

**MEMO# 3424**

January 13, 1992

## **IRS ANNOUNCES REVISION TO FORM 5452 (CORPORATE REPORT OF NONDIVIDEND DISTRIBUTIONS)**

January 13, 1992 TO: TAX MEMBERS NO. 3-92 ACCOUNTING/TREASURERS MEMBERS NO. 1-92 CLOSED-END FUND MEMBERS NO. 2-92 UNIT INVESTMENT TRUST MEMBERS NO. 2-92 RE: IRS ANNOUNCES REVISION TO FORM 5452 (CORPORATE REPORT OF NONDIVIDEND DISTRIBUTIONS) \_\_\_\_\_ As we previously informed you, in 1989 the IRS announced that any corporation, including a regulated investment company ("RIC"), that informed payees by January 31 that a distribution made in the prior calendar year was, in whole or in part, a return of capital, would be required to file IRS Form 5452 (Corporate Report of Nondividend Distributions) and all supporting documents, including various pages from the corporation's federal income tax return, by February 28. (See Institute Memorandum to Tax Members No. 5-90 and Unit Investment Trust Members No. 7-90, dated January 29, 1990.) Prior to the 1989 revision, a corporation was permitted to file Form 5452 by February 28 and receive an automatic extension to file the supporting documents; this extension period expired on the date, including extensions, for filing the corporation's income tax return. Because of concerns expressed by the Institute and others regarding the difficulties of filing all supporting documents for Form 5452 by February 28, the IRS twice delayed the change that they announced in 1989. (See Institute Memorandum to Tax Members No. 57-90, Accounting/Treasurers Members No. 30-90, Closed-End Fund Members No. 51-90 and Unit Investment Trust Members No. 77- 90, dated December 20, 1990.) We are pleased to inform you that, in the attached Announcement, the IRS states that Form 5452 and the accompanying instructions will be revised soon to eliminate the February 28 reporting deadline. Instead, calendar-year corporations will be required to attach Form 5452 and the supporting documents to their income tax returns for the tax year in which the return of capital is made; fiscal year corporations will be required to attach Form 5452 and the supporting documents to their income tax returns for the first fiscal year ending after the calendar year - 2 - for which the Form 5452 is required to be filed. In addition, corporations will no longer be required to file Form 5452 with the Assistant Chief Counsel - Income Tax and Accounting. This new requirement will be effective beginning with the Form 5452 filed for distributions made during calendar year 1991. We will keep you informed of developments. Keith D. Lawson Associate Counsel - Tax Attachment KDL:bmb

---

**Source URL:** <https://icinew-stage.ici.org/memo-3424>

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.