

MEMO# 4280

November 24, 1992

LEGISLATION ON PASS-THROUGH OF EXEMPT CHARACTER OF INTEREST ON NEW HAMPSHIRE BONDS HELD BY UNIT INVESTMENT TRUSTS

November 24, 1992 TO: TAX COMMITTEE NO. 42-92 UNIT INVESTMENT TRUST MEMBERS
NO. 61-92 RE: LEGISLATION ON PASS-THROUGH OF EXEMPT CHARACTER OF INTEREST ON
NEW HAMPSHIRE BONDS HELD BY UNIT INVESTMENT TRUSTS

Attached is legislation enacted earlier this year in New Hampshire which amends the statute concerning the exemption from the New Hampshire dividends and interest tax for dividends of mutual funds which are 100% invested in New Hampshire obligations. Under section 5 of the bill (amending RSA 77:4-d), income earned or distributions received by an investor in a unit investment trust ("UIT") which invests solely in New Hampshire tax-exempt obligations will not be subject to tax under the New Hampshire dividends and interest tax. The provision is effective May 19, 1992, although it is unclear precisely to what the effective date applies. One interpretation of the effective date would be that it is applicable to UIT distributions and income earned on or after May 19, 1992. We will keep you informed of further developments. David J. Mangefrida Jr. Assistant Counsel - Tax Attachment

Source URL: <https://icinew-stage.ici.org/memo-4280>

Copyright © by the 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.