

COMMENT LETTER

October 23, 2012

ICI Comment Letter on FATCA Guidance and the IGAs (pdf)

ATTACHMENT A to OCTOBER 22 2012 ICI/ICI GLOBAL LETTER DRAFT October [22], 2012
Part III – Administrative, Procedural, and Miscellaneous Chapter 4 Notice [2012-XX]
Regarding Election by a U.S. Mutual Fund to Designate Distribution and Gross Proceeds
Amounts as Withholdable Payments [IRS ‘standard’ introductory language] Final
Regulations under I.R.C. Sections 1471 through 1474 will allow a regulated investment
company (“RIC”) to elect passthru payment treatment, comparable to that to be provided
under the foreign passthru payment regime, for determining the extent to which the
amounts distributed by such RIC and the gross payments on the disposition of such RIC’s
shares have a U.S. source – and hence are Withholdable Payments. The Withholdable
Payment of an Electing RIC, as defined below, will be based upon such Electing RIC’s
income or assets (in a manner comparable to that provided for foreign passthru payments)
and will be expressed as a percentage to be applied to the amount distributed or paid. An
Electing RIC is any RIC that elects on its annual tax return (including extensions) to
determine and publish its Withholdable Payment percentages (in a manner comparable to
that provided for foreign passthru payments) as provided in Final Regulations. No amounts
attributable to the shares of any RIC making this election will be treated as Withholdable
Payments until withholding is imposed on foreign passthru payments under Final
Regulations.

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