

MEMO# 4722

April 21, 1993

MAY 12 SHAREHOLDER BASIS REPORTING MEETING

April 21, 1993 TO: TAX COMMITTEE NO. 23-93 OPERATIONS COMMITTEE NO. 16-93
TRANSFER AGENT ADVISORY COMMITTEE NO. 30-93 RE: MAY 12 SHAREHOLDER BASIS
REPORTING MEETING _____ As you may
know, the Institute has held several meetings with Institute members recently to discuss
various technical and operational issues relating to the cost basis reporting proposal
contained in H.R. 13, which was introduced on January 5 by House Ways and Means
Committee Chairman Rostenkowski. (See, e.g., Institute Memorandum to Tax Committee
No. 4-93, Accounting/ Treasurers Committee No. 4-93, Operations Committee No. 2-93 and
Transfer Agent Advisory Committee No. 6-93, dated January 19, 1993.) In addition, the
Institute has met with IRS personnel, Congressional staffers, members of the Securities
Industry Association and representatives of National Securities Clearing Corporation and
Depository Trust Company. The next meeting of our shareholder basis reporting working
group will be held at the Institute on Wednesday, May 12, 1993 at 1:30 p.m. Lunch will be
served beginning at 12:30 p.m. Among the issues that we will consider are those raised by
the attached two-page memorandum prepared by the SIA. Also attached is a one-page flow
chart prepared by the SIA illustrating how cost basis information could flow from funds to
brokers and from broker to broker. Anyone interested in attending this meeting should call
Theresa Brice at (202) 955-3525 no later than Monday, May 10. Theresa will send a final
agenda to anyone who calls her. We will keep you informed of developments. Keith D.
Lawson Associate Counsel - Tax Attachments