

Undistributed Long-Term Capital Gains—Form 2439

Mutual funds and closed-end funds usually distribute all capital gains to the fund’s shareholders. These distributions are reported to the fund’s shareholders on Form 1099-DIV.

However, a fund may choose not to distribute its long-term capital gains and pay a tax on them. When this occurs, the fund company will send shareholders a Form 2439: Notice to Shareholders of Undistributed Long-Term Capital Gains. While fund shareholders don’t actually receive the capital gains:

- » the gains must still be reported by shareholders as long-term gains on Form 1040, Schedule D, line 11. (see figure below)
- » shareholders can claim a credit for the taxes they pay since the fund already paid the tax on the gains.

When reporting undistributed long-term capital gains from a fund, shareholders need to increase the basis of their fund shares by the difference between:

- » amount of the undistributed capital gains reported
- » amount of taxed reported by the fund as paid

<input type="checkbox"/> VOID <input type="checkbox"/> CORRECTED		OMB No. 1545-0145		Notice to Shareholder of Undistributed Long-Term Capital Gains	
Name, address, and ZIP code of RIC or REIT		2014		For calendar year 2014, or other tax year of the regulated investment company (RIC) or the real estate investment trust (REIT) beginning _____, 2014, and ending _____, 20 _____	
		Form 2439			
Identification number of RIC or REIT	1a Total undistributed long-term capital gains			Copy A Attach to Form 1120-RIC or Form 1120-REIT	
Shareholder's identifying number	1b Unrecaptured section 1250 gain				
Shareholder's name, address, and ZIP code	1c Section 1202 gain		1d Collectibles (28%) gain		For Instructions and Paperwork Reduction Act Notice, see back of Copies A and D.
	2 Tax paid by the RIC or REIT on the box 1a gains				
Form 2439 Cat. No. 11858E		www.irs.gov/form2439		Department of the Treasury - Internal Revenue Service	

SCHEDULE D (Form 1040)		Capital Gains and Losses		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service (99)		▶ Attach to Form 1040 or Form 1040NR. ▶ Information about Schedule D and its separate instructions is at www.irs.gov/scheduled . ▶ Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.		2014 Attachment Sequence No. 12	
Name(s) shown on return			Your social security number		
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11	

Shareholders not subject to federal capital gains tax (e.g. IRA's, Keogh Plans and charitable organizations) may be able to claim a refund by filing Form 990-T.

This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, accounting, legal or tax advice. For questions on this and how it applies to your tax situation, please consult your tax advisor. For any other questions, please call Shareholder Services at 800.582.6959.