

MEMO# 8497

December 24, 1996

TAX REPORTING GUIDELINES

December 24, 1996 TO: BANK AND TRUST ADVISORY COMMITTEE No. 34-96 RE: TAX REPORTING GUIDELINES

There are a number of new NSCC participants that are approaching their first tax reporting season as Fund/SERV and Networking users. As a result, the Investment Company Institutes Bank and Trust Advisory Committee thought it would be worthwhile to redistribute the enclosed guidelines for reporting responsibilities, including tax reporting responsibilities, that were developed at the inception of Networking. While these guidelines were developed for Networking users, the same conventions for tax reporting are generally followed by Fund/SERV only users. Please note that the enclosed reporting responsibilities are guidelines and as such may not be followed by all participants. Because it is critical that shareholders and the IRS receive reporting once and only once on each reportable transaction, we urge you to communicate with your counterparts to clarify responsibility for this important function. The guidelines for reporting responsibilities will also be distributed to all NSCC participants by John Vrettos. Questions or comments can be directed to the undersigned at 202/326-5847. Diane M. Butler Director - Operations & Fund Custody

Enclosure

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