

MEMO# 32920

November 18, 2020

Draft Letter Regarding Website Reporting of Distribution Information - Comments Requested

[32920]

November 18, 2020 TO: Tax Committee RE: Draft Letter Regarding Website Reporting of Distribution Information - Comments Requested

Attached is a draft letter to the Treasury Department and the Internal Revenue Service (IRS) reiterating ICI's prior requests for clarification that regulated investment companies (RICs) may satisfy the reporting requirements regarding the character of certain dividends by posting the information on their public websites.^[1] The letter notes that this guidance is increasingly important given the January 1, 2021 effective date of Securities and Exchange Commission (SEC) Rule 30e-3, which generally permits funds to post their annual reports and financial statements on their public websites. In addition, the SEC has proposed substantially reducing the amount of information that can be included in shareholder reports.^[2] Absent clarification from the Treasury Department and the IRS that RICs can report certain dividends on their public websites, funds may be required to mail separate statements to shareholders solely for tax purposes. Doing so, however, would be costly and confusing to retail shareholders.

Please provide any comments on the attached letter to me (kgibian@ici.org) no later than Tuesday, December 1, 2020.

Karen Lau Gibian
Associate General Counsel

[Attachment](#)

endnotes

^[1] See Institute Memorandum No. 25309, Dated June 30, 2011, which can be found at: https://www.ici.org/my_ici/memorandum/memo25309; see also Institute Memorandum No. 32656, dated August 4, 2020, which can be found at:

https://www.ici.org/my_ici/memorandum/memo32656.

[2] See Institute Memorandum No. 32660, dated August 5, 2020, which can be found at: https://www.ici.org/my_ici/memorandum/memo32660.

Source URL: <https://icinew-stage.ici.org/memo-32920>

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.