

# Product & Service Notice



Date: March 15, 2021  
To: Ameritas Field Associates  
RE: IRC Section 7702 Revision

Memo Number: PS4286 REV 03-15-21  
Product Area: Life

**Summary:** The Consolidated Appropriations Act, which was passed in late December and went into effect on Jan. 1, 2021, allows a new minimum interest rate assumption for the life insurance cash value accumulation test (CVAT) and guideline premium test (GPT). These rates have long been set at 4% and 6%. These new rates allow more premiums to be placed in permanent life insurance without violating these tests or creating a modified endowment contract (MEC).

**Ameritas continues to evaluate the full impact of the new provision. The [Frequently Asked Questions](#) and a new [Client Flyer](#) can be found on the new [Producer Workbench](#) page.**

Continue to watch for updates as we provide more information on one of the most significant life insurance changes in decades.

[Find out more >>>](#)

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