

MEMO# 1445

October 6, 1989

REQUEST FOR REGULATORY GUIDANCE UNDER SECTION 852(B)(3)(C)

October 6, 1989 TO: TAX COMMITTEE NO. 16-89 CLOSED-END FUND COMMITTEE NO. 43-89
ACCOUNTING/TREASURERS COMMITTEE NO. 42-89 RE: REQUEST FOR REGULATORY
GUIDANCE UNDER SECTION 852(b)(3)(C)

_____ As you know, when Congress enacted the Code section 4982 minimum distribution requirements in 1986, numerous changes were made to the Code in an attempt to provide proper interaction between the distribution requirements of section 4982 and Subchapter M. One such provision, the final sentence of section 852(b)(3)(C), provides that "[t]o the extent provided in regulations, [the provision treating post-October 31 losses as arising on the first day of the next taxable year for capital gain designation purposes] shall apply also for purposes of computing the taxable income of the regulated investment company." In the attached letter, the Institute requests that the regulatory guidance under section 852(b)(3)(C) be issued promptly. We will keep you informed of developments. Keith D. Lawson Assistant General Counsel
Attachment

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