

MEMO# 16603

October 2, 2003

CONFERENCE CALL REGARDING INSTITUTE REQUEST FOR DIVERSIFICATION GUIDANCE RELATED TO REPURCHASE AGREEMENTS

[16603] October 2, 2003 TO: TAX COMMITTEE No. 61-03 RE: CONFERENCE CALL REGARDING INSTITUTE REQUEST FOR DIVERSIFICATION GUIDANCE RELATED TO REPURCHASE AGREEMENTS As you know, last year the Institute requested guidance that would permit investments in certain fully collateralized repurchase agreements and certain refunded municipal bonds to be treated as direct investments in the underlying collateral for purposes of applying the diversification requirements under Internal Revenue Code section 851(b)(3).¹ The Internal Revenue Service ("IRS") has since issued such guidance (Revenue Ruling 2003-84) with respect to refunded bonds.² A conference call has been scheduled for Monday, October 6th at 2:00 (EST) to discuss issues related to the Institute's request for guidance related to repurchase agreements. If you would like to participate in the call, please complete the attached response form and fax it to Ezella Wynn by Monday, October 6th at noon. Catherine Barré Assistant Counsel Attachment (in .pdf format) 1 See Institute Memorandum (No. 14923) to Tax Members No. 30-02, dated July 15, 2002. 2 See Institute Memorandum (No. 16440) to Tax Members No. 45-03, dated August 19, 2003.

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