

MEMO# 16649

October 9, 2003

DATA COLLECTION FOR 2003 PFIC SURVEY UPDATE

[16649] October 9, 2003 TO: ACCOUNTING/TREASURERS COMMITTEE No. 31-03 INTERNATIONAL COMMITTEE No. 67-03 TAX COMMITTEE No. 64-03 RE: DATA COLLECTION FOR 2003 PFIC SURVEY UPDATE Each year, the Institute collects information from members regarding foreign companies that may be treated as passive foreign investment companies or "PFICs" for US tax purposes. After the information is aggregated and the names of the responding firms are deleted, the Institute distributes an updated PFIC survey. Attached is a copy of the latest PFIC survey, dated November 4, 2002. As in prior years, the 2002 PFIC survey includes the following two categories of foreign companies that one or more Institute members suspect should be treated as PFICs: Category One Companies: The survey lists in "category one" only those companies that are identified in their offering documents, annual reports or other company-generated, publicly-available documents as being (or as likely being) PFICs. Copies of the materials relied upon in making this determination for additions to the "category one" listing are included in the survey results. Category Two Companies: The survey lists in "category two" all other foreign companies that one or more Institute members presently suspect should be treated as PFICs. The listing also includes any available information regarding Sedol number(s) for each company's securities. Where at least one other member has informed the Institute that it would not treat a "category two" company as a PFIC, the survey identifies that company with a marking of "***". The survey also provides an alphabetical listing of companies previously included in "category two" that Institute members participating in the survey no longer suspect should be treated as PFICs. ACTION REQUESTED: Please review the attached 2002 PFIC survey and make any deletions, additions or corrections to the "category one" and "category two" PFIC listings that are required. With respect to the addition of any "category one" company, please include a copy of any publicly- available document identifying the company as a PFIC. Send your survey results to the 2 Institute's Ezella Wynn (ewynn@ici.org or 202/326-5841 (fax)) no later than Thursday, October 30, 2003. Thank you in advance for your participation in this important survey. Please contact the undersigned (cbarre@ici.org or 202/326-5821) with any questions regarding the 2003 PFIC survey update. Catherine Barré Assistant Counsel Attachment (in .pdf format)