MEMO# 22789

August 15, 2008

2008 Year-end Reporting Layouts

[22789]

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TO: ACCOUNTING/TREASURERS COMMITTEE No. 11-08
BANK AND TRUST ADVISORY COMMITTEE No. 25-08
BROKER/DEALER ADVISORY COMMITTEE No. 26-08
CLOSED-END INVESTMENT COMPANY COMMITTEE No. 28-08
OPERATIONS COMMITTEE No. 14-08
TAX COMMITTEE No. 27-08
TRANSFER AGENT ADVISORY COMMITTEE No. 43-08 RE: 2008 YEAR-END REPORTING LAYOUTS

Primary, Secondary and NRA Layouts and Instructions

Attached are the final "Primary," "Secondary" and "NRA" Layouts that are available for regulated investment companies ("RICs") to utilize in reporting 2008 year-end tax information to brokers and banks. The 2008 Primary Layout is an excel spreadsheet that has been designed to "track" IRS Form 1099-DIV. The 2008 Secondary Layout is an excel spreadsheet that provides a format for RICs to use in reporting CUSIP-level tax information regarding various additional tax related items. The 2008 NRA Layout is an excel spreadsheet that should be used in connection with reporting information on IRS Form 1042-S. These formats are available on the Institute's members only website at http://members.ici.org/yearendtax.do. [1]

The final versions of the Primary, Secondary and NRA Layouts are the same as the draft versions released on July 15, 2008. [2]

Changes to Formats

The final versions of the Primary, Secondary and NRA Layouts and instructions include the following changes to the documents:

(1)Primary Layout

- Clarifications to last year’s instructions that were provided in a supplemental memorandum are incorporated into the 2008 instructions.[3]

(2)Secondary Layout

- Clarifications to last year’s instructions that were provided in a supplemental memorandum are incorporated into the 2008 instructions.[4]
- Optional new column 80 is added to provide the percentage of the amount reported by a fund in box 2a of Form 1099-DIV (Column 22 on the Primary Layout) subject to a reduced tax rate in Rhode Island.

Requested Reporting Date

The due date for funds to provide year-end tax information on the Primary Layout is no later than January 12, 2009. This date may be modified if Congress enacts legislation extending the reporting deadline to February 15, 2009.

Information on the Secondary Layout is requested no later than January 19, 2009. Information on the NRA Layout is requested no later than February 16, 2009. Any fund complex that requires additional time to prepare the data may choose to communicate with the brokers and banks that sell their funds to arrange an alternate date.

The rules governing the proper tax characterization of distributions by mutual funds can be complex. Each fund should consult its own tax advisor regarding the proper tax characterization and reporting of the fund’s distributions.

Lisa Robinson
Associate Counsel

Attachment

endnotes

[1] Hard copies of the documents and spreadsheets are available to the Institute’s members upon request to the Institute’s Ezella Wynn (ewynn@ici.org or 202/218-3560).

[2] See Institute Memorandum (22691) to Tax Committee No. 24-08, dated July 15, 2008.

[3] See Institute Memorandum (21621) to Accounting/Treasurers Committee No. 19-07, Bank and Trust Advisory Committee No. 34-07, Broker/Dealer Advisory Committee No. 57-07, Closed-End Investment Company Committee No. 33-07, Operations Committee No. 24-07, Tax Committee No. 39-07 and Transfer Agent Advisory Committee No. 61-07, dated September 21, 2007.

[4] Ibid.