

**Chapter Ins 14**  
**VALUATION OF ASSETS**

**Ins 14.01 Valuation of assets-salvage and subrogation**

**Ins 14.01 Valuation of assets - salvage and subrogation. (1) PURPOSE.** This rule is intended to implement and interpret ss. 601.41, 601.42, and 623.03, Stats., for the purpose of setting minimum standards and techniques for accounting, valuing, reserving and reporting of data relating to company financial transactions and other operations and to reaffirm the long-standing express position of the commissioner of insurance.

**(2) SCOPE.** This rule shall apply to all insurers other than town mutual insurers organized under ch. 612, Stats.

**(3) SALVAGE AND SUBROGATION.** Because of the difficulty in ascertaining the value of items received as salvage on paid or unpaid losses and determining the amount which might be recovered by subrogation on paid or unpaid losses, insurers doing an insurance business in this state shall not recognize as an asset or as a reduction of a liability in any annual statement or interim statement filed with the commissioner of insurance any salvage or subrogation recoveries until such recoveries shall have been reduced to cash or its equivalent. Salvage or subrogation recoveries reduced to cash or its equivalent shall be accounted for as an offset to losses paid.

**Note:** This rule is in consonance with the previous position of the office of the commissioner of insurance on this matter and that espoused by the national association of insurance commissioners as evidenced in the instructions to the annual statement forms prescribed by section Ins 7.01 (5) and (6).

**History:** Cr. Register, December, 1977, No. 264, eff. 1-1-78.