## **MEMO# 19795**

March 3, 2006

## **Cost Basis Reporting Survey**

© 2006 Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice. [19795] March 3, 2006 TO: OPERATIONS COMMITTEE No. 8-06 TAX COMMITTEE No. 6-06 TRANSFER AGENT ADVISORY COMMITTEE No. 15-06 RE: COST BASIS REPORTING SURVEY Over the past few months, Congressional interest has grown in legislation that would require brokers to report cost basis information to shareholders and the Internal Revenue Service. Such a reporting requirement would apply upon the dispositions of securities, including mutual fund shares. We have been asked for current information on the extent to which mutual fund shareholders are receiving cost basis information and the types of cost basis adjustments that are being made. Request for Information To assist the Institute in responding to these inquiries, we would like each fund complex to complete the attached survey. Only one response is needed from complexes with representatives on more than one of the committees receiving this request. Your response should be faxed at your earliest convenience, but no later than March 17, 2006, to my assistant, Ezella Wynn, at (202) 326-5841. If you have any questions or comments regarding the survey or cost basis reporting in general, please call Keith Lawson at (202) 326-5832 or me at (202) 326-5432. Your response to this short survey will be greatly appreciated. Karen Lau Assistant Counsel Attachment (in .pdf format)

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