

MEMO# 28469

October 16, 2014

Revised Draft of ICI Comments on Money Market Fund Tax Guidance - Comments Requested

[28469]

October 16, 2014

TO: ACCOUNTING/TREASURERS COMMITTEE No. 26-14
BANK, TRUST AND RETIREMENT ADVISORY COMMITTEE No. 44-14
BROKER/DEALER ADVISORY COMMITTEE No. 51-14
MONEY MARKET FUNDS ADVISORY COMMITTEE No. 27-14
MUNICIPAL SECURITIES ADVISORY COMMITTEE No. 24-14
OPERATIONS COMMITTEE No. 45-14
SEC RULES COMMITTEE No. 39-14
SMALL FUNDS COMMITTEE No. 24-14
TAX COMMITTEE No. 33-14
TRANSFER AGENT ADVISORY COMMITTEE No. 67-14
VARIABLE INSURANCE PRODUCTS ADVISORY COMMITTEE No. 6-14 RE: REVISED DRAFT OF
ICI COMMENTS ON MONEY MARKET FUND TAX GUIDANCE - COMMENTS REQUESTED

Attached is a revised draft letter to the Treasury Department and the Internal Revenue Service ("IRS") regarding the proposed regulations and revenue procedure recently released in connection with the Securities and Exchange Commission ("SEC") rule release on money market funds. [\[1\]](#) The primary changes from the initial draft are:

- The addition of a request for guidance permitting regulated investment companies ("RICs") to engage in tax-free split-off transactions;
- The deletion of the section regarding tax issues under section 817(h) for variable annuity products.

Comments on the proposed regulations are due by Monday, October 27, 2014. Therefore, please provide any comments to me (kgibian@ici.org or 202-371-5432) no later than the close of business on Tuesday, October 21, 2014.

Karen Lau Gibian
Senior Associate Counsel – Tax Law

[Attachment](#)

endnotes

[1] See Institute Memorandum [28405](#), dated September 25, 2014.

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