

MEMO# 24580

October 5, 2010

IRS Releases Draft Form 1099-B for 2011 Tax Reporting of Cost Basis

[24580]

October 5, 2010

TO: TAX COMMITTEE No. 30-10
OPERATIONS COMMITTEE No. 27-10
SMALL FUNDS COMMITTEE No. 14-10
TRANSFER AGENT ADVISORY COMMITTEE No. 55-10
BROKER/DEALER ADVISORY COMMITTEE No. 40-10
BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 33-10 RE: IRS RELEASES
DRAFT FORM 1099-B FOR 2011 TAX REPORTING OF COST BASIS

The IRS has released the attached draft Form 1099-B (Proceeds from Broker and Barter Exchange Transactions) for comment. This Form will be the first form on which reporting brokers provide cost basis information to investors under the legislation enacted in 2008.

[\[1\]](#) Comments on the draft form are requested by October 27, 2010.

The recently-released draft form makes a few formatting changes to the draft form released with the proposed regulations. [\[2\]](#) The only substantive change made by the new draft form is the addition of a field for date of acquisition for the subsequently sold security. [\[3\]](#)

The draft form will be discussed at upcoming Committee meetings. In addition, please feel free to provide comments on the draft form at any time to Kathy Joaquin (at 202/326-5930 or kjoaquin@ici.org), Marty Burns (at 202/326-5980 or mburns@ici.org), or Diane Butler (at 202/326-5850 or dbutler@ici.org). Beginning October 12, comments also may be provided to Karen Gibian (at 202/371-5432 or kgibian@ici.org).

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[Attachment \(in .pdf format\)](#)

endnotes

[\[1\]](#) See Institute [Memorandum](#) (22916) to Bank, Trust and Recordkeeping Advisory Committee No. 31-08, Broker/Dealer Advisory Committee No. 37-08, Operations Members

No. 17-08, Small Funds Members No. 61-08, Tax Members No. 40-08, and Transfer Agent Advisory Committee No. 59-08 (among others), dated October 3, 2008.

[2] See Institute [Memorandum](#) (24045) to Bank, Trust and Recordkeeper Advisory Committee No. 69-09, Broker/Dealer Advisory Committee No. 69-09, Operations Members No. 31-09, Small Funds Members No. 78-09, Tax Members No. 39-09, and Transfer Agent Advisory Committee No. 95-09, dated December 22, 2009.

[3] Copies of both draft forms for 2011, plus the final form for 2010, are attached.

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