

MEMO# 1795

March 27, 1990

IRS ANNOUNCEMENT ON REVISED FORM 8613, RETURN OF EXCISE TAX ON UNDISTRIBUTED RIC INCOME

- 1 - March 27, 1990 TO: TAX MEMBERS NO. 13-90 ACCOUNTING/TREASURERS MEMBERS NO. 9-90 RE: IRS ANNOUNCEMENT ON REVISED FORM 8613, RETURN OF EXCISE TAX ON UNDISTRIBUTED RIC INCOME _____ The IRS has revised Form 8613, Return of Excise Tax on Undistributed Income of Regulated Investment Companies (Rev. February 1990), attached, to reflect the change made last year by the Omnibus Budget Reconciliation Act of 1989 to increase from 97 percent to 98 percent the percentage of ordinary income included in calculating the required distribution. The attached IRS Announcement states that the "new" February 1990 Form 8613 must be used for calendar year 1989 distributions. However, the IRS has informally advised us that where an "old" (Rev. February 1989) Form 8613 has already been filed for 1989, an amended return using a "new" Form 8613 should not be necessary so long as required distributions were calculated using the 98 percent of ordinary income figure and the filed return reflects, in some manner, that the 1989 Act was followed. We will keep you informed of developments. Keith D. Lawson Assistant General Counsel Attachments KDL:bmb

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