

**MEMO# 2377**

December 10, 1990

## **NSCC'S MUTUAL FUND DIVIDEND DECLARATION AND YEAR-END REALLOCATION REPORTING SERVICE**

December 10, 1990 TO: OPERATIONS MEMBERS NO. 34-90 ACCOUNTING/TREASURERS MEMBERS NO. 28-90 SEC RULES MEMBERS NO. 83-90 TAX MEMBERS NO. 54-90 CLOSED-END FUND MEMBERS NO. 50-90 BROKER/DEALER ADVISORY COMMITTEE NO. 47-90 TRANSFER AGENT ADVISORY COMMITTEE NO. 50-90 RE: NSCC'S MUTUAL FUND DIVIDEND DECLARATION AND YEAR-END REALLOCATION REPORTING SERVICE

Attached for your review is a notice of the National Securities Clearing Corporation (NSCC) announcing the implementation of a mutual fund dividend declaration and year-end reallocation reporting service. The notice includes file formats for investment companies wishing to use this service. The Institute recently included a draft version of this document in a memorandum discussing year-end tax reporting to broker/dealers for street name accounts. (See Memorandum to Operations Members No. 33-90, Accounting/Treasurers Members No. 24-90, Tax Members No. 50-90, SEC Rules Members No. 80-90, Closed-End Fund Members No. 47-90, Transfer Agent Advisory Committee No. 47-90 and Broker/Dealer Advisory Committee No. 43-90, dated November 26, 1990.) Please note that the telephone numbers of the NSCC contact persons have changed since you first received this information; the new numbers are listed in the attached notice. This NSCC service is intended to provide investment companies with a one-stop reporting mechanism for reporting dividend and year-end tax information to broker/dealers, thus alleviating a multiple reporting burden. The service will be offered by NSCC at no charge to both NSCC participants and non-participants during an initial pilot implementation. Funds intending to utilize this service to report any reallocations of 1990 dividends in January 1991 should begin now to familiarize themselves with the file formats in the attached notice. We will keep you informed of any developments. Donald J. Boteler Director of Operations/ Fund Accounting Attachment