

MEMO# 24863

January 11, 2011

ICI Launches Cost Basis Reporting Member Resource Web Page

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TO: TAX COMMITTEE No. 3-11
SMALL FUNDS COMMITTEE No. 3-11
OPERATIONS COMMITTEE No. 2-11
COMPLIANCE ADVISORY COMMITTEE No. 2-11
BROKER/DEALER ADVISORY COMMITTEE No. 2-11
BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 2-11
TRANSFER AGENT ADVISORY COMMITTEE No. 2-11
INTERNAL AUDIT ADVISORY COMMITTEE No. 2-11
BDAC COST BASIS REPORTING TASK FORCE No. 2-11 RE: ICI LAUNCHES COST BASIS REPORTING MEMBER RESOURCE WEB PAGE

As you may know, in 2008 Congress enacted legislation requiring brokers and mutual funds to complete mandatory cost basis reporting ("CBR") for securities including mutual fund shares. [1] The Internal Revenue Service issued final regulations on the cost basis reporting requirements in October 2010. For mutual fund shares the new reporting requirement is effective for shares acquired on or after January 1, 2012.

To aid members with understanding the new reporting obligations, the Institute has created a new cost basis reporting resource page that contains valuable information available in a central location on the ICI website. The cost basis resource page highlights various tax sources, including the Internal Revenue Code, ICI Memos on the proposed and final regulations, and related IRS Forms, as well as information on fund operations initiatives of the ICI's Broker/Dealer Advisory and Transfer Agent Advisory Committees - CBR Task Forces. Finally, the resource page provides information on prior and future ICI cost basis reporting webinars and workshops.

The cost basis reporting resource page, available to all ICI members and committee members, may be accessed through the following link:

http://www.ici.org/policy/tax/cost_basis_reporting.

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endnotes

[\[1\]](#) The legislation amended Internal Revenue Code section 1012 (see sections 1012 (a) - (d)) and section 6045 (see section 6045(g)) and added new sections 6045A and 6045B.

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