

Tax Landscape For Captives - What's in the Long Game?

2025 Client Symposium

Presenters



Chaz Lavelle

Partner

Dentons Bingham Greenebaum LLP



Patrick Theriault

Managing Director

SRS U.S. Captive Management

“The hardest thing in the world to understand, is
the income tax.”

- Albert Einstein

The Latest News



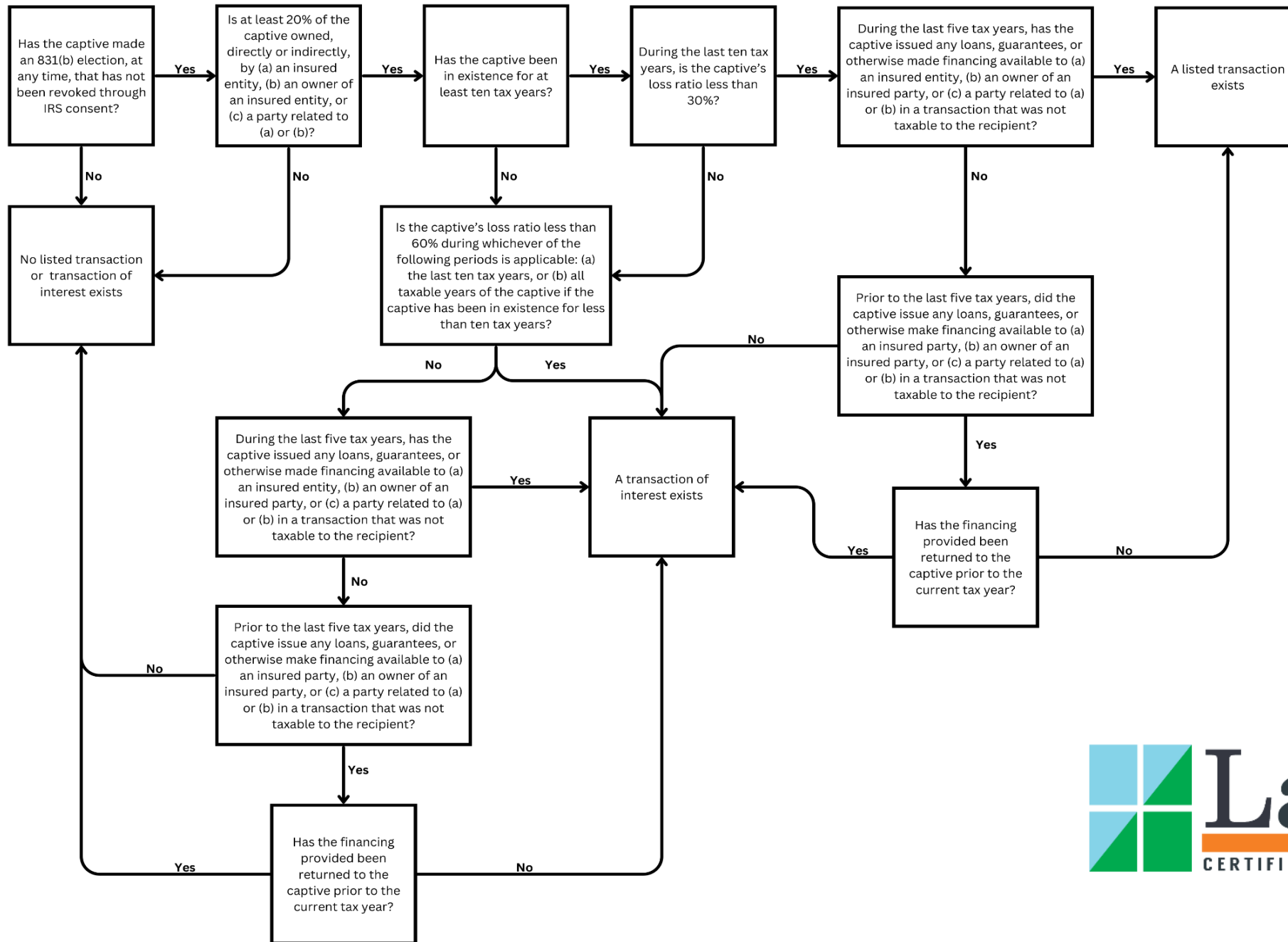
March 25, 2025:

Jones v. Commissioner

January 14, 2025:

New Micro-captive (831(b)) IRS
Regulations

- Rev Proc 2025-13



Impact on “Big” Captives?

9

Consecutive court
wins

990

Pending audits/court
cases according to
Captive Intelligence

New

Small captive Regulations
with required filings (listed
transactions)

It is not all bad...



- Rent-A-Center
- RVI Guaranty
- Acuity
- Validus
- Securitas

From the January 2025 Micro-captive Regulation

TD:



The Treasury Department and the IRS do not intend to discourage the use of section 831(b) by entities that qualify for the election, nor should these regulations be construed as intending to discourage the use of section 831(b) by such entities.

These regulations **do not hinder** the formation of valid captive insurance companies. . .

New Government = ?

Didn't the **IRS** get an extra \$80 (\$60) billion dollars?

Any anticipated **direct impact** on the **captive/insurance industry**?

Are there other **tax changes** that could **impact** the financial benefits of **owning a captive**?



IRS Audits



Is it now all about small captives?

Any changes to the process?

What to avoid / how to prepare?

Closing Remarks

What about loan backs?

Insurance Risk vs. Business Risk

Unrelated risk clarity

Exposure units, what is enough?



Thank You!

For questions, please reach out to

Chaz Lavelle: charles.lavelle@dentons.com

Patrick Theriault: patrick.theriault@strategicrisks.com