

4 INCOME

The gross income of life insurance companies comes from two main sources: premiums paid by policyholders and earnings on investments. In 2009, total income of all U.S. life insurers decreased 17 percent to \$781 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 18.4 percent to \$522 billion in 2009 (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 2009, life policies accounted for roughly one-quarter of premium receipts (24%), while annuity considerations contributed nearly half (44%) (Figure 4.1).

Premiums for life insurance policies totaled \$125 billion in 2009, a 15 percent decrease from the previous year (Table 4.2). Individual policy premiums accounted for the largest share at \$99 billion, or 79 percent. Most were renewals, representing \$68 billion, or 69 percent, of individual premiums (Table 4.3). Group insurance was the second-largest contributor to life insurance premiums at \$25 billion, or 20 percent of the total. Again, renewals constituted the largest portion at \$24 billion, or 96 percent, of all group premiums. Credit life provided \$842 million of all life insurance premiums (Table 4.2). Americans spent 0.9 percent of total disposable (after-tax) personal income on individual life insurance in 2009 (Table 4.5).

Annuity considerations decreased 29 percent in 2009 to \$232 billion (Table 4.2). Individual annuities provided \$129 billion in premium receipts, decreasing 38 percent from 2008. Of individual annuity considerations, single annuity considerations constitute the largest share of this category at \$94 billion, while group considerations counted renewals as the largest contributor with \$57 billion (Table 4.4). Individual annuity considerations amounted to 1.2 percent of disposable personal income in 2009 (Table 4.5).

Premiums for accident and health insurance increased 1 percent to \$166 billion in 2009 (Table 4.1) with group premiums being the largest portion at \$90 billion, down 5 percent from 2008 (Table 4.2). Individual accident and health premiums increased to \$75 billion, with the largest share at \$33 billion coming from guaranteed renewable contracts (Table 4.6).

INVESTMENT INCOME AND RATE OF RETURN

Net investment income of life insurance companies amounted to \$198 billion in 2009 (Table 4.7). The largest source of investment income was from bonds at \$142 billion, followed by common stock (\$31 billion) and mortgage loans (\$21 billion). Gross investment income decreased 19 percent from 2008. Investment expenses, taxes, and deductions totaling \$12 billion were down 12 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 invested assets. The gross rate of return on total fixed income assets is calculated by dividing the gross investment income on bonds by the average net investment in bonds.

In 2009, life insurers' net rate of return on total assets was 4.60 percent, down from 5.70 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 5.25 percent in 2009, down from 5.63 percent in 2008.

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 decreased to 5.91 percent in 2009 from 5.97 percent 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 increased significantly in 2009 to \$52 billion (Table 4.9). Net gains can be calculated separately for each major line of business. Net gains from annuities were \$27 billion compared with \$22 billion in net losses a year ago. The net gain from life insurance increased 2 percent to \$10 billion.

Table 4.1

	Millions			Average annual percent change	
	1999	2008	2009	1999/2009	2008/2009
Income of Life Insurers					
Net premiums and considerations					
Life insurance premiums	\$120,274	\$147,182	\$124,564	0.4	-15.4
Annuity considerations ¹	270,212	328,135	231,580	-1.5	-29.4
Health insurance premiums	100,049	165,034	166,164	5.2	0.7
Total	490,535	640,350	522,308	0.6	-18.4
Investment income	186,563	260,123	211,650	1.3	-18.6
Other income²	49,830	40,166	47,468	-0.5	18.2
Aggregate total	726,928	940,638	781,426	0.7	-16.9

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 commissions and expense allowance on reinsurance ceded. For 2005-2009, includes amortization of interest maintenance reserve.

Table 4.2

	Millions			Average annual percent change	
	1999	2008	2009	1999/2009	2008/2009
Premium Receipts of Life Insurers					
Life insurance premiums					
Individual	\$93,354	\$117,399	\$98,579	0.5	-16.0
Group	24,946	28,644	25,143	0.1	-12.2
Credit	1,974	1,138	842	-8.2	-26.0
Total	120,274	147,182	124,564	0.4	-15.4
Annuity considerations¹					
Individual	115,621	208,965	128,853	1.1	-38.3
Group	154,591	119,169	102,727	-4.0	-13.8
Total	270,212	328,135	231,580	-1.5	-29.4
Health insurance premiums					
Individual	26,954	69,644	75,404	10.8	8.3
Group	71,370	94,454	90,005	2.3	-4.7
Credit	1,724	935	756	-7.9	-19.2
Total	100,048	165,034	166,164	5.2	0.7
Aggregate total	490,534	640,350	522,308	0.6	-18.4

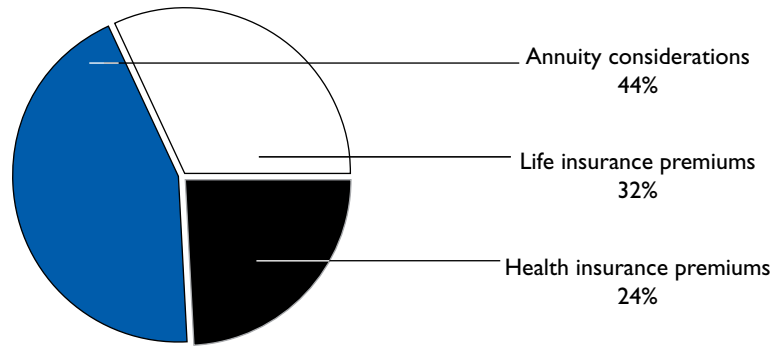
Source: ACLI tabulations of National Association of Insurance Commissioners (NAIC) data, used by permission.

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.

Figure 4.1

Distribution of Life Insurers' Net Premium Receipts, 2009



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, 2009 (millions)

	Individual	Percent distribution	Group	Percent distribution	Total	Percent distribution
First-year	\$12,395	12.6	-\$19	-0.1	\$12,376	10.0
Single¹	17,930	18.2	919	3.7	18,850	15.2
Renewal	68,253	69.2	24,243	96.4	92,496	74.8
Aggregate total	98,579	100.0	25,143	100.0	123,722	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.

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

Table 4.4

Individual and Group Annuity Considerations, 2009 (millions)						
	Individual¹	Percent distribution	Group¹	Percent distribution	Total	Percent distribution
First-year	\$93,919	72.9	\$24,027	23.4	\$117,947	50.9
Single²	19,331	15.0	21,276	20.7	40,607	17.5
Renewal	15,603	12.1	57,424	55.9	73,026	31.5
Total	128,853	100.0	102,727	100.0	231,580	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. Codification effective in 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 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

	Percent		
	1999	2008	2009
Individual			
Life premiums	1.37	1.09	0.90
Annuity considerations ¹	1.70	1.93	1.18
Total	3.07	3.02	2.08

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. Codification effective in 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 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	
	1999	2008	2009	1999/2009	2008/2009
Group	\$71,370	\$89,558	\$90,005	2.3	0.5
Credit	1,724	756	756	-7.9	0.0
Individual					
Collectively renewable	446	48	34	-22.6	-29.2
Noncancelable	4,422	6,740	6,787	4.4	0.7
Guaranteed renewable	18,044	33,322	33,247	6.3	-0.2
Nonrenewable	1,313	5,238	5,641	15.7	7.7
Other accident	603	8,423	10,872	33.5	29.1
All other	2,127	18,162	18,823	24.4	3.6
Total	26,954	71,934	75,404	10.8	4.8
Aggregate total	100,048	162,249	166,164	5.2	2.4

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

Net Investment Income	Millions			Average annual percent change	
	1999	2008	2009	1999/2009	2008/2009
Gross investment income					
Bonds	\$108,426	\$141,050	\$141,860	2.7	0.6
Preferred stock	1,047	4,159	790	-2.8	-81.0
Common stock	31,011	68,483	31,251	0.1	-54.4
Mortgage loans	18,750	21,547	20,700	1.0	-3.9
Real estate	7,683	4,647	4,200	-5.9	-9.6
Contract loans	7,723	7,805	8,136	0.5	4.2
Cash/Short-term investments	5,091	4,456	914	-15.8	-79.5
Other invested assets	7,820	9,149	6,095	-2.5	-33.4
Derivative instruments	376	-2,258	-2,640	NC	16.9
Other write-ins	1,422	1,083	344	-13.2	-68.3
Total	189,349	260,123	211,650	1.1	-18.6
Expenses, taxes, and deductions	12,548	13,839	12,143	-0.3	-12.3
Net investment income	176,801	246,284	199,506	1.2	-19.0

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, as of 2003, fraternal benefit societies.

Table 4.8

Rates of Return on Invested Assets of Life Insurers	Percent		
	1999	2008	2009
Net rate			
Total assets	6.71	5.70	4.60
General account only	7.49	5.63	5.25
Gross rate			
Total fixed-income assets	7.93	5.97	5.91

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	
	1999	2008	2009	1999/2009	2008/2009
Life insurance					
Individual	\$5,876	\$7,428	\$7,259	2.1	-2.3
Group	898	1,726	2,196	9.4	27.2
Credit	188	245	163	-1.4	-33.7
Total	6,962	9,399	9,618	3.3	2.3
Annuities¹					
Individual	4,317	-22,093	15,607	NC	NC
Group	3,711	153	11,716	12.2	7557.3
Total	8,027	-21,940	27,323	NC	NC
Accident and health					
Individual	626	3,836	5,057	23.2	31.8
Group	-71	5,952	4,615	NC	-22.5
Credit	304	257	223	-3.1	-13.1
Total	859	10,045	9,895	27.7	-1.5
Other²					
	2,906	5,227	5,115	5.8	-2.2
Aggregate total	18,755	2,731	51,951	10.7	1802.1

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 capital gains or (losses) are added. 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, 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	47,679	811,469
2001	125,314	251,255^	103,413	479,982	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	511,705	179,744	35,558	727,007
2004‡	139,691	276,677^	125,752	542,120	186,827	27,863	756,810
2005‡	142,261	277,117^	118,267	537,645	206,859	34,521	779,024
2006‡	149,223	302,727^	141,198	593,149	239,669	50,779	883,597
2007‡	142,661	314,225^	151,462	608,348	267,394	74,624	950,366
2008‡	147,182	328,135^	165,034	640,350	260,123	40,166	940,638
2009‡	124,564	231,580^	166,164	522,308	211,650	47,468	781,426

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	Single¹	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
2007‡	14,145	40,291	49,044	103,479
2008‡	14,460	34,068	68,871	117,399
2009‡	12,395	17,930	68,253	98,579

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. 1969-72 data include credit life insurance premiums. Beginning with 1973, 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
2007*‡	92,395	71,268	28,841	NA	192,503
2008*‡	89,758	94,111	25,097	NA	208,965
2009*‡	93,919	19,331	15,603	NA	128,853

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
2007‡	5.71	6.01	6.10
2008‡	5.70	5.63	6.01
2009‡	4.60	5.25	5.91

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.

