

MEMO# 8160

August 16, 1996

INSTITUTE REQUESTS IRS CLARIFY IRA WITHDRAWAL NOTICE REQUIREMENTS

August 16, 1996 TO: TRANSFER AGENT ADVISORY COMMITTEE No. 49-96 RE: INSTITUTE
REQUESTS IRS CLARIFY IRA WITHDRAWAL NOTICE REQUIREMENTS

The Institute has submitted a request to the Internal Revenue Service seeking clarification of the regulations under Section 3405 of the Internal Revenue Code regarding the provision of notice to IRA investors seeking to redeem mutual fund shares held in IRA accounts. Specifically, the Institute has requested that the IRS confirm that the required tax withholding notice and individual elections regarding withholding may be transmitted orally via either "live" telephone representative or voice response system at the time of a telephone redemption request. A copy of the Institute's submission is attached. We will keep you informed of developments. Russell G. Galer Assistant Counsel - Pension Attachment

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