

MEMO# 31917

August 22, 2019

UPDATE: 2019 Year-End Reporting Layouts and Target Delivery Dates

[31917]

August 22, 2019 TO: ICI Members

ICI Global Members

Accounting/Treasurers Committee

Bank, Trust and Retirement Advisory Committee

Broker/Dealer Advisory Committee

Closed-End Investment Company Committee

Operations Committee

Tax Committee

Transfer Agent Advisory Committee SUBJECTS: Fund Accounting & Financial Reporting

Tax RE: UPDATE: 2019 Year-End Reporting Layouts and Target Delivery Dates

August 22, 2019 UPDATE: The target delivery dates for the primary and secondary layouts have been updated to Tuesday, January 21, 2020 and Tuesday, January 28, 2020, respectively.

The primary, secondary, and NRA layouts (all in excel spreadsheet form) for use by regulated investment companies ("RICs") in reporting 2019 year-end tax information to brokers and banks are available on the Institute's website

at: https://www.ici.org/policy/tax/info_reporting/yearend/yearendtaxreporting.

The 2019 primary layout has been designed to "track" IRS Form 1099-DIV. The 2019 secondary layout provides a format for RICs to use in reporting various additional tax-related items. The 2019 NRA layout should be used in connection with reporting information on IRS Form 1042-S.

The 2019 primary layout has been updated to include a breakout of the section 199A amounts to conform with the qualified dividend reporting format. The 2019 primary layout has also been updated to specify that "Qualified Dividends," Box 1b of the Form 1099-DIV may be eligible for reduced capital gains rates *subject to the shareholder level holding period requirement*.

The 2019 secondary layout has been updated to include a new "Section 163(j)-Related Interest Dividend" column. This column may be utilized if Treasury issues guidance permitting RICs to pass through interest income to corporate shareholders for purposes of determining such corporations' interest expense limitation under section 163(j).

The 2019 NRA layout is identical to the 2018 NRA layout.

The requested target date for delivering year-end tax information to brokers and banks (the “target delivery date”) will be **Tuesday, January 21, 2020** for the primary layout, **Tuesday, January 28, 2020** for the secondary layout, and **Tuesday, February 4, 2020** for the NRA layout.

Fund complexes are encouraged to send their year-end tax information to brokers and banks as soon as it is ready. If a complex requires additional time to prepare data for one or more of its funds, it may choose to communicate with the brokers and banks that distribute its funds to arrange an alternate date.

The rules governing the proper tax characterization of fund distributions can be complex. Funds should consult their tax advisors regarding the proper tax characterization and reporting of their distributions.

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