

MEMO# 6956

May 22, 1995

JUNE 12 MEETING ON MULTIPLE CLASS TAX ISSUES

May 22, 1995 VIA FAX TO: ACCOUNTING/TREASURERS COMMITTEE No. 20-95 TAX
COMMITTEE No. 20-95 RE: JUNE 12 MEETING ON MULTIPLE CLASS TAX ISSUES

As you may know, a subcommittee of the Tax Committee met in March to discuss various preferential dividend issues under Internal Revenue Code section 562(c). Since the March meeting, the Institute has been preparing a comprehensive preferential dividend proposal that would address a variety of issues, including what expenses may be charged to specific classes and when these class-specific expenses can be waived (on either a pro-rata or a non-pro-rata basis). To fully develop our proposal, we would like the views of the Tax and Accounting Treasurers Committees on a number of issues, as well as your help in developing certain facts regarding multi-class structures. To develop the relevant facts, we request that your complex complete the attached confidential survey by June 2 and return it to Keith Lawson by mail or by fax (202-326-5841). Please call Keith at 202-326-5832 if you have any questions regarding the survey. In addition, we have scheduled a meeting of members to discuss these issues and the survey results. The meeting will be held on Monday, June 12 at 2:00 p.m. in the David Silver Conference Room, located on the 12th floor of our offices at 1401 H Street, N.W. Lunch will be available from 1:15 p.m. until 2:00 p.m. All persons planning to attend the meeting should either complete the attached response sheet and fax it to Lisa Rand at 202-326-5841 or call Lisa at 202-326-5836 no later than Thursday, June 8. We will keep you informed of developments. Keith D. Lawson
Associate Counsel - Tax Attachments