

MEMO# 1051

March 20, 1989

1989 INSTRUCTIONS FOR IRS FORMS 1099, 1098, 5498, 1096, AND W-2G

March 20, 1989 TO: OPERATIONS MEMBERS NO. 12-89 PENSION MEMBERS NO. 19-89 TAX MEMBERS NO. 11-89 TRANSFER AGENT SHAREHOLDER ADVISORY COMMITTEE NO. 6-89 RE: 1989 INSTRUCTIONS FOR IRS FORMS 1099, 1098, 5498, 1096, AND W-2G

Attached is a copy of the 1989 Instructions for IRS Forms 1099, 1098, 5498, and W-2G. The instructions to Form 1099-DIV note that a new box for reporting ordinary dividends has been added to assist individual dividend recipients who do not file Schedule B to Form 1040. In addition, the discussion of the box for investment expenses now limits the reporting to such expenses incurred by a nonpublicly offered regulated investment company. With respect to Form 1099-R, the instructions highlight the changes to the distribution codes to conform to the Technical and Miscellaneous Revenue Act of 1988. In addition, the instructions contain a new section concerning the reporting requirements in the case of a failure of the actual deferral percentage test after a total distribution. The instructions also change the reporting of death benefit payments from Box 8 to Box 1 and explain the reporting of losses. The only significant change to the instructions to Form 5498 is clarification of the interaction of Form 5498 and the separate statement of fair market value. We will keep you informed of further developments. Kathy D. Ireland Assistant General Counsel Attachment

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