

MEMO# 17862

August 5, 2004

2004 YEAR-END TAX REPORTING FORMATS

[17862] August 5, 2004 TO: ACCOUNTING/TREASURERS COMMITTEE No. 26-04 BANK AND TRUST ADVISORY COMMITTEE No. 17-04 BROKER/DEALER ADVISORY COMMITTEE No. 24-04 CLOSED-END INVESTMENT COMPANY COMMITTEE No. 32-04 OPERATIONS COMMITTEE No. 18-04 TAX COMMITTEE No. 25-04 TRANSFER AGENT ADVISORY COMMITTEE No. 67-04 RE: 2004 YEAR-END TAX REPORTING FORMATS Primary and Secondary Layouts and Instructions Attached are the "Primary" and "Secondary" Layouts that are available for regulated investment companies ("RICs") to utilize in reporting 2004 year-end tax information to brokers and banks. The 2004 Primary Layout is an excel spreadsheet that has been designed to "track" IRS Form 1099-DIV. The 2004 Secondary Layout, also an excel spreadsheet, provides a format for RICs to use in reporting CUSIP-level tax information regarding various additional tax related items. As in prior years, these formats are available on the Institute's members only website at <http://members.ici.org/yearendtax.do>.¹ Please note that the spreadsheets and instructions have been revised, as requested by the ICI Tax Committee, in order to streamline the year-end reporting process and to reflect tax law changes for 2004. Requested Reporting Date The brokerage community has requested that funds provide year-end tax information on the Primary Layout no later than January 10, 2005. Information on the Secondary Layout is requested no later than January 17, 2005. Any fund complex that requires additional time to prepare the data should communicate with the brokers and banks that sell their funds to arrange an alternate date. 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 Contact List As in prior years, the ICI will compile a list of entities that request fund year-end tax reporting information, the "2004 Contacts List."² The list will be updated periodically on the Institute's members only website at <http://members.ici.org/yearendtax.do> as additional requests are received. Each fund complex should determine whether it is appropriate for these entities to receive data regarding their funds. Access to Real Estate Investment Trust ("REIT") Tax Reporting Information REIT year-end tax reporting information is available directly from the National Association of Real Estate Investment Trusts® ("NAREIT") website.³ Additionally, Institute members that are RICs may access the REIT information, as well as their own funds' information, from Wall Street Concepts' web site at www.wsc.com. Existing passwords for Wall Street Concepts will remain valid for the 2004 tax season. Questions and requests for new passwords should be directed to reitinfo@wsc.com. * * * The Primary and Secondary Layouts and accompanying instructions are intended to assist mutual funds in disseminating data for tax reporting purposes to brokers and banks. 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. Catherine Barré Kathleen C.

Joaquin Associate Counsel Director - Operations & Distribution Attachments Attachment no. 1 (in .pdf format) 2 Please note that the American Bankers Association and the Securities Industry Association have elected not to provide a listing of banks and broker contacts to receive 2004 year-end tax information from RICs. 3 See, www.nareit.com/researchandstatistics/1099info.cfm.

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