDES INDIVIDUAL RETIREMENT ACCOUNTS OR INDIVIDUAL RETIREMENT ANNUITIES UNDER § 408 OF THE INTERNAL REVENUE CODE; OR

(II) ANY DISABILITY AND ACCIDENTAL DEATH BENEFITS AND BENEFITS FOR LONG-TERM HOME HEALTH CARE AND LONG-TERM CARE IN A NURSING HOME OR OTHER RELATED INSTITUTION INCLUDED IN AN ANNUITY CONTRACT OR PURE ENDOWMENT CONTRACT.

(B) COMMISSIONERS ANNUITY RESERVE METHOD.

(1) (I) FOR BENEFITS UNDER AN ANNUITY CONTRACT OR PURE ENDOWMENT CONTRACT TO WHICH THIS SECTION APPLIES, THE RESERVE ACCORDING TO THE COMMISSIONERS ANNUITY RESERVE METHOD SHALL BE THE GREATEST OF THE AMOUNTS DETERMINED FOR EACH RESPECTIVE CONTRACT YEAR UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH.

(II) FOR EACH CONTRACT YEAR, THERE SHALL BE DETERMINED THE AMOUNT BY WHICH THE PRESENT VALUE, AT THE DATE OF VALUATION, OF THE FUTURE GUARANTEED BENEFITS, INCLUDING GUARANTEED NONFORFEITURE BENEFITS, UNDER THE CONTRACT AT THE END OF THE CONTRACT YEAR EXCEEDS