



**July 2, 2015**

**Summary of IRS Review of Series Captive Member and Oxford's Structure**  
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A random operating company audit for an Oxford client was just recently completed as a no change to the client's captive insurance tax deduction. The IRS agent working the case communicated to the client that one of the issues of focus for the operating company would be the captive insurance deduction.

The client hired independent representation as power of attorney for the IRS audit. Kevin Myers and our Oxford counsel, Jeff Simpson, conducted a preliminary conference with and provided support to the client's representative in order to prepare for the anticipated document requests and the related questions regarding the captive.

The captive documents were provided to the IRS agent via the client's representative and were reviewed by the IRS agent. At the conclusion of the audit, the IRS agent notified the representative and the client that the captive insurance deduction issue resulted in a no change and allowed the deduction in full.

This IRS audit no change of Oxford's structure comes on the heels of another IRS audit no change which was finalized in January of 2015.