



MISSISSIPPI INSURANCE DEPARTMENT

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State Fire Marshal

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Deputy Commissioner of Insurance

MISSISSIPPI INSURANCE DEPARTMENT BULLETIN 2017-8

DEPRECIATION OF LABOR EXPENSES IN PROPERTY LOSS CLAIMS

It is the purpose of this Bulletin to provide the position of the Mississippi Insurance Department regarding the depreciation of labor expenses by an insurer in the adjustment of property loss claims.

There is no statutory law in Mississippi prohibiting the practice of labor depreciation in the adjustment of property loss claims. If such a practice is used, the insurer should clearly provide for the depreciation of labor in the insurance policy. Likewise, if material and/or labor depreciation is applied, the insurer should clearly set out any such depreciation on the claim estimate furnished by the insurer.

This Bulletin shall not apply to automobile physical damage claims.

ISSUED this the 4th day of August, 2017.


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