

4 INCOME

The gross income of life insurance companies comes from two main sources: premiums paid by policyholders and earnings on investments. In 2006, total income of all U.S. life insurers increased 13 percent to \$884 billion (Table 4.1). Insurance premiums and annuity considerations contributed 67 percent of total income. Investment earnings contributed 27 percent. The remainder of gross income came from amortization of interest maintenance reserve, commissions and expense allowance on reinsurance ceded, and miscellaneous income.

Under statutory accounting rules, net gain from (insurance) operations is calculated prior to net income. Net gain from operations equals gross income minus operating expenditures, policyholder dividends, and federal income taxes. Capital gains, net of tax, are then added to net gain from operations to calculate (after tax) net income.

PREMIUM INCOME

Premium receipts—derived from sales of life insurance, health insurance, and annuities—increased 10 percent to \$591 billion in 2006 (Table 4.2).

The mix of premiums from life insurance and annuity considerations has changed markedly over time. Prior to 1986, premium receipts from life policies were greater than annuity considerations, but starting in 1986, annuity premiums have exceeded life insurance premiums (Table 4.10). By 2006, life policies accounted

for roughly one-quarter of premium receipts (25%), while annuity considerations contributed more than half (51%) (Figure 4.1).

Premiums for life insurance policies totaled \$149 billion in 2006, up 5 percent from the previous year (Table 4.2). Individual policy premiums accounted for the largest share at \$114 billion, or 76 percent. Most were renewals, representing \$70 billion, or 61 percent, of individual premiums (Table 4.3). Group insurance was the second-largest contributor to life insurance premiums at \$34 billion, or 23 percent of the total. Again, renewals constituted the largest portion at \$30 billion, or 88 percent, of all group premiums. Credit life provided \$1 billion of all life insurance premiums (Table 4.2). Americans spent 1.2 percent of total disposable (after-tax) personal income on individual life insurance in 2006 (Table 4.5).

Annuity considerations held steady in 2006 at \$303 billion (Table 4.2). Individual annuities provided \$187 billion in premium receipts, increasing 12 percent from 2005. Of individual annuity considerations, single premiums constitute the largest share of this category at \$77 billion, while group considerations counted renewals as the largest contributor with \$60 billion (Table 4.4). Individual annuity considerations amounted to 2.0 percent of disposable personal income in 2006 (Table 4.5).

Premiums for accident and health insurance increased 19 percent to \$141 billion in 2006 (Table 4.1) with group premiums being the largest portion at \$85 billion, up

7 percent from 2005 (Table 4.2). Individual accident and health premiums increased to \$55 billion, with the largest share at \$32 billion coming from guaranteed renewable contracts (Table 4.6).

INVESTMENT INCOME AND RATE OF RETURN

Net investment income of life insurance companies amounted to \$225 billion in 2006 (Table 4.7). The largest source of investment income was from bonds at \$138 billion, followed by common stock (\$48 billion) and mortgage loans (\$21 billion). Gross investment income increased 16 percent from 2005. Investment expenses, taxes, and deductions totaling \$15 billion were up 16 percent from the previous year.

As a way of tracking investment performance, life insurers routinely calculate their net rate of return on invested assets. The net rate of return on invested assets is determined by dividing net investment income by the two-year average of the net annual mean of invested assets. The gross rate of total fixed income assets is calculated by dividing the gross investment income on bonds by the average net investment in bonds.

In 2006, life insurers' net rate of return on total assets increased to 5.35 percent from 4.90 percent a year earlier (Table 4.8). This net rate is an annual average based on aggregates of all U.S. life insurance companies after investment expenses, but before federal income taxes. Excluding separate accounts, the portfolio net rate of return on general account assets was 5.95 percent in 2006, up from 5.88 percent in 2005.

The gross rate of return on fixed-income assets measures the return on bonds, preferred stocks, and mortgages. It does not account for depreciation or investment expenses and excludes equity investments (other than preferred stocks), avoiding the uneven treatment of gains in the numerator and denominator of net rate data.

Gross rate data apply to fixed-income assets of both general and separate accounts. The industry's gross rate on total fixed-income assets increased to 5.99 in 2006 from 5.96 a year earlier.

NET GAIN FROM OPERATIONS

Statutory accounting calculates net gain from (insurance) operations as gross income minus operating expenses, policyholder dividends, and federal income taxes (not including tax on capital gains, since capital gains are not included in gain from operations). Net gain from operations after federal income taxes fell 5 percent in 2006 to \$36 billion (Table 4.9). Net gains can be calculated separately for each major line of business. Net gains from annuities fell 9 percent to \$12 billion. The net gain from life insurance fell 2 percent to \$9 billion.

Table 4.1

Income of Life Insurers

	Millions			Average annual percent change	
	1996	2005	2006	1996/2006	2005/2006
Net premiums and considerations					
Life insurance premiums	\$107,598	\$142,261	\$149,223	3.3	4.9
Annuity considerations ¹	178,416	277,117	302,727	5.4	9.2
Health insurance premiums	92,183	118,267	141,198	4.4	19.4
Other ²	NA	(1,728)	(1,714)	NA	0.8
Total	378,197	535,916	591,435	4.6	10.4
Investment income	164,519	206,859	239,669	3.8	15.9
Other income³	30,190	36,249	52,492	5.7	44.8
Aggregate total	572,906	779,024	883,597	4.4	13.4

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Codification effective with 2001 Annual Statement filings changed the reporting of certain lines of business, particularly deposit-type contracts, as explained in numbered footnotes. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

¹Beginning in 2001, excludes certain deposit-type funds from income due to codification. Also excludes resources for supplementary contracts without life contingencies and annuities certain, lottery payments, structured settlements, and income payment options.

²Includes lines of business other than life (e.g. workers compensation, aviation insurance, etc.).

³Includes commissions and expense allowance on reinsurance ceded. For 2005 and 2006, includes amortization of interest maintenance reserve.

Table 4.2

Premium Receipts of Life Insurers

	Millions			Average annual percent change	
	1996	2005	2006	1996/2006	2005/2006
Life insurance premiums					
Individual	\$85,339	\$111,915	\$113,964	2.9	1.8
Group	20,352	29,088	34,168	5.3	17.5
Credit	1,907	1,258	1,092	-5.4	-13.2
Total	107,598	142,261	149,223	3.3	4.9
Annuity considerations¹					
Individual	81,561	167,032	187,083	8.7	12.0
Group	96,855	110,084	115,645	1.8	5.1
Total	178,416	277,117	302,727	5.4	9.2
Health insurance premiums					
Individual	24,054	37,828	55,159	8.7	45.8
Group	66,427	79,303	85,027	2.5	7.2
Credit	1,702	1,135	1,012	-5.1	-10.8
Total	92,183	118,267	141,198	4.4	19.4
Other²	NA	(1,728)	(1,714)	NA	0.8
Aggregate total	378,197	535,916	591,435	4.6	10.4

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

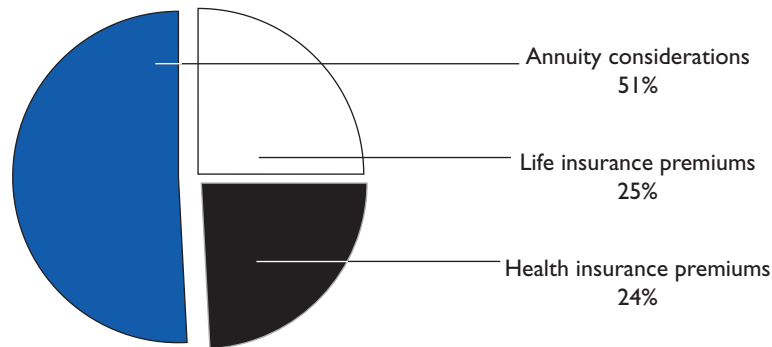
Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Codification effective with 2001 Annual Statement filings changed the reporting of certain lines of business, particularly deposit-type contracts, as explained in numbered footnotes. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

¹Beginning in 2001, excludes certain deposit-type funds from income due to codification. Also excludes resources for supplementary contracts without life contingencies and annuities certain, lottery payments, structured settlements, and income payment options.

²Includes lines of business other than life (e.g. workers compensation, aviation insurance, etc.).

Figure 4.1

Distribution of Life Insurers' Net Premium Receipts, 2006



Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.

Table 4.3

Individual and Group Life Insurance Net Premium Receipts, 2006 (millions)

	Individual	Percent distribution	Group	Percent distribution	Total	Percent distribution
First-year	14,578	12.8	2,595	7.6	\$17,173	11.6
Single¹	29,774	26.1	1,569	4.6	\$31,343	21.2
Renewal	69,612	61.1	30,004	87.8	\$99,615	67.2
Aggregate total	113,964	100.0	34,168	100.0	148,132	100.0

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Credit life premiums on loans of 10 years' or less duration are excluded. Data represent U.S. life insurers and fraternal benefit societies.

NA: Not available.

¹Includes dividend additions, excess premiums beyond planned periodic premiums, and single-premium riders.

Table 4.4

Individual and Group Annuity Considerations, 2006 (millions)

	Individual ¹	Percent distribution	Group ¹	Percent distribution	Total	Percent distribution
First-year	\$81,923	43.8	\$27,649	23.9	\$109,572	36.2
Single²	77,193	41.3	27,816	24.1	105,009	34.7
Renewal	27,967	14.9	60,180	52.0	88,147	29.1
Total	187,083	100.0	115,645	100.0	302,727	100.0

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and fraternal benefit societies.

¹Beginning in 2001, excludes certain deposit-type funds from income due to codification, and includes supplementary contracts with life contingencies. Also excludes reserves for supplementary contracts without life contingencies and annuities certain, lottery payouts, structured settlements, and income payout options.

²Includes supplementary contracts with life contingencies for individual annuity considerations.

Table 4.5

Individual Life Premiums and Annuity Considerations as Percentage of Disposable Personal Income

	Percent			Average annual percent change	
	1996	2005	2006	1996/2006	2005/2006
Individual					
Life premiums	1.50	1.24	1.20	-2.2	-3.3
Annuity considerations ¹	1.43	1.85	1.96	3.2	6.3
Total	2.93	3.09	3.16	0.7	2.4

Sources: U.S. Department of Commerce; ACLI tabulations of National Association of Insurance Commissioners (NAIC) data used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

¹Beginning in 2001, excludes certain deposit-type funds from income due to codification, and includes supplementary contracts with life contingencies. Also excludes reserves for supplementary contracts without life contingencies and annuities certain, lottery payouts, structured settlements, and income payout options.

Table 4.6

Accident and Health Insurance Net Premium Receipts

	Millions			Average annual percent change	
	1996	2005	2006	1996/2006	2005/2006
Group	\$66,427	79,303	85,027	2.8	7.2
Credit	1,702	1,135	1,012	-5.6	-10.8
Individual					
Collectively renewable	672	75	85	-20.5	13.4
Noncancelable	4,463	6,260	6,594	4.4	5.3
Guaranteed renewable	15,205	27,866	31,590	8.5	13.4
Nonrenewable	1,325	1,285	1,762	3.2	37.1
Other accident	469	536	5,490	31.4	923.9
All other	1,920	1,805	9,638	19.6	434.0
Total	24,054	37,828	55,159	9.7	45.8
Aggregate total	92,183	118,267	141,198	4.9	19.4

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Premium receipts are net of reinsurance. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

Table 4.7

	Millions			Average annual percent change	
	1996	2005	2006	1996/2006	2005/2006
Gross investment income					
Bonds	\$90,741	\$134,433	\$138,079	4.8	2.7
Preferred stock	586	1,444	3,402	21.6	135.6
Common stock	14,670	25,852	48,389	14.2	87.2
Mortgage loans	30,602	20,564	20,932	-4.1	1.8
Real estate	8,341	4,807	4,745	-6.1	-1.3
Contract loans	8,205	7,120	7,180	-1.5	0.8
Cash/Short-term investments	3,400	3,458	5,256	5.0	52.0
Other invested assets	4,207	8,832	9,485	9.5	7.4
Derivative instruments	1,887	-383	1,449	-2.9	NA
Other write-ins	1,881	731	750	-9.7	2.6
Total	164,519	206,859	239,669	4.3	15.9
Expenses, taxes, and deductions	11,819	13,508	14,919	2.6	10.4
Net investment income	152,700	193,351	224,750	4.4	16.2

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

Table 4.8

	Percent			Average annual percent change	
	1996	2005	2006	1996/2006	2005/2006
Net rate					
Total assets	7.25	4.90	5.35	-3.0	9.0
General account only	7.75	5.88	5.95	-2.6	1.2
Gross rate					
Total fixed-income assets	8.17	5.96	5.99	-3.0	0.5

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

Table 4.9

Net Gain From Operations After Federal Income Taxes

	Millions			Average annual percent change	
	1996	2005	2006	1996/2006	2005/2006
Life insurance					
Individual	\$6,329	\$7,509	\$7,465	1.9	-0.6
Group	1,207	1,729	1,784	4.4	3.2
Credit	516	341	163	-12.0	-52.2
Total	8,051	9,580	9,412	1.8	-1.7
Annuities¹					
Individual	4,147	6,977	6,989	6.0	0.2
Group	2,939	5,668	4,562	5.0	-19.5
Total	7,085	12,645	11,551	5.6	-8.7
Accident and health					
Individual	513	2,138	2,327	18.3	8.9
Group	552	5,481	5,266	28.5	-3.9
Credit	283	258	214	-3.1	-17.2
Total	1,349	7,878	7,807	21.5	-0.9
Other²	2,642	7,452	6,819	11.1	-8.5
Aggregate total	19,127	37,553	35,589	7.1	-5.2

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Net gain is calculated after dividends to policyholders and federal income taxes are deducted and before realized capitals gains or (losses) are added. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

¹Beginning in 2001, excludes certain deposit-type funds from income due to codification, and includes supplementary contracts with life contingencies. Also excludes reserves for supplementary contracts without life contingencies and annuities certain, lottery payouts, structured settlements, and income payout options.

²Includes lines of business other than life (e.g. workers compensation, aviation insurance, etc.).

Table 4.10

Income of Life Insurers, by Year (millions)

Year	Net Premium receipts			Total premium receipts	Investment income ¹	Other income ²	Total income
	Life insurance premiums	Annuity considerations	Health insurance premiums				
1911	\$626	\$4	—	\$630	\$182	\$24	\$836
1915	776	6	—	782	241	20	1,043
1920	1,374	7	—	1,381	341	42	1,764
1925	2,340	38	—	2,378	551	89	3,018
1930	3,416	101	—	3,517	891	186	4,594
1935	3,182	491	—	3,673	1,013	386	5,072
1940	3,501	386	—	3,887	1,231	540	5,658
1945	4,589	570	—	5,159	1,445	1,070	7,674
1950	6,249	939	\$1,001	8,189	2,075	1,073	11,337
1955	8,903	1,288	2,355	12,546	2,801	1,197	16,544
1960	11,998	1,341	4,026	17,365	4,304	1,338	23,007
1965	16,083	2,260	6,261	24,604	6,778	1,785	33,167
1970	21,679	3,721	11,367	36,767	10,144	2,143	49,054
1975	29,336	10,165	19,074	58,575	16,488	2,959	78,022
1980	40,829	22,429	29,366	92,624	33,928	4,336	130,888
1985	60,127	53,899	41,837	155,863	67,952	10,212	234,027
1986	66,213	83,712*	44,153	194,078	75,435	12,744	282,257
1987	76,737	88,677	47,549	212,963	82,875	18,460	314,298
1988	73,531	103,278	52,306	229,115	92,042	16,983	338,140
1989	73,290	114,997	56,079	244,366	103,965	18,987	367,318
1990	76,692	129,064	58,254	264,010	111,853	26,337	402,200
1991	79,301	123,590	60,900	263,791	118,984	28,247	411,022
1992	83,868	132,645	65,545	282,058	121,389	23,469	426,916
1993	94,448	156,445	68,658	319,551	124,205	22,594	466,350
1994	98,948	153,019	86,184	338,151	125,999	28,478	492,628
1995	102,766	158,389	90,038	351,193	143,967	32,894	528,054
1996	107,598	178,416	92,183	378,197	152,700	30,190	561,087
1997	115,039	197,529	92,737	405,305	170,713	34,628	610,646
1998	119,897	229,493	94,881	444,271	176,801	42,311	663,383
1999	120,274	270,212	100,049	490,535	186,563	49,830	726,928
2000	130,616	306,693	105,619	542,928	220,862	47,678	811,469
2001	125,314	251,255 [^]	103,413	479,132	203,399	41,068	724,448
2002	134,483	269,296 [^]	108,703	512,482	180,855	40,676	734,013
2003 [‡]	127,320	268,558 [^]	115,827	508,809	179,744	38,454	727,007
2004 [‡]	139,691	276,677 [^]	125,752	539,426	186,827	30,557	756,810
2005 [‡]	142,261	277,117 [^]	118,267	535,916	206,859	36,249	779,024
2006 [‡]	149,223	302,727 [^]	141,198	591,435	239,669	52,492	883,597

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Codification effective with 2001 Annual Statement filings changed the reporting of certain lines of business, particularly deposit-type contracts, as explained in footnotes. Prior to 1947, the business of health insurance departments of life insurers was not included in this series. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

*Unusually large increase due to NAIC-mandated change in reporting method for group annuity considerations.

[^]Excludes certain deposit-type funds from income due to codification.

[‡]Includes fraternal benefit societies.

¹Beginning in 2000 represents gross investment income. Prior to 2000, figures are net of investment expenses.

²Beginning in 1975, includes commissions and expense allowance on reinsurance ceded. Beginning in 1992, includes amortization of the interest maintenance reserve.

Table 4.11

Individual Life Insurance Premium Receipts, by Year (millions)

Year	First-year	Single ¹	Renewal	Total
1970	\$1,869	\$1,114	\$14,033	\$17,016
1975	2,705	1,505	18,125	22,335
1980	4,520	2,448	23,818	30,786
1981	5,927	2,486	27,283	35,696
1982	5,948	3,232	30,675	39,855
1983	6,910	4,221	27,913	39,044
1984	8,794	4,735	26,204	39,733
1985	10,858	6,941	29,202	47,001
1986	11,524	9,901	30,980	52,405
1987	12,484	15,610	34,584	62,678
1988	10,670	11,893	36,150	58,713
1989	10,658	8,800	38,716	58,174
1990	11,249	8,261	41,055	60,565
1991	11,398	8,445	43,521	63,364
1992	11,141	9,389	45,739	66,269
1993	13,314	11,447	50,570	75,331
1994	14,081	8,820	53,153	76,054
1995	12,081	9,945	56,453	78,479
1996	12,041	10,799	60,001	82,841
1997	14,592	11,999	60,846	87,437
1998	17,353	15,802	60,396	93,550
1999	16,784	13,540	63,029	93,354
2000	17,881	16,565	68,047	102,493
2001	17,849	19,145	58,432	95,426
2002	15,934	21,768	68,454	106,156
2003‡	14,650	20,463	62,795	97,907
2004‡	16,098	23,550	71,207	110,855
2005‡	16,680	25,363	69,873	111,915
2006‡	14,578	29,774	69,612	113,964

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. 1970 data includes credit life insurance premiums. Beginning with 1975, credit life premiums on loans of 10 years' or less in duration are excluded. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

‡Includes fraternal benefit societies.

¹Includes dividend additions, excess premiums beyond planned periodic premiums, and single-premium riders.

Table 4.12

Individual Annuity Considerations, by Year (millions)

Year	First-year	Single	Renewal	Deposit-type funds ¹	Total
1970	\$183	\$230	\$547	—	\$960
1975	728	808	1,128	—	2,664
1980	839	3,033	2,424	NA	6,296
1981	1,240	6,100	2,950	NA	10,290
1982	2,863	8,769	3,564	NA	15,196
1983	2,211	7,842	3,950	NA	14,003
1984	2,385	8,673	4,648	NA	15,706
1985	3,390	11,095	6,406	NA	20,891
1986	4,683	13,281	8,153	NA	26,117
1987	6,238	18,578	8,948	NA	33,764
1988	7,875	28,053	7,856	NA	43,784
1989	5,597	20,970	6,437	\$16,403	49,407
1990	6,080	22,777	6,992	17,817	53,665
1991	5,854	21,930	6,732	17,154	51,670
1992	6,775	21,964	7,378	25,232	61,348
1993	8,793	23,393	6,513	38,288	76,987
1994	8,263	22,901	6,448	43,221	80,832
1995	7,913	22,898	8,725	37,834	77,370
1996	9,727	19,802	6,461	48,077	84,067
1997	10,806	22,441	6,781	50,145	90,174
1998	11,092	17,129	7,179	60,047	95,446
1999	14,599	19,470	6,784	74,767	115,621
2000	15,050	27,022	7,480	90,099	139,651
2001*	51,576	63,078	27,002	NA	141,656
2002*	64,731	75,412	28,291	NA	168,434
2003*‡	61,439	75,410	24,855	NA	161,704
2004*‡	60,568	86,383	25,188	NA	172,140
2005*‡	66,771	78,354	21,907	NA	167,032
2006*‡	81,923	77,193	27,967	NA	187,083

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Codification effective with 2001 Annual Statement filings changed the reporting of certain lines of business, particularly deposit-type contracts, as explained in footnotes. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

NA: Not available.

*Certain deposit-type funds are excluded from income under codification, making data after 2000 incomparable.

‡Includes fraternal benefit societies.

¹First included in annual statements for 1978 and divided into first-year, single, and renewal annuity considerations through 1988.

Table 4.13

Rates of Return on Invested Assets of Life Insurers, by Year (percent)

Year	Net rate		Gross rate
	Total assets	General account only	Total fixed income assets
1920	4.83	NA	NA
1925	5.11	NA	NA
1930	5.05	NA	NA
1935	3.70	NA	NA
1940	3.45	NA	NA
1945	3.11	NA	NA
1950	3.13	NA	NA
1955	3.51	NA	NA
1960	4.11	NA	NA
1965	4.61	4.61	NA
1970	5.30	5.34	5.85
1975	6.36	6.44	7.37
1980	8.02	8.06	9.26
1981	8.57	8.53	9.87
1982	8.91	8.87	10.35
1983	8.96	9.08	10.63
1984	9.45	9.65	11.35
1985	9.63	9.87	12.23
1986	9.35	9.64	11.14
1987	9.10	9.39	10.62
1988	9.03	9.41	10.51
1989	9.10	9.47	10.58
1990	8.89	9.31	10.34
1991	8.63	9.09	10.05
1992	8.08	8.58	9.44
1993	7.52	8.04	8.71
1994	7.14	7.63	8.22
1995	7.41	7.90	8.43
1996	7.25	7.75	8.17
1997	7.35	7.86	8.08
1998	6.95	7.58	8.00
1999	6.71	7.49	7.93
2000	7.05	7.40	7.91
2001	6.31	7.13	7.62
2002	5.38	6.64	7.13
2003‡	5.03	6.17	6.44
2004‡	4.80	5.93	6.03
2005‡	4.90	5.88	5.96
2006‡	5.35	5.95	5.99

Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

Notes: NAIC does not endorse any analysis or conclusions based on use of its data. Before 1940, some federal income taxes were deducted from net investment income; beginning with 1940, rates are calculated before deducting any federal income taxes. Beginning in 1994, rates include amortization of the interest maintenance reserve. Data represent U.S. life insurers and, as of 2003, fraternal benefit societies.

‡ Includes fraternal benefit societies.

NA: Not available.

