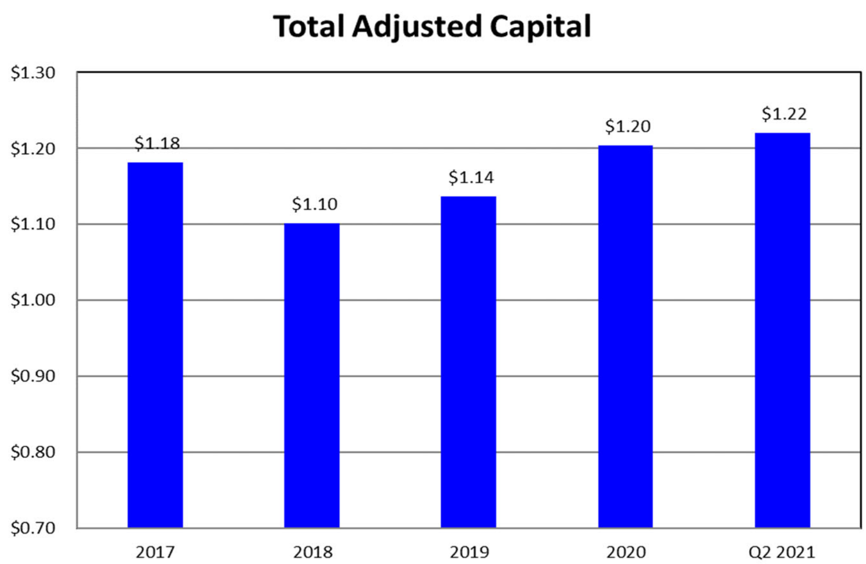
The NAIC adopted several changes to the formula used to calculate RBC for life insurance companies to account for the effects of the Tax Cuts and Jobs Act of 2017, specifically focusing on changes to the RBC ratio denominator in order to reflect the corporate tax rate decrease from 35% to 21%. These changes, which became effective for life insurance company RBC calculations as of December 31, 2018, have increased required capital, which in turn have decreased the statutory RBC ratios of U.S. life insurance companies, including certain of our insurance subsidiaries.

Our primary life insurance subsidiary, ONLIC, had total adjusted capital as follows (dollars in billions):



State regulators and rating agencies do not always use the same methodologies for calculating RBC ratios. There is a risk that a rating agency will not give us credit for certain regulatory RBC rules or permitted practices, which could result in a reduced rating even though the our RBC ratio and those of our insurance subsidiaries remain high based upon state regulatory rules and practices. For our historical RBC ratios, please refer to our Annual Statement NAIC filings.