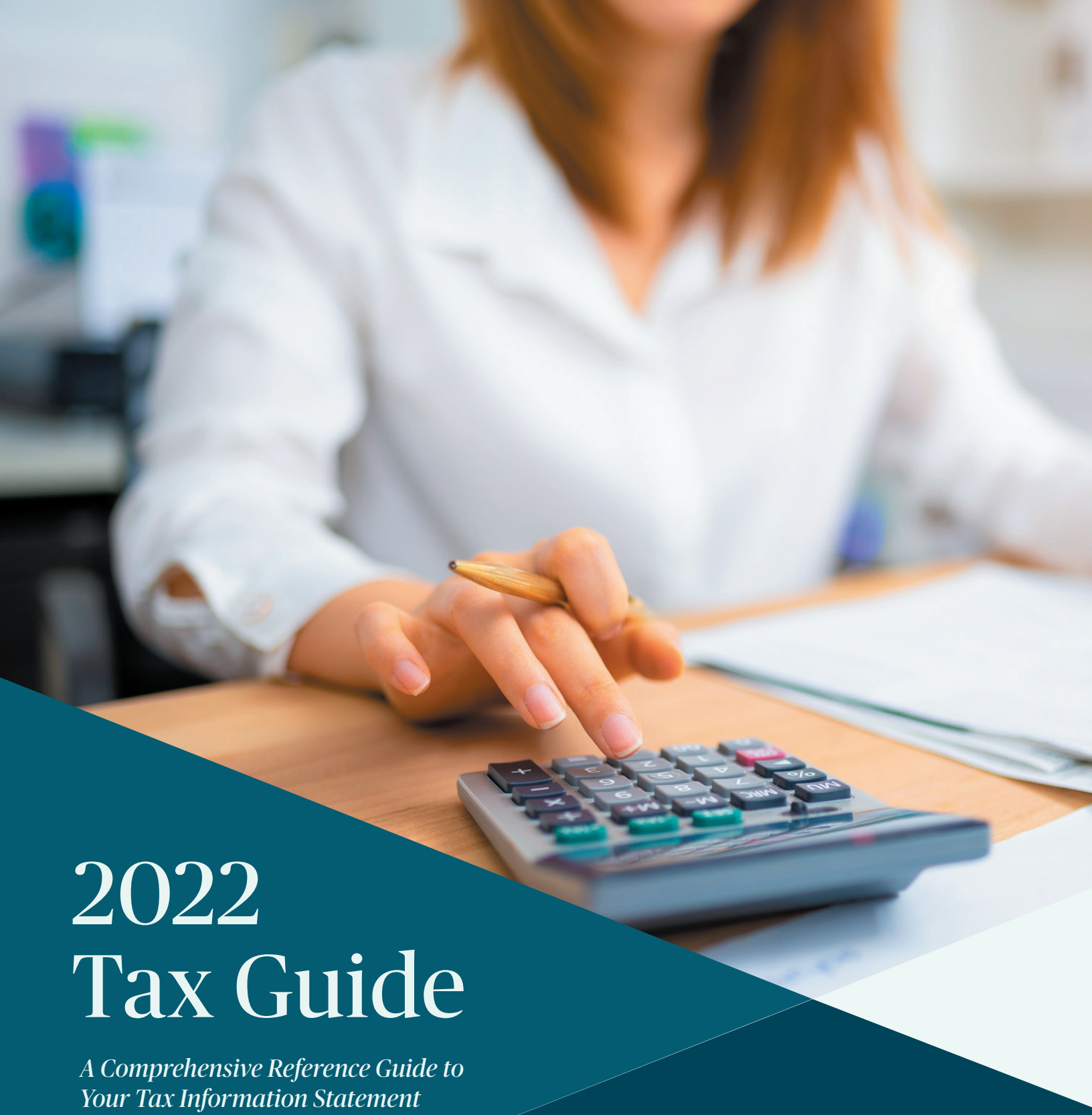


2022 Tax Guide

A Comprehensive Reference Guide to Your Tax Information Statement

BNY MELLON | PERSHING

Contents

Important Information for Preparing Your 2022 Income Tax Return 2

Mailing Schedule: Form 1099 Tax Information Statement 3

General Information About Your Tax Information Statement 4

Cost Basis Reporting Information 7

Sample of Pershing's Composite 1099 Tax Statement 8

- Pending 1099 Notice 9
- Table of Contents Section 10
- Summary Section 11
- Proceeds From Broker and Barter Exchange Transactions 13
- IRS Form 8949 and IRS Form 1040, Schedule D 16
- Regulated Futures Contracts 18
- Foreign Currency Forward Contracts 19
- Interest Income 20
- Tax-Exempt Interest 23
- Dividends and Distributions 25
- Dividends and Distributions—Income Tax Withholding 26
- Tax-Exempt Dividends 26
- Capital Gain Distributions 26
- Liquidation Distributions 27
- Original Issue Discount (OID) 27
- Tax-Exempt Original Issue Discount (OID) 28
- Miscellaneous Information 29
- Transactions We Do Not Report to the IRS 30
- Collateralized Debt Obligations (CDOs), Collateralized Mortgage Obligations (CMOs) and Real Estate Mortgage Investment Conduits (REMICs) 34
- Additional Written Statement—CDOs (Including REMICs) 34
- Additional Written Statement—WHFITs and WHMTs 34
- Supplemental Information—Royalty Trusts 36
- Revised Tax Summary Statement 37

IRS Form 1099-B—Proceeds From Broker and Barter Exchange Transactions 39

IRS Form 1099-DIV—Dividends and Distributions 42

Frequently Asked Questions—Dividends and Distributions 44

IRS Form 1099-INT—Interest Income 47

IRS Form 1099-OID—Original Issue Discount (OID) 49

IRS Form 1099-MISC—Miscellaneous Information 50

Transactions Pershing Does Not Report to the IRS 51

Reclassified Income 53

Minimum Amounts to Be Reported and Due Dates 54

State/Agency Information 55

IRS Form 1042-S—Foreign Person's U.S. Source Income Subject to Withholding 56

Form 480.6—Puerto Rico Tax Information Reporting 59

IRS Form 2439—Notice to Shareholder of Undistributed Long-Term Capital Gains 63

What's New? The Secure Act 2.0 of 2022 64

General Information for Your 2022 Retirement Products 65

- IRS Form 1099-R 66
- IRS Form 1099-Q 67
- IRS Form 5498 68
- IRS Form 5498-ESA 69
- 529 Plans 70
- Retirement Account Distributions—IRS Form 1099-R 72
- Foreign Distribution Tax Treatment 74
- IRS Publication 515 and IRS Form 1042-S 76
- IRS Form 990-T—Exempt Organization Business Income Tax Return 77
- Frequently Asked Questions—Required Minimum Distributions (RMDs) and IRS Forms 1099-R, 1099-Q, 5498 and 5498-ESA 80

Important Information for Preparing Your 2022 Income Tax Return

Before preparing your tax return, please review this important information from BNY Mellon's Pershing. This information is for use by individual U.S. taxpayers (those who file IRS Form 1040 and are *investors* for tax purposes and not *traders* or *dealers* in securities for whom special tax rules may apply). Your tax professional can provide further information as to federal, foreign, state and local tax reporting requirements.

MULTIPLE ACCOUNTS

We send tax statements when information is finalized by securities issuers. If information is pending from issuers, you and members of your household may receive tax statements at different times. Tax statement mailings will occur by January 31, February 15, February 28 and March 15, depending on when we have completed processing and review of all securities transactions. If you have any questions, please visit bny.mn/taxresources.

TRANSFERRED ACCOUNTS

If your account was transferred to Pershing during 2022, your Tax Information Statement only includes activity (including income accruals) during the time you conducted business with us. Your former financial organization should provide IRS Form 1099 for activity that occurred before your account was transferred.

IRS PUBLICATIONS

IRS publications can be obtained from your local IRS office by calling the IRS Forms Distribution Center at (800) TAX-FORM (800-829-3676), or visiting the IRS website at irs.gov. The following IRS publications can provide useful tax information related to reporting securities transactions:

- *Publication 550 – Investment Income and Expenses*
- *Publication 551 – Basis of Assets*
- *Publication 938 – Real Estate Mortgage Investment Conduits (REMICs) Reporting Information (and Other Collateralized Debt Obligations [CDOs])*
- *Publication 1212 – Guide to Original Issue Discount (OID) Instruments*

CORRECTIONS

Please review your Tax Information Statement. If the statement is incorrect, contact your financial organization or advisor. If necessary, the correct information will be promptly provided to the IRS, and we will mail a revised Tax Information Statement to you.

YOUR TAX INFORMATION STATEMENT IS A SUBSTITUTE FOR THE FOLLOWING IRS FORMS:

More information can be found on the pages noted.

FORM	TITLE	PAGES
1099–B	Proceeds From Broker and Barter Exchange Transactions	13–19
1099–INT	Interest Income	20–24
1099–DIV	Dividends and Distributions	25–26
1099–OID	Original Issue Discount	27–29
1099–MISC	Miscellaneous Information	29

RETIREMENT ACCOUNT DISTRIBUTIONS— PERSHING SUBSTITUTE FORM

FORM	TITLE	PAGES
1099–R	Retirement Account Distributions	66
1099–Q	Payments From Qualified Education Programs	67
5498	IRA Contribution and Fair Market Value Information	68
5498–ESA	Coverdell ESA Contribution Information	69

DUPLICATE TAX FORMS

If you request a duplicate Tax Information Statement, we will mail it to the address of record for your account.

Mailing Schedule: Form 1099 Tax Information Statement

By January 31, 2023, Pershing will begin mailing Form 1099 tax statements.[1] When you receive your Form 1099 depends on the holdings in your account:

PHASE ONE: JANUARY 31, 2023

Form 1099 will be mailed for accounts with holdings and income that typically do not require reclassification or additional information from issuers. Generally, this includes accounts holding stocks, bonds and options.[1]

PHASE TWO: FEBRUARY 15, 2023[2]

Generally, this mailing includes mutual funds, certain unit investment trusts (UITs), real estate investment trusts (REITs) and certain equities that were not included in the phase one mailing.[1] If you hold positions for which issuers have not provided final 2022 tax information, or if your information is still pending review or processing, you will receive a Pending 1099 Notice (sample on page 9). This will identify the holdings impacting the mailing date of your Form 1099 and provide the anticipated mail date. If you received your Form 1099, you will not be sent this notice.

PHASE THREE: FEBRUARY 28, 2023[3]

Form 1099 will be mailed for the accounts for which income reclassifications were received after the February 15 mailing was prepared. Generally, this includes remaining mutual funds, REITs and certain equities.[1]

PHASE FOUR: MARCH 15, 2023[3]

Form 1099 will be mailed for all remaining accounts, regardless of whether pending income reclassifications have been received from issuers. Generally, this includes certain complex securities, such as real estate mortgage investment conduits (REMICs), widely held fixed investment trusts (WHFITs) and some UITs.

Enrolling in electronic delivery (eDelivery) provides faster access to your tax statements. Please contact your advisor or financial organization for more information.

CORRECTED 1099 FORM WILL BE MAILED AS NEEDED

You may receive a corrected Form 1099. There are several reasons for this—for example, issuers of securities held in your account may provide updated or additional information after your Form 1099 is mailed to you. The IRS requires financial organizations to send corrected forms with revised information as it becomes available.

[1] Financial organizations, like Pershing, are responsible for Form 1099 reporting and must rely on issuers of securities for your tax information. Pershing provides tax reporting services on behalf of your financial organization. Holding only these types of securities does not guarantee that your tax statements will be mailed on the indicated date.

[2] Pershing's annual practice is to request and obtain an extension from the IRS to the February 15 date on which we are required to mail IRS Form 1099 (B, DIV, INT, OID and MISC).

[3] Pershing's 30-day extension to the mailing requirement will accommodate these phases of the mailing.

General Information About Your Tax Information Statement

Throughout this *Tax Guide,* watch for this symbol to indicate changes for 2022 tax filing:

NEW FOR 2022 »

DIFFERENCES BETWEEN YOUR TAX INFORMATION STATEMENT AND ACCOUNT STATEMENT

- Tax classifications for income paid by mutual funds, REITs and UITs are reported on the Tax Information Statement after year-end based on information provided by the administrators of these companies. Their post-year-end tax classifications often differ from the classifications reported on monthly account statements.
- If a mutual fund (regulated investment company [RIC] and exchange traded funds [ETFs] treated as RICs) or REIT declares a dividend, interest or return of principal in October, November or December payable to shareholders of record during one of those months, but actually pays the distribution during January of the next calendar year, the dividend is considered to have been received on December 31. We report the dividend in the year it was declared. These distributions are referred to as *spillover dividends* and will not be reported again on the following year's Tax Information Statement.
- If a widely held fixed investment trust (WHFIT) or widely held mortgage trust (WHMT) declares an interest or return of principal in October, November or December payable to shareholders of record during one of those months but actually pays the distribution during January or February of the next calendar year, the dividend is considered to have been received on December 31. We report the distributions in the year they were declared. These distributions are referred to as *spillover dividends* and will not be reported again on the following calendar year's Tax Information Statement.
- Tax Information Statements display trade activity based on trade date. Monthly account statements display trade activity on a settlement-date basis.
- Interest income earned on real estate mortgage investment conduits (REMICs) is due by March 15. Income from REMICs is reported on an accrual basis when earned—not when paid. Consequently, there may be differences between interest income credited on account statements and income reported on the Tax Information Statement.
- When a stock is sold based on the assignment of either a put or a call option, the proceeds of that sale are adjusted by the price of the option or the option premium. The proceeds are increased by the option premium received or decreased by the option premium paid. An adjustment code (O) will be displayed next to the amount for an option premium in the Adjustments column.

WIDELY HELD FIXED INVESTMENT TRUSTS (WHFITS)

We are required to provide details for items of gross income and expenses reflected on Form 1099 for WHFITs. UITs, royalty trusts, mortgage-backed securities (MBSs) and commodity trusts are all considered WHFITs. We provide this information on an Additional Written Statement, which provides details of amounts reported on IRS Form 1099. You need this additional information to complete your tax returns. The Additional Written Statement provides details of certain income and expenses for the WHFIT and is provided only to you; it is not provided to the IRS.

Items of gross income attributable to the WHFIT for the calendar year (including redemption and trust sales proceeds, non-pro rata partial principal payments, redemption asset proceeds, sales asset proceeds and all other amounts of income attributable to selling or redeeming your interest in the WHFIT) are displayed on the Additional Written Statement. Expenses, not included in Box 6 of IRS Form 1099-DIV or Box 5 of IRS Form 1099-INT, are displayed in the Investment Expenses column of the Additional Written Statement.

ROYALTY TRUSTS

We are required to report certain additional information to you regarding royalty trusts. We provide this information on a Supplemental Information Statement. You need this additional information to complete your tax returns. Royalty trusts are considered nonmortgage widely held fixed investment trusts (NMWHFITs) for federal income tax purposes. These grantor trusts are subject to the reporting requirements for WHFITs. The trustee of your royalty trust will provide tax information in accordance with the applicable U.S. Treasury regulations governing the information reporting requirements of the trust as a WHFIT or an NMWHFIT. Links to tax information booklets for royalty trusts will be available on bny.mn/taxresources when the booklets are made available by the trusts. As information becomes available to us, subsequent to the initial Tax Information Statement phased mailing, we process this information and provide a revised Tax Information Statement.

General Information About Your Tax Information Statement (continued)

TAX STATEMENT CORRECTIONS

Tax Information Statements may be revised for any of the following reasons:

- Reclassified income
- Changed foreign tax withholding
- Adjusted income paid
- Cancelled trades or *as of* trades
- Updated OID rates
- Changed Taxpayer Identification Number (TIN)
- Adjusted cost basis information for a covered security transaction

Note: If cost basis information is adjusted for covered securities transactions, it may result in a revised Tax Information Statement, since, typically, the 1099-B form will be updated. If cost basis information is adjusted for noncovered securities transactions, a revised tax statement will only be produced for accounts enrolled in the Tax and Year-End Statement (TYES), the premium version of our 1099 tax statement.

EXEMPT ACCOUNTS

Certain investors who hold taxable accounts are exempt from IRS Form 1099 reporting and backup withholding requirements. These accounts include, generally, all C corporation accounts and certain S corporation accounts, qualified retirement plans (QRPs), individual retirement accounts (IRAs), certain WHFITs, charitable organizations, foreign accounts, and most federal, state and local government accounts. A more complete list of exemption criteria is provided in the Instructions to IRS Form W-9 (Request for Taxpayer Identification Number and Certification). If your account is exempt from IRS Form 1099 reporting and you received a Tax Information Statement, contact your financial organization or advisor.

S CORPORATIONS

S corporations that have provided a Form W-9 and enter an exempt payee code on line 4 can expect to be issued a 1099-B form that only includes the reportable tax year's sale of covered securities that were acquired on or after January 1, 2011. No other 1099 information reporting will be sent for these accounts (for example, 1099-DIV, INT, OID, MISC and 1099-B representing noncovered sales). S corporations that have provided a Form W-9 and did not enter an exempt payee code on line 4 can expect to be issued a complete 1099, including all reportable income.

TAXPAYER IDENTIFICATION NUMBER

The IRS allows filers of 1099 forms (B, DIV, INT, MISC and OID) to truncate a recipient identification number (Social Security number [SSN], Individual Taxpayer Identification Number [ITIN], Employer Identification Number [EIN] or Adoption Taxpayer Identification Number [ATIN]) on the payee statement for the reportable tax year. These identification numbers are displayed as XXX-XX-6789 on your Tax Information Statement for both mailed and electronically delivered forms.

Please check your name and truncated TIN as shown on your Tax Information Statement. If either is missing or incorrect, promptly provide an executed IRS Form W-9 (Request for Taxpayer Identification Number and Certification) to your financial organization or advisor. To avoid backup withholding, it is important to ensure that your name and TIN are correct. If the information is not correct, or does not match the records of the IRS or Social Security Administration, then, upon notice from the IRS pursuant to its *B-Notice Program,* we may be required to commence backup withholding.

Frequently Asked Question

Corrections to Your TIN

Q. My child's stock was sold through a custodial account, however, the Tax Information Statement reflects my TIN. How can this be corrected?

A. You should complete a new IRS Form W-9 (Request for Taxpayer Identification Number and Certification) and circle your child's name as the person for whom the TIN is supplied. Submit this form to your financial organization or advisor and request an account correction and a new Tax Information Statement.

General Information About Your Tax Information Statement (continued)

FEDERAL INCOME TAX WITHHELD (BACKUP WITHHOLDING)

We are required by law to withhold 24% of federal income tax from all reportable dividends, interest and gross proceeds paid to certain U.S. persons (including trusts, partnerships and covered transactions for exempt S corporations) who fail to furnish a valid TIN or appropriate certification (IRS Form W-9). This is called *backup withholding.* If you are exempt from backup withholding because you are an exempt recipient (for instance, a QRP or a tax-exempt organization), furnish your financial organization or advisor with an executed IRS Form W-9 indicating the exemption. If you are exempt from backup withholding because you are a foreign person, furnish a withholding certificate, such as IRS Form W-8BEN or W-8IMY.

STATE INCOME TAX WITHHELD (BACKUP WITHHOLDING)

The following states have backup withholding requirements for accounts that incur taxable events reportable on a Form 1099:

- **California.** California backup withholding is applied to an account with a California legal address that is missing a W-9, SSN or TIN, or if activity has triggered an IRS B- or C-Notice. When these conditions exist, we will display the state income tax withheld on a Form 1099 with the reportable gross proceeds and reportable miscellaneous income at a rate of 7%.
- **Maine.** Maine backup withholding is applied to an account with a Maine legal address that is missing a W-9, SSN or TIN, or if activity has triggered an IRS B- or C-Notice. When such a condition exists, we will display the state income tax withheld on a Form 1099 with the reportable dividends, interest, gross proceeds and miscellaneous income at a rate of 5%.
- **Vermont.** Vermont backup withholding is applied to an account with a Vermont legal address that is either missing a W-9, SSN or TIN, or if activity has triggered an IRS B- or C-Notice. When such a condition exists, we will display the state income tax withheld on a Form 1099 with the reportable dividends, interest, gross proceeds and miscellaneous income at a rate of 7.56%.

NOMINEE RECIPIENTS

If your SSN or EIN is shown on your Tax Information Statement, and the statement includes amounts belonging to another person, you are considered a nominee recipient. You must file IRS Form 1099 for each of the other owners, showing the income allocable to each, along with IRS Form 1096 (Annual Summary and Transmittal of U.S. Information Returns) with the IRS Center in your area. You should be listed as the *payer* on IRS Form 1099 and as the *filer* on IRS Form 1096. Any other owners should be listed as the *recipients* on IRS Form 1099. You must furnish an IRS Form 1099 to any other owners. Spouses are not required to file a nominee report to show amounts owned by the other spouse.

PAYER

The *payer* for all transactions on your Tax Information Statement is Pershing LLC (TIN 13-2741729). This name and TIN should be listed wherever the *payer's* name is requested on an IRS form with respect to amounts reported on your Tax Information Statement.

Cost Basis Reporting Information

IMPORTANCE OF REVIEWING ACCOUNT ELECTIONS FOR BONDS

For the 2022 tax year, the IRS deadline for notifying your advisor of debt instrument elections was December 31, 2022. While the IRS deadline for notifying your financial organization or advisor of your bond elections has passed, you can still update your account to reflect the proper elections you will be making with the IRS for tax year 2023. Your current account elections can be found in the **Your Account Information** section of your account statement. If changes are required for the 2023 tax year, contact your financial organization or advisor before December 31, 2023. Before making changes, please review the elections described below with your tax professional.

BOND ELECTION TABLE

The table below outlines cost basis bond elections and provides a brief description of each election.

ELECTIONS	DESCRIPTION
Required Amortize bond premium on nontaxable bonds in accordance with Internal Revenue Code (IRC) *IRC section 171*	All bond premium on tax free bonds is required to be amortized using the constant yield method to the worst call date.
Election 1—Bond Premium Amortization Amortize bond premium on taxable bonds *IRC section 171(c)*	The IRS default is to amortize the bond premium and calculate using a constant yield method to the maturity date.
Election 2—Market Discount Accrual Method To accrue market discount on a constant yield *IRC section 1276(b)(2)*	The default method accrues market discount using the constant yield method. In 2014, the default was ratable (straight line). Prior to 2014, Pershing's default was constant yield.
Election 3—Include Market Discount as Income To include accrued market discount as income annually, referred to as current inclusion election *IRC section 1278(b)*	The default does NOT include accrued market discount annually as income on IRS Form 1099; instead, the default recognizes the accrual upon disposal. In these cases, the accrued discount is reported on Form 1099-B for covered transactions.

ONLINE RESOURCES

Visit bny.mn/taxresources for more information. Pershing's Investor Tax Information and Resources website, bny.mn/taxresources, provides access to this *Tax Guide* and more information about tax reporting. A sample of Pershing's 1099 document is also available. No login or registration is required to access the information on the website.

Sample of Pershing's Composite 1099 Tax Statement

We are required by the IRS to furnish the appropriate Form 1099-B, 1099-DIV, 1099-INT, 1099-MISC and 1099-OID to you. The amounts listed in our composite 1099 represent dividends, interest and other reportable payments made or credited to your accounts. Pershing offers two versions—Your Tax Information Statement (YTIS), the standard 1099 tax statement and the Tax and Year-End Statement (TYES), the premium version of our 1099 tax statement.

YOUR TAX INFORMATION STATEMENT (YTIS)

The YTIS is a composite substitute 1099 that contains the same language as the official IRS forms, along with valuable nonreportable transactions and information.

TAX AND YEAR-END STATEMENT (TYES)

The TYES is a premium version of our composite 1099 tax statement that includes both covered and noncovered transaction details from your schedule of realized gains and losses.

If you receive the TYES, the date of acquisition, cost or other basis, type of gain or loss and whether any loss is disallowed due to a wash sale for both covered and noncovered securities transactions will be displayed when available.

Note: Such details for noncovered transactions are not reported to the IRS.

CORESTONE® ACCOUNTS

For Corestone® Account Gold and Platinum Account holders, the TYES also includes up to 12 months (depending on the time you were Gold or Platinum) of checking and debit card activity, electronic deposits and electronic withdrawals.

Below is a sample cover page from the TYES.

SAMPLE

BNY MELLON | PERSHING

2022 TAX AND YEAR-END STATEMENT
As of 02/04/2023
Mailed by 02/15/2023

Recipient's Name and Address:

JOHN Q. PUBLIC
1234 TOWNLINE STREET
APT. #1234
SOMEWHERE, ME 00000-0000

Your Financial Professional Is:

ROBERT "CONTACT" ADVISOR
1234 MAIN STREET
BOX 1234
SOMEWHERE, ME 00000-0000
(XXX) XXX-XXXX
ID: 123
Rremailaddress@flinv.com

Account Holder Information:

Account Number: 123-456789
Account Description:

General Information

The following information may be included in this tax statement based on the investments and activity in your account.

- **Reportable Information:** IRS Form 1099-B, 1099-DIV, 1099-INT, 1099-MISC and 1099-OID.
- **Cost Basis:** Realized gains and losses may be displayed on your investments. Noncovered cost basis can be located on the December statement.
- **Non-Reportable Information:** Non-Reportable Information may be provided based on the activity within your account. This additional information is provided to assist you with your tax preparation, but it is not reported to the IRS.
- **Asset Management Account Activity:** Features checking, debit card and electronic transactions posted to your account.

What's New:

Regulatory Changes

- IRS Form 1099-DIV: The Foreign Account Tax Compliance Act (FATCA) filing requirement checkbox has been assigned to Box 11. Subsequently, Boxes 11 through 15 have been renumbered 12 through 16, respectively.
- IRS Form 1099-MISC: Box 13 has been assigned to the FATCA filing requirement checkbox. Subsequently, old Boxes 13 through 17 have been renumbered to new Boxes 14 through 18, respectively.

Mail Dates: You and members of your household may receive tax statements at different times based on the activity and/or holdings within your account. If final tax information is pending from an issuer or pending processing when tax statements are prepared, impacted tax statements will be held until the information is complete. Tax statement mailings are scheduled to occur in four phases this year: January 31, February 15, February 28 and March 15.

Go Digital with eDelivery: Our eDelivery solution provides access to your account information electronically – statements, trade confirmations, account notifications, shareholder communications and tax documents. Benefits of eDelivery include:

- Faster access to account information and documents
- Increased security and safety of personal information
- Less mail and paper to manage

eDelivery: Your eDelivery selections for account communications are:
(X) = Not Enrolled (✓) = Enrolled
(✓) Statements and Reports (✓) Trade Confirmations (✓) Tax Documents
(✓) Notifications (✓) Prospectus (✓) Proxy/Shareholder Communications
Please log in to your account or contact your financial professional to make any changes to your eDelivery preferences.

This Tax Information May Be Revised: You may receive a corrected tax statement. Some issuers provide new information about their securities after we prepare and mail your tax statement. If your tax information needs to be updated, we may be required by the IRS to send you a corrected 1099. Please plan your tax preparation accordingly.

Visit www.irs.gov for IRS Forms, publications and other resources or you may call (800) 829-1040 (individuals), (800) 829-4933 (businesses).
Visit www.bny.mn/taxresources for information and a reference guide to this 1099 tax statement.

All amounts and transactions displayed in this sample Tax and Year-End Statement are for illustration only and do not represent actual transactions. Accordingly, no guidance should be inferred as to any specific transaction from the illustrations in this sample Tax and Year-End Statement.

Page 1 of 3

Pending 1099 Notice

We will alert you by February 15 when certain reporting information has not yet been received or processed for delivery via a Pending 1099 Notice mailing (see below). This notice will list investments that are awaiting information from issuers or trustees or pending review and final processing. The notice also includes the possible mail date of your 1099 form.

SAMPLE

BNY MELLON | PERSHING

Account Number: 123-456789
Recipient's Identification Number: ***-**-9999

2022 PENDING 1099 NOTICE
As of 02/04/2023
Mailed by 02/15/2023

Recipient's Name and Address:

JOHN Q. PUBLIC
1234 TOWNLINE STREET
APT. #1234
SOMEWHERE, ME 00000-0000

Your Financial Professional Is:

ROBERT "CONTACT" ADVISOR
1234 MAIN STREET
BOX 1234
SOMEWHERE, ME 00000-0000
(XXX) XXX-XXXX
ID: 123
Rremailaddress@flinv.com

Payer Information:

PERSHING LLC
Federal Identification Number: 13-2741729

Your 2022 IRS 1099 Tax Form(s) Are Pending Final Information

Pershing provides tax reporting for your account. To ensure you receive your tax forms as early as possible with complete and accurate information, we take a phased approach to mailing 1099 form(s). This approach allows us to evaluate your account and determine if we have received and processed the final tax information for each security. We are then able to issue your 1099 form(s) at the earliest possible date and thus reduce the need to revise your 1099 information.

You are receiving this notification, because Pershing did not receive and/or process all necessary information to complete your 2022 1099 form(s) by the as-of date on this document. Once the remaining information has been processed, we will mail your form(s). You do not need to take any action.

We have not received final information for these securities:

CUSIP®	Description	CUSIP	Description	CUSIP	Description
123ABC456	ABC FUND	123DEF456	DEF FUND	123JKL456	JKL FUND
123MNO456	MNO FUND	123VWX456	VWX FUND		

We have not completed processing and review of final information for these securities:

CUSIP®	Description	CUSIP	Description	CUSIP	Description
789XYZ789	XYZ FUND	987OPQ987	OPQ FUND	888FST888	FST FUND
799RST789	RST FUND	988ZYX988	ZYX FUND		

The next mailing is scheduled for February 28, 2023. If we have not received and processed the information on the above securities (identified by the CUSIP and a short description) by February 28, your 1099 will be mailed by March 15 with the information we have on file.

We look forward to providing your tax information as soon as it becomes available. If you have questions, please refer to the *Tax Guide* located on bny.mn/taxresources or contact your financial professional for more information.

Table of Contents Section

For Tax Information Statements that are 20 pages or longer, we provide a Table of Contents page to help with navigation. Below is a sample showing the Table of Contents page.

SAMPLE

BNY MELLON | PERSHING

Account Number: 123-456789
Recipient's Identification Number: ***-**-9999

2022 TAX AND YEAR-END STATEMENT
As of 02/04/2023
Mailed by 02/15/2023

Recipient's Name and Address:

JOHN Q. PUBLIC
1234 TOWNLINE STREET
APT. #1234
SOMEWHERE, ME 00000-0000

Your Financial Professional Is:

ROBERT "CONTACT" ADVISOR
1234 MAIN STREET
BOX 1234
SOMEWHERE, ME 00000-0000
(XXX) XXX-XXXX
ID: 123

Payer Information:

PERSHING LLC
Federal Identification Number: 13-2741729

Table of Contents

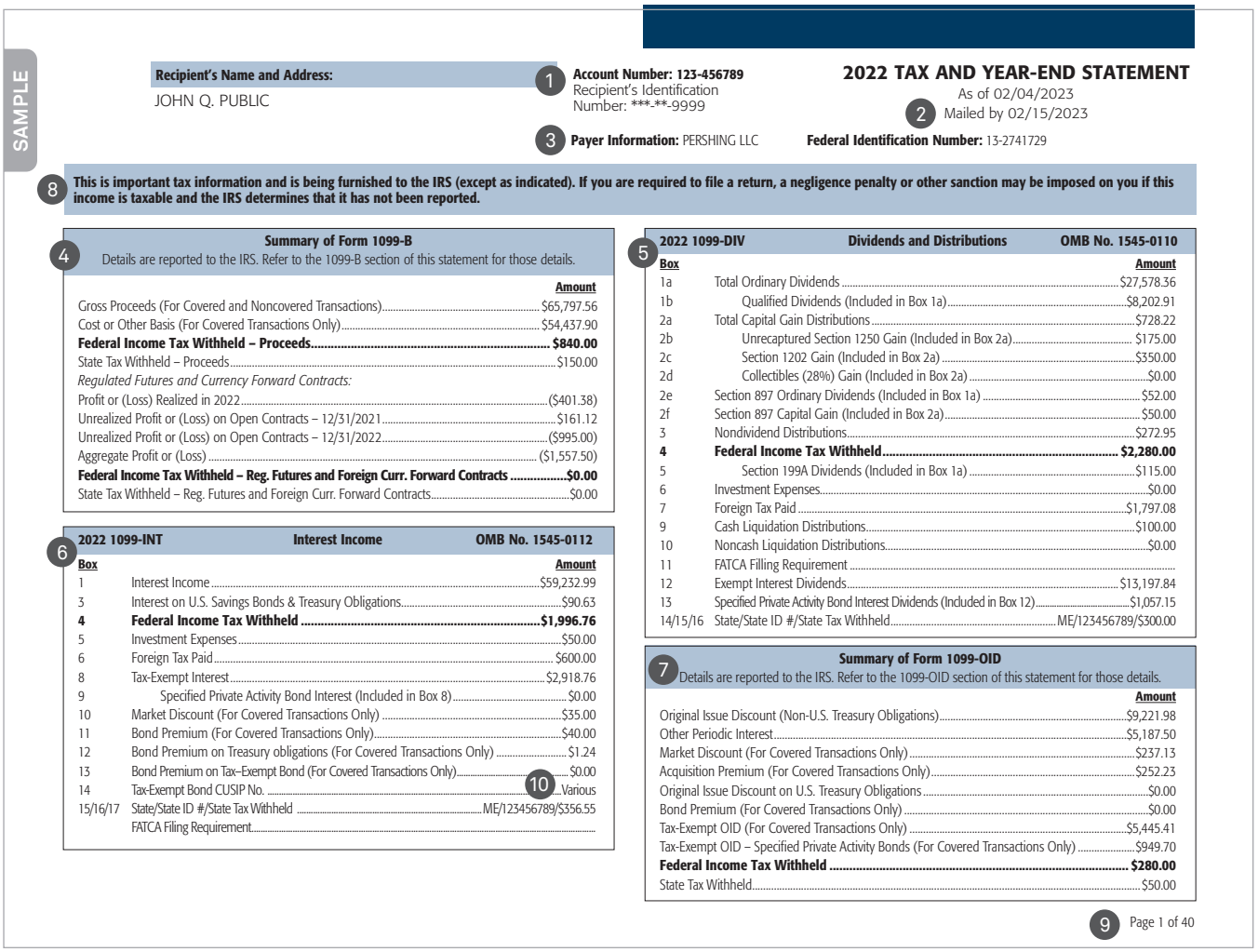
This tax statement may include the following IRS forms: 1099-B, 1099-INT, 1099-DIV, 1099-MISC and 1099-OID. Only the forms that pertain to the activity in this account are included in this tax statement. Please retain this document for tax preparation purposes.

1099 Form or Tax Statement Section	Page
Summary of Form 1099-B	**1**
1099-INT Form: Interest Income	**1**
1099-DIV Form: Dividends and Distributions	**1**
Summary of Form 1099-OID	**1**
1099-MISC Form: Miscellaneous Information	**2**
Summary of Transactions We Do Not Report to the IRS	**2**
1099-B Forms: Proceeds From Broker and Barter Exchange Transactions	**4**
Short-Term Covered Transactions	4
Long-Term Covered Transactions	5
Short-Term Noncovered Transactions	5
Long-Term Noncovered Transactions	6
Other Noncovered Transactions—No Holding Period	6
Income Tax Withholding	8
Regulated Futures and Foreign Currency Forward Contracts	9
Interest Income (Details of Form 1099-INT)	**13**
Interest Income (Details of Form 1099-INT): Income Tax Withholding	**18**
Tax-Exempt Interest (Details of Form 1099-INT)	**19**
Tax-Exempt Interest (Details of Form 1099-INT): Income Tax Withholding	**20**
Dividends and Distributions (Details of Form 1099-DIV)	**21**
Tax-Exempt Dividends (Details of Form 1099-DIV)	**24**
Capital Gain Distributions (Details of Form 1099-DIV)	**24**
Liquidation Distributions (Details of Form 1099-DIV)	**25**

1099 Form or Tax Statement Section	Page
Dividends and Distributions: Income Tax Withholding	**25**
1099-OID Forms: Original Issue Discount	**26**
Income Tax Withholding	29
Miscellaneous Information (Details of Form 1099-MISC)	**30**
Details for Transactions We Do Not Report to the IRS	**31**
Non-Reportable Proceeds and Cost Basis Information	31
Non-Reportable Transactions	32
Securities Purchased with Accrued Interest Paid	32
Advisory Fees and Other Expenses	33
Foreign Tax Refunds	33
Electronic Deposits	33
Other Deposits	34
Checking Activity	34
Debit Card Activity	35
Electronic Withdrawals	35
Other Withdrawals	35
Additional Written Statement: Collateralized Debt Obligations	**36**
Additional Written Statement: Widely Held Mortgage Trusts and Widely Held Fixed Investment Trusts	**37**
Royalty Trusts–Supplemental Information	**38**

Summary Section

The top section of the Tax Information Statement's first page provides certain account profile information. On all subsequent pages of the Tax Information Statement, only the account number, the recipient's truncated identification number and the first two lines of the account registration appear.



SAMPLE

Recipient's Name and Address:
JOHN Q. PUBLIC

1 **Account Number: 123-456789**
Recipient's Identification Number: ***-**-9999

3 **Payer Information:** PERSHING LLC

2022 TAX AND YEAR-END STATEMENT
As of 02/04/2023
2 Mailed by 02/15/2023
Federal Identification Number: 13-2741729

8 **This is important tax information and is being furnished to the IRS (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.**

4 **Summary of Form 1099-B**
Details are reported to the IRS. Refer to the 1099-B section of this statement for those details.

	Amount
Gross Proceeds (For Covered and Noncovered Transactions)	$65,797.56
Cost or Other Basis (For Covered Transactions Only)	$54,437.90
Federal Income Tax Withheld – Proceeds	**$840.00**
State Tax Withheld – Proceeds	$150.00
Regulated Futures and Currency Forward Contracts:	
Profit or (Loss) Realized in 2022	($401.38)
Unrealized Profit or (Loss) on Open Contracts – 12/31/2021	$161.12
Unrealized Profit or (Loss) on Open Contracts – 12/31/2022	($995.00)
Aggregate Profit or (Loss)	($1,557.50)
Federal Income Tax Withheld – Reg. Futures and Foreign Curr. Forward Contracts	**$0.00**
State Tax Withheld – Reg. Futures and Foreign Curr. Forward Contracts	$0.00

6 **2022 1099-INT** **Interest Income** **OMB No. 1545-0112**

Box		Amount
1	Interest Income	$59,232.99
3	Interest on U.S. Savings Bonds & Treasury Obligations	$90.63
4	**Federal Income Tax Withheld**	**$1,996.76**
5	Investment Expenses	$50.00
6	Foreign Tax Paid	$600.00
8	Tax-Exempt Interest	$2,918.76
9	Specified Private Activity Bond Interest (Included in Box 8)	$0.00
10	Market Discount (For Covered Transactions Only)	$35.00
11	Bond Premium (For Covered Transactions Only)	$40.00
12	Bond Premium on Treasury obligations (For Covered Transactions Only)	$1.24
13	Bond Premium on Tax–Exempt Bond (For Covered Transactions Only)	$0.00
14	Tax-Exempt Bond CUSIP No. 10	Various
15/16/17	State/State ID #/State Tax Withheld	ME/123456789/$356.55
	FATCA Filing Requirement	

5 **2022 1099-DIV** **Dividends and Distributions** **OMB No. 1545-0110**

Box		Amount
1a	Total Ordinary Dividends	$27,578.36
1b	Qualified Dividends (Included in Box 1a)	$8,202.91
2a	Total Capital Gain Distributions	$728.22
2b	Unrecaptured Section 1250 Gain (Included in Box 2a)	$175.00
2c	Section 1202 Gain (Included in Box 2a)	$350.00
2d	Collectibles (28%) Gain (Included in Box 2a)	$0.00
2e	Section 897 Ordinary Dividends (Included in Box 1a)	$52.00
2f	Section 897 Capital Gain (Included in Box 2a)	$50.00
3	Nondividend Distributions	$272.95
4	**Federal Income Tax Withheld**	**$2,280.00**
5	Section 199A Dividends (Included in Box 1a)	$115.00
6	Investment Expenses	$0.00
7	Foreign Tax Paid	$1,797.08
9	Cash Liquidation Distributions	$100.00
10	Noncash Liquidation Distributions	$0.00
11	FATCA Filling Requirement	
12	Exempt Interest Dividends	$13,197.84
13	Specified Private Activity Bond Interest Dividends (Included in Box 12)	$1,057.15
14/15/16	State/State ID #/State Tax Withheld	ME/123456789/$300.00

7 **Summary of Form 1099-OID**
Details are reported to the IRS. Refer to the 1099-OID section of this statement for those details.

	Amount
Original Issue Discount (Non-U.S. Treasury Obligations)	$9,221.98
Other Periodic Interest	$5,187.50
Market Discount (For Covered Transactions Only)	$237.13
Acquisition Premium (For Covered Transactions Only)	$252.23
Original Issue Discount on U.S. Treasury Obligations	$0.00
Bond Premium (For Covered Transactions Only)	$0.00
Tax-Exempt OID (For Covered Transactions Only)	$5,445.41
Tax-Exempt OID – Specified Private Activity Bonds (For Covered Transactions Only)	$949.70
Federal Income Tax Withheld	**$280.00**
State Tax Withheld	$50.00

9 Page 1 of 40

THE ACCOUNT PROFILE INFORMATION INCLUDES THE FOLLOWING:

1. Your account number and tax identification number
2. Statements include a *Mailed by* date
3. Payer's name and Federal Identification Number

APPEARING BELOW THE ACCOUNT PROFILE INFORMATION ON THE FIRST PAGE ARE THE FOLLOWING FOUR SUMMARY SECTIONS:

4. Summary of Form 1099-B
5. IRS Form 1099-DIV
6. IRS Form 1099-INT
7. Summary of Form 1099-OID

THE FOLLOWING ARE NOTICES THAT MAY APPEAR ON THE TAX INFORMATION STATEMENT:

8. An IRS message indicating that certain information is reported to the IRS
9. The page number relative to all pages of the Tax Information Statement
10. The word *Various* displayed in Box 14 on Form 1099-INT (see page 23 for further information)

11 **Distributions reported on IRS Form 1099-MISC.** Miscellaneous Information includes substitute payments in lieu of dividends or interest paid or credited. These amounts were allocated to an account pursuant to IRS regulations and represent amounts Pershing received and paid as a result of the deemed transfer of securities for use in a short sale.

Royalties show income earned from royalty trusts. Other income, such as substitute payments in lieu of dividends or interest, should be reported as *Other Income* on your tax return IRS Form 1040.

12 **The Summary of Transactions We Do Not Report to the IRS** is provided to help prepare your tax returns.

13 **The Non-Reportable Transactions section** displays previous year foreign tax refunds received during this tax year.

14 **Certain advisory fees and other expenses** charged to your account may be summarized in this section if selected by your advisor or financial organization. This amount represents the total amount for advisory fees and other expenses charged during the tax year.

15 **These sections (beginning with Electronic Deposits Summary through Other Withdrawals Summary) only appear on the premium TYES.** (See page 33 for more information.)

SAMPLE

Recipient's Name and Address:
JOHN Q. PUBLIC

Account Number: 123-456789
Recipient's Identification Number: ***-**-9999

Payer Information: PERSHING LLC

2022 TAX AND YEAR-END STATEMENT
As of 02/04/2023
Mailed by 02/15/2023

Federal Identification Number: 13-2741729

11 **2022 1099-MISC** — **Miscellaneous Information** — **OMB-1545-0115**

Box		Amount
1	Rents	$3,000.00
2	Royalties	$648.45
3	Other Income	$0.00
4	**Federal Income Tax Withheld**	**$840.00**
8	Substitute Payments in Lieu of Dividends or Interest	$25.00
13	FATCA filing requirement	
16	State Tax Withheld	$210.00
17	State/Payer's State Number	CA/123456789
18	State Income	0.00

SAMPLE

12 **Summary of Transactions We Do Not Report to the IRS (See instructions for additional information)**

	Amount
Short-Term Transactions Not Reported to the IRS on Form 1099-B (Informational Only)	
Proceeds	$3,000.00
Cost or Other Basis	$2,700.00
Realized Gain or Loss	$300.00
Long-Term Transactions Not Reported to the IRS on Form 1099-B (Informational Only)	
Proceeds	$300.00
Cost or Other Basis	$150.00
Realized Gain or Loss	$150.00
Other Transactions Not Reported to the IRS on Form 1099-B, Holding Period Unknown (Informational Only)	
Proceeds	$3,000.00
Cost or Other Basis	$0.00
Realized Gain or Loss	$0.00
13 **Non-Reportable Transactions**	
Partnership Cash Distributions	$0.00
Shortfalls	$0.00
Return of Principal Distributions and Non-Qualified Stated Interest	$8,675.50
Total Non-Reportable Transactions	**$8,675.50**
Securities Purchased with Accrued Interest Paid	
U.S. Corporations	$25,853.47
Foreign Source	$3,800.00
Tax-Exempt	$441.50
Total Accrued Interest Purchased	$30,094.97
14 **Advisory Fees and Other Expenses**	**($430.39)**
Foreign Tax Refunds	**$131.00**
Margin Interest Expense Charged to Your Account	**$662.60**
15 **Electronic Deposits Summary**	
Total Electronic Deposits	$2,699.25
Other Deposits Summary	
Total Other Deposits	$54,997.66
Checking Activity Summary	
Total Checking Activity	($3,299.69)
Debit Card Activity Summary	
Total Debit Card Activity	($9,162.98)
Electronic Withdrawals Summary	
Total Electronic Withdrawals	($4,898.25)
Other Withdrawals Summary	
Total Other Withdrawals	($28,750.00)

Proceeds From Broker and Barter Exchange Transactions

The Proceeds From Broker and Barter Exchange Transactions section of the Tax Information Statement provides all of the following information.

SAMPLE

1 2022 Form 1099-B **Proceeds From Broker and Barter Exchange Transactions** **OMB No. 1545-0715**
(Report details on Form 8949 or Schedule D)

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Disposition Transaction	4 Quantity (Box 1a)	5 Date Acquired (Box 1b)	6 Date Sold or Disposed (Box 1c)	7 Proceeds (Box 1d)	8 Cost or Other Basis (Box 1e)	9 D = Market Discount (1f) O = Option Premium W = Wash Sale Loss (1g)	10 Realized Gain or (Loss)
2 Short-Term Transactions for Which Basis Is Reported to the IRS – Report on Form 8949, Part I, With Box A Checked Covered (Box 12)							
Description (Box 1a): CAPITAL COMPANY					**CUSIP:** 1456CAP12		
SELL	100	01/01/20XX	06/01/20XX	1,000.00	1,200.00	200.00 W	0.00
11 SHORT SALE	200	01/01/20XX	06/02/20XX	2,000.00	1,600.00		400.00
SECURITY TOTAL				**$3,000.00**	**$2,800.00**	**$200.00 W**	**$400.00**
Description (Box 1a): GLOBAL INCOME FUND					**CUSIP:** 123456GIF		
SELL	26.82	04/20/20XX	09/07/20XX	274.66	264.21		10.45
SELL	0.02	04/29/20XX	09/07/20XX	0.20	0.20		0.00
SELL	0.06	05/31/20XX	09/07/20XX	0.63	0.62		0.01
SELL	0.06	06/30/20XX	09/07/20XX	0.57	0.56		0.01
SELL	2.03	07/29/20XX	09/07/20XX	20.77	20.44		0.33
SELL	0.06	07/29/20XX	09/07/20XX	0.56	0.55		0.01
12 **Sale Date Total**	**29.05**	**VARIOUS**	**09/07/20XX**	**297.39**	**286.58**		**10.81**
SELL	4.97	08/22/20XX	10/07/20XX	50.84	50.79		0.05
SELL	0.05	08/31/20XX	10/08/20XX	0.55	0.53		0.02
SECURITY TOTAL				**$348.78**	**$337.90**		**$10.88**
Description (Box 1a): ALPHA EQUITY OPTION					**CUSIP:** ABC123456		
BUY TO COVER	50	01/15/20XX	02/15/20XX	100.00*	0.00*		100.00
*Actual Proceeds: 300.00, Original Cost: 200.00, RGL: 100.00. The IRS requires reporting as displayed above. Please see the instructions of this section for more information.							
SELL	10	03/15/20XX	04/15/20XX	500.00	100.00		400.00
SECURITY TOTAL				**$600.00**	**$100.00**		**$500.00**
Description (Box 1a): CONTINGENT DEBT					**CUSIP:** 123456XYZ		
SELL	5,000	01/15/20XX	08/15/20XX	49,500.00**	49,000.00	20.00 D	500.00
**Gain or loss on the disposition of a contingent debt instrument may be treated as Ordinary Income. Please see the instructions of this section for more information.							
Short-Term Covered Total				**$53,448.78**	**$52,237.90**	**$20.00 D**	**$1,410.88**
						$200.00 W	
Long-Term Transactions for Which Basis Is Reported to the IRS: Report on Form 8949, Part II, With Box D Checked Covered (Box 12)							
Description (Box 1a): BEACH COMPANY					**CUSIP:** 234567ABC		
SELL	100	01/01/20XX	06/01/20XX	1,000.00	600.00	100.00 O	400.00
SELL	200	01/02/20XX	06/02/20XX	2,000.00	1,600.00	200.00 O	400.00
				3,000.00	2,200.00	300.00 O	800.00
Long-Term Covered Total				**$3,000.00**	**$2,200.00**	**$300.00 O**	**$800.00**
Covered Total				**$56,448.78**	**$54,437.90**	**$20.00 D**	**$2,210.8**
						$300.00 O	
						$200.00 W	
3 Short-Term Transactions for Which Basis Is Not Reported to the IRS: Report on Form 8949, Part I, With Box B Checked Noncovered (Box 5)							
Description (Box 1a): BEACH COMPANY					**CUSIP:** 234567ABC		
SELL	100	12/15/20XX	06/01/20XX	1,000.00	1,200.00	200.00 W	0.00
SELL	225	12/16/20XX	06/02/20XX	2,000.00	1,600.00	100.00 O	400.00
SECURITY TOTAL				**$3,000.00**	**$2,800.00**	**$100.00 O**	**$400.00**
						$200.00 W	
Description (Box 1a): COND-UIT COMPANY					**CUSIP:** 1234NCGIF		
SELL	26.82	06/20/20XX	01/07/20XX	274.66	264.21		10.45
SELL	0.02	06/29/20XX	01/07/20XX	0.20	0.20		0.00
SELL	0.06	06/30/20XX	01/07/20XX	0.63	0.62		0.01
SELL	0.06	06/30/20XX	01/07/20XX	0.57	0.56		0.01
SELL	2.03	07/29/20XX	01/07/20XX	20.77	20.44		0.33
SELL	0.06	07/29/20XX	01/07/20XX	0.56	0.55		0.01
SELL	4.97	08/22/20XX	01/07/20XX	50.84	50.79		0.05
SELL	0.05	08/31/20XX	01/07/20XX	0.55	0.53		0.02
SALE DATE TOTAL	**34.07**	**VARIOUS**	**01/07/20XX**	**$348.78**	**$337.90**		**$10.88**
Short-Term Noncovered Total				**$3,348.78**	**$3,137.90**	**$100.00 O**	**$410.88**
						$200.00 W	

TAX LOT DEFAULT DISPOSITION METHOD:
Default Method for Mutual Funds: FIRST IN FIRST OUT
Default Method for Stocks in a Dividend Reinvestment Plan: FIRST IN FIRST OUT
Default Method for all Other Securities: FIRST IN FIRST OUT

Proceeds From Broker and Barter Exchange Transactions *(continued)*

1. **Proceeds from broker and barter exchange transactions** are reported on IRS Form 1099-B Proceeds From Broker and Barter Exchange Transactions. These transactions include sales, exchanges, covered options, redemptions, tender offers and maturities. Each transaction in this section is reported to the IRS.

2. **Covered securities transactions** will be grouped and sorted by the security CUSIP® within the following two subsections:

   Short-Term Transactions for Which Basis Is Reported to the IRS—Report on Form 8949, Part I, with Box A checked: Covered (Box 12)

   Long-Term Transactions for Which Basis Is Reported to the IRS—Report on Form 8949, Part II, with Box D checked: Covered (Box 12)

3. **For the TYES, noncovered securities transactions** will be grouped and sorted by the security CUSIP within the following subsections:

   Short-Term Transactions for Which Basis Is Not Reported to the IRS—Report on Form 8949, Part I, with Box B checked: Noncovered (Box 5)

   Long-Term Transactions for Which Basis Is Not Reported to the IRS—Report on Form 8949, Part II, with Box E checked: Noncovered (Box 5)

   Transactions for Which Basis Is Not Reported to the IRS and for Which Short-Term or Long-Term Determination Is Unknown (to Broker)—You must determine short or long term based on your records and report on Form 8949, Part I, with Box B checked, or on Form 8949, Part II, with Box E checked, as appropriate: Noncovered (Box 5)

   Note: The YTIS will display only the Transactions for Which Basis Is Not Reported to the IRS and for Which Short-Term or Long-Term Determination is Unknown (to Broker) for noncovered securities transactions.

   Ordinary Income Indicator. Two asterisks (**) will denote when your gain or loss may be ordinary rather than capital. Please see the Instructions for Form 8949, *IRS Publication 550,* or *IRS Publication 1212* for more details on whether there are any special rules or adjustments that might apply to your security.

4. **Quantity (Box 1a):** The number of shares included in the sale or exchange for the lot reported. If fractional shares are part of the disposition, those shares will be displayed to three decimal places.

5. **Date Acquired (Box 1b):** This box represents the date you acquired the security or, for short sales, the date you opened the short sale. You may see the word *Various* displayed in this column if the disposition transaction includes multiple lots with various acquisition dates.

6. **Date Sold or Disposed (Box 1c):** This box shows the trade date of the sale or exchange. For short sales, the date shown is the date you closed the short sale.

7. **Proceeds (Box 1d):** Proceeds from transactions involving stocks, bonds and other debt obligations are reported in Box 1d. These amounts do not reflect net profits and are net of transaction costs (for instance, commissions and option premiums). Taxpayers generally report the gross proceeds from each transaction separately on IRS Form 8949 (Sales and Other Dispositions of Capital Assets) or see the instructions for Schedule D (Capital Gains and Losses). This box does not include proceeds from regulated futures contracts or foreign currency forward contracts. Please see the Instructions for Form 8949 for exceptions to reporting each transaction on a separate row.

8. **Cost or Other Basis (Box 1e):** This box shows the original cost or adjusted cost basis due to a corporate action or acquisition by inheritance or a gift. The IRS provides a detailed description of cost or other basis reporting in the Instructions for Form 1099-B, which you can find at irs.gov. For additional information about cost basis and its use during tax preparation, please refer to IRS instructions for Schedule D and Form 8949, *IRS Publication 550 (Investment Income and Expenses)* and *IRS Publication 551 (Basis of Assets).*

9. **Adjustments**
   D = Accrued Market Discount (Box 1f). An adjustment code (D) will be displayed next to the amount or market discount. A market discount condition exists when the purchase cost of a bond is below the adjusted issue price of an original issue discount (OID) bond or below the redemption value of a non-OID bond. You may elect to recognize market discount as income throughout the time held. If no election has been made, Pershing is required to defer this recognition of income until the time of sale.

   O = Option Premium (not reportable to the IRS). An adjustment code (O) will be displayed next to the amount for an option premium within the Adjustments column. When a stock is sold based on the assignment of either a put or a call option, the proceeds of that sale are adjusted by the price of the option or the option premium. The proceeds amount is increased by the option premium received or decreased by the option premium paid. See *IRS Publication 550* for more information.

Proceeds From Broker and Barter Exchange Transactions *(continued)*

W = Wash Sale Loss Disallowed (Box 1g). An adjustment code (W) will be displayed next to an amount for a disallowed wash sale loss within the Adjustments column. This loss is being reported as disallowed because the sale of the covered security has been adjusted under the broker wash sale rule. This occurs when you repurchase the identical security, as determined by CUSIP number, in the same brokerage account within the 30-day period preceding or following the date of the original loss. The wash sale loss is displayed as a positive amount as required by the IRS. For additional information about wash sales, please refer to the following: Instructions for Schedule D (and Form 8949) and *IRS Publication 550 (Investment Income and Expenses [Including Capital Gains and Losses]).*

Adjustment Amount: Provides the amount of nondeductible loss in a wash sale transaction or the amount of accrued market discount. For details on wash sales and market discount, see Schedule D (Form 1040) instructions and *IRS Publication 550.*

10 **Realized Gain or (Loss):** The realized gain or loss for the transaction may be displayed. Note that the IRS does not require the reporting of this information on the Form 1099-B. This information is only provided if you receive our premium TYES.

11 **Short Sales:** Indicated with *SHORT SALE* displayed in the Disposition Transaction column. (Please see page 40 for more information.)

12 **Sale Date Total:** If you have multiple lots with the same sale or exchange date, you may see a line item with *Sale Date Total* noted in the *Disposition Transaction* column. The totals provided in this line item are an aggregate of the lots listed above the total line when the security and sale or exchange date are the same. For these totals, the word *Various* will be displayed in the Date of Acquisition column, since the total includes multiple lots with different acquisition dates. These total amounts are included to help taxpayers complete IRS Form 8949.

13 **Tax Lot Default Disposition Method:** The default disposition method assigned to the account as of December 31, 2022, will display below the 1099-B detail section.

14 **Proceeds—Income Tax Withholding:** If federal or state income taxes were withheld from your proceeds, they will be reported and displayed in this section.

Disposition Transaction—This column is provided for reference purposes only and will denote the type of transaction, for example "SELL."

Quantity—This column is provided for reference purposes only and is the total number of shares that may have been split and reported in earlier 1099-B sections.

Proceeds—This amount is provided for reference purposes only and is the total proceeds for a sale or exchange. If a sale or exchange included multiple lots, the proceeds were reported at the lot level in the appropriate 1099-B section.

Federal Income Tax Withheld (Box 4)—Reports federal income tax withheld (backup withholding) as a payment on IRS Form 1040 (U.S. Individual Income Tax Return). Federal income tax withheld is 24% of gross proceeds.

State (Box 14)—This column displays the two-letter postal abbreviation of the state(s) for which state income taxes are being withheld.

State ID Number (Box 15)—This column displays the payer's state identification number.

State Tax Withheld (Box 16)—This column displays the amount of state income tax withheld.

Foreign Tax Paid—This columns displays the foreign taxes paid for proceed events. This information is not reported to the IRS.

SAMPLE

2022 Form 1099-B **Proceeds From Broker and Barter Exchange Transactions** **OMB No. 1545-0715**
(Report details on Form 8949 or Schedule D) *(continued)*

Disposition Transaction	Quantity	Proceeds	Date Sold or Disposed	Federal Income Tax Withheld (Box 4)	State (Box 14)	State ID Number (Box 15)	State Tax Withheld (Box 16)	Foreign Tax Paid
14 **Income Tax Withholding – Proceeds**								
Description (Box 1a): BEACH COMPANY					**CUSIP:** 234567ABC			
SELL	100	1,000.00	06/01/20XX	**280.00**	ME	123456789	50.00	6.00
SELL	200	2,000.00	06/02/20XX	**560.00**	ME	123456789	100.00	—
				840.00			**150.00**	
TOTAL				**$840.00**			**$150.00**	**$6.00**

13 **TAX LOT DEFAULT DISPOSITION METHOD:**
Default Method for Mutual Funds: FIRST IN FIRST OUT
Default Method for Stocks in a Dividend Reinvestment Plan: FIRST IN FIRST OUT
Default Method for all Other Securities: FIRST IN FIRST OUT

IRS Form 8949 and IRS Form 1040, Schedule D

Transactions generally must be reported separately on IRS Form 8949 and Form 1040, Schedule D, as either short term or long term, depending upon the holding period. See the instructions to Form 8949 for exceptions to reporting each transaction separately in a row. Cost basis information will be provided for covered securities transactions. These transactions should be itemized in Part I of Form 8949 for short-term transactions and in Part II of Form 8949 for long-term transactions. You should determine the cost or other basis for each transaction reflected on Form 8949 and Schedule D from your records for both covered and noncovered transactions. The sample statement on page 17 illustrates how this information is reported on your Tax Information Statement, and the sample tax form, also on page 17, illustrates how to report the information on your tax returns.

The IRS requires filers of Form 1099-B to sort the information in specific categories to assist the preparation of your tax return. The Pershing substitute 1099-B may have up to six separate sections. The following provides a summary of this important information:

- **Short-term and long-term transactions** are segregated in your 1099-B in a format comparable to IRS Form 8949, for dispositions of covered securities.
- **Noncovered securities transactions** will also be displayed separately from covered securities transactions, and Boxes 1b, 1c, 1e, 1f and 1g may be left blank.*
- **The 1099-B format** will simplify your process of recording or transcribing each transaction from the 1099-B to IRS Form 8949.

* If you receive our premium TYES, the date of acquisition, cost or other basis, type of gain or loss (long term or short term), and whether any loss is disallowed due to a wash sale and deferred market discount for both covered and noncovered securities transactions will be displayed when available.

BELOW IS A LIST OF THE SIX FORM 1099-B SECTIONS AND THE CORRESPONDING INFORMATION FOR FORM 8949:

FORM 1099-B SECTION	CORRESPONDING FORM 8949 PART AND BOX
1. Short-Term Transactions for Which Basis Is Reported to the IRS: Covered (Box 12)	1. Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less and Box (A)
2. Long-Term Transactions for Which Basis Is Reported to the IRS: Covered (Box 12)	2. Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year and Box (D)
3. Short-Term Transactions for Which Basis Is Not Reported to the IRS: Noncovered (Box 5)	3. Part I Short-Term Capital Gains and Losses—Assets Held One Year or Less and Box (B)
4. Long-Term Transactions for Which Basis Is Not Reported to the IRS: Noncovered (Box 5)	4. Part II Long-Term Capital Gains and Losses—Assets Held More Than One Year and Box (E)
5. Transactions for Which Basis Is Not Reported to the IRS and for Which Short-Term or Long-Term Determination is Unknown (to Broker): Noncovered (Box 5)	5. Part I and Box (B) (Short-Term) or Part II and Box (E) (Long-Term)—As appropriate
6. Income Tax Withholding—Proceeds on Form 1099-B	6. Withholding is reported to the IRS but not on Form 8949; rather, it is reported on Form 1040

BELOW IS A LIST OF THE BOXES ON FORM 1099-B, WHICH WILL REPORT INFORMATION FOR COVERED SECURITIES TRANSACTIONS (AS WELL AS NONCOVERED SECURITIES TRANSACTIONS, AS NOTED), AND THE CORRESPONDING COLUMNS ON FORM 8949:

FORM 1099-B SECTION	CORRESPONDING FORM 8949 COLUMN
Box 1a—Quantity and Description	(a) Description of property
Box 1b—Date Acquired	(b) Date acquired
Box 1c—Date Sold or Disposed	(c) Date sold or disposed of
Box 1d—Proceeds	(d) Proceeds
Box 1e—Cost or Other Basis	(e) Cost or other basis
Box 1f—Accrued Market Discount Box 1g—Wash Sale Loss Disallowed	(g) Adjustments to gain or loss and column (f) Code, if any, for column (h)*

* Enter the amount of the nondeductible loss as a positive number in column (g) and enter code W in column (f). Note that columns (h) and (f) are also used for purposes other than wash sales. For more information about these columns, please see instructions for Form 8949, Sales and Other Dispositions of Capital Assets.

IRS Form 8949 and IRS Form 1040, Schedule D *(continued)*

The illustration below provides a basic example of how to use the information reported on the Form 1099-B to complete one or more IRS 8949 forms. The Form 1099-B example below provides illustrations of three covered short-term transactions. Please see the example below on how the transactions are relayed to the Form 8949 and Schedules D and B.

SAMPLE

2022 Form 1099-B — **Proceeds From Broker and Barter Exchange Transactions** (Report details on Form 8949 or Schedule D) *(continued)* — **OMB No. 1545-0715**

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

	Disposition Transaction	Quantity (Box 1a)	Date Acquired (Box 1b)	Date Sold or Disposed (Box 1c)	Proceeds (Box 1d)	Cost or Other Basis (Box 1e)	D = Market Discount (1f) O = Option Premium W = Wash Sale Loss (1g)	Realized Gain or (Loss)
Short-Term Transactions for Which Basis Is Reported to the IRS – Report on Form 8949, Part I, With Box A Checked Covered (Box 12)								
	Description (Box 1a): CAPITAL COMPANY					**CUSIP:** 1456CAP12		
1	SELL	100	01/01/20XX	06/01/20XX	1,000.00	1,200.00	200.00 W	0.00
2	SELL	200	01/01/20XX	06/02/20XX	2,000.00	1,600.00		400.00
	SECURITY TOTAL				**$3,000.00**	**$2,800.00**	**$200.00 W**	**$400.00**
	Description (Box 1a): GRAMMY BOND DEBENTURE FUND CLASS C					**CUSIP:** 123456GIF		
3	SELL	500	01/15/20XX	08/15/20XX	49,500.00	49,000.00	20.00 D	480.00

SAMPLE

Worksheet for Accrued Market Discount Adjustment in Column (g) — *Keep for Your Records*

If you received a Form 1099-B (or substitute statement) reporting the sale or retirement of a market discount bond, complete this worksheet to figure the amount to enter in column (g). If, in addition, any of the amounts shown on Form 1099-B (or substitute statement) are incorrect, see *How To Complete Form 8949, Columns (f) and (g)* for information on how to correct those amounts. Use the corrected amounts when completing this worksheet.

1.	Enter the proceeds from Form 1099-B, box 1d (or substitute statement)	1.	$49,500
2.	Enter the basis from Form 1099-B, box 1e (or substitute statement)	2.	$49,000
3.	Subtract line 2 from line 1. If zero or less, enter -0-	3.	$500
4.	Enter the accrued market discount from Form 1099-B, box 1g (or substitute statement)	4.	$20
5.	Enter the smaller of line 3 or line 4. If zero or less, enter -0-. This is the amount of your gain that is ordinary income. Enter it as a negative amount (in parentheses) in Form 8949, column (g). Also, report it as interest income on your tax return	5.	$20

SAMPLE

Form **8949** — **Sales and Other Dispositions of Capital Assets** — 2022

Department of the Treasury, Internal Revenue Service

Go to *www.irs.gov/Form8949* for instructions and the latest information.
File with your Schedule D to list your transactions for lines 1b, 2, 3, 8b, 9, and 10 of Schedule D.

Attachment Sequence No. **12A**

Name(s) shown on return | Social security number or taxpayer identification number

Before you check Box A, B, or C below, see whether you received any Form(s) 1099-B or substitute statement(s) from your broker. A substitute statement will have the same information as Form 1099-B. Either will show whether your basis (usually your cost) was reported to the IRS by your broker and may even tell you which box to check.

Part I **Short-Term.** Transactions involving capital assets you held 1 year or less are generally short-term (see instructions). For long-term transactions, see page 2.
Note: You may aggregate all short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS and for which no adjustments or codes are required. Enter the totals directly on Schedule D, line 1a; you aren't required to report these transactions on Form 8949 (see instructions).

You *must* check Box A, B, *or* C below. Check only one box. If more than one box applies for your short-term transactions, complete a separate Form 8949, page 1, for each applicable box. If you have more short-term transactions than will fit on this page for one or more of the boxes, complete as many forms with the same box checked as you need.

- ☒ **(A)** Short-term transactions reported on Form(s) 1099-B showing basis was reported to the IRS (see **Note** above)
- ☐ **(B)** Short-term transactions reported on Form(s) 1099-B showing basis **wasn't** reported to the IRS
- ☐ **(C)** Short-term transactions not reported to you on Form 1099-B

1	(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold or disposed of (Mo., day, yr.)	(d) Proceeds (sales price) (see instructions)	(e) Cost or other basis See the **Note** below and see *Column (e)* in the separate instructions.	Adjustment, if any, to gain or loss If you enter an amount in column (g), enter a code in column (f). **See the separate instructions.** (f) Code(s) from instructions	(g) Amount of adjustment	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g).
1	100 sh. Capital Company	1/1/20XX	6/1/20XX	$1,000	$1,200	W	$200	$0
2	200 sh. Capital Company	1/1/20XX	6/2/20XX	$2,000	$1,600			$400
3	500 sh. Grammy Bond – Debenture Fund Class C	1/15/20XX	8/15/20XX	$49,500	$49,000	D	($20)	$480
2	**Totals.** Add the amounts in columns (d), (e), (g), and (h) (subtract negative amounts). Enter each total here and include on your Schedule D, **line 1b** (if **Box A** above is checked), **line 2** (if **Box B** above is checked), or **line 3** (if **Box C** above is checked) ▶			$52,500	$51,800		$180	$880

Note: If you checked Box A above but the basis reported to the IRS was incorrect, enter in column (e) the basis as reported to the IRS, and enter an adjustment in column (g) to correct the basis. See *Column (g)* in the separate instructions for how to figure the amount of the adjustment.

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 37768Z Form **8949** (201

SAMPLE

SCHEDULE D (Form 1040) — **Capital Gains and Losses** — OMB No. 1545-0074 — 2022

Department of the Treasury, Internal Revenue Service

Attach to Form 1040, 1040-SR, or 1040-NR.
Go to *www.irs.gov/ScheduleD* for instructions and the latest information.
Use Form 8949 to list your transactions for lines 1b, 2, 3, 8b, 9, and 10.

Attachment Sequence No. **12**

Name(s) shown on return | **Your social security number**

Did you dispose of any investment(s) in a qualified opportunity fund during the tax year? ☐ **Yes** ☐ **No**
If "Yes," attach Form 8949 and see its instructions for additional requirements for reporting your gain or loss.

Part I **Short-Term Capital Gains and Losses—Generally Assets Held One Year or Less** (see instructions)

See instructions for how to figure the amounts to enter on the lines below.
This form may be easier to complete if you round off cents to whole dollars.

		(d) Proceeds (sales price)	(e) Cost (or other basis)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1a	Totals for all short-term transactions reported on Form 1099-B for which basis was reported to the IRS and for which you have no adjustments (see instructions). However, if you choose to report all these transactions on Form 8949, leave this line blank and go to line 1b				
1b	Totals for all transactions reported on Form(s) 8949 with **Box A** checked	$52,500	$51,800	$180	$880
2	Totals for all transactions reported on Form(s) 8949 with **Box B** checked				
3	Totals for all transactions reported on Form(s) 8949 with **Box C** checked				

4	Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824	4	
5	Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1	5	
6	Short-term capital loss carryover. Enter the amount, if any, from line 8 of your **Capital Loss Carryover Worksheet** in the instructions	6	( )
7	**Net short-term capital gain or (loss).** Combine lines 1a through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back	7	$880

SAMPLE

SCHEDULE B (Form 1040) — **Interest and Ordinary Dividends** — OMB No. 1545-0074 — 2022

Department of the Treasury, Internal Revenue Service

Go to *www.irs.gov/ScheduleB* for instructions and the latest information.
Attach to Form 1040 or 1040-SR.

Attachment Sequence No. **08**

Name(s) shown on return | **Your social security number**

Part I **Interest** (See instructions and the Instructions for Form 1040, line 2b.)

Note: If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

		Amount
1	List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address: Pershing LLC, 13-2741729	$750
	Pershing LLC, 13-2741729	$20
	Pershing LLC, 13-2741729	$675
	Subtotal interest received	$1,445
3	Accrued market discount	$20
2	Add the amounts on line 1	$1,465

Regulated Futures Contracts

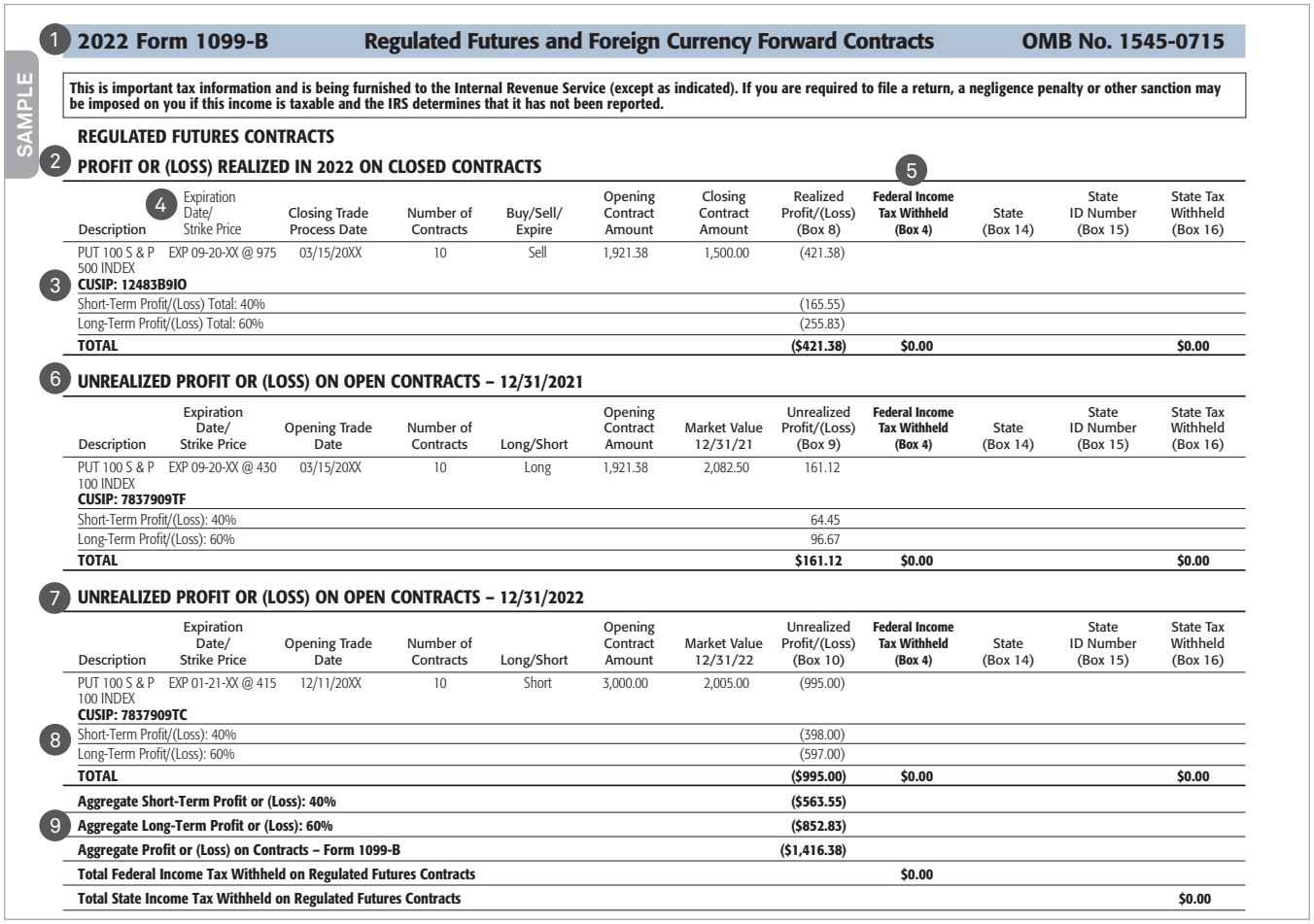
We report information related to your regulated futures contracts in this section of your Tax Information Statement. While it is only necessary for you to report the aggregate profit or loss from regulated futures contracts (and foreign currency forward contracts), we are required to report aggregate profit or loss and its three components as follows:

1. **Regulated futures contracts and foreign currency forward contracts** are reported on IRS Form 1099-B.
2. The **Profit or (Loss) Realized in 2022** subsection displays contracts settled or closed during 2021 (Box 8).
3. **Transactions** are listed in CUSIP sequence. CUSIPs are displayed below security descriptions.
4. The **expiration date and strike price** are displayed in the Expiration Date/Strike Price column.
5. If any transactions were subject to federal tax withholding, the amount withheld is reported in the **Federal Income Tax Withheld (Box 4)** column.
6. The **Unrealized Profit or (Loss) on Open Contracts—12/31/2021** subsection provides the details of all contracts open at the end of 2021. Open contracts are marked to market as of December 31, 2021, to determine unrealized profit or (loss) (Box 9).
7. The **Unrealized Profit or (Loss) on Open Contracts—12/31/2022** subsection provides the details of contracts open at the end of 2022. Open contracts are marked to market as of December 31, 2022, to determine unrealized profit or (loss) (Box 10).
8. **Section 1256 Gain or Loss.** Section 1256 options (non-equity) are subject to year-end mark to market adjustments with gain or loss recognition on the sale, expiration or mark at a 60% long-term rate and 40% short-term rate.
9. The **Aggregate Profit or (Loss)**—Form 1099-B (Box 11) equals the realized profit or loss adjusted for the unrealized profit or loss at December 31, 2021, and December 31, 2022. Aggregate profit or (loss) is calculated as follows:

   Profit or (Loss) Realized in 2022

   Less: Unrealized Profit or (Loss) on Open Contracts—12/31/2021

   Plus: Unrealized Profit or (Loss) on Open Contracts—12/31/2022



SAMPLE

1 2022 Form 1099-B **Regulated Futures and Foreign Currency Forward Contracts** **OMB No. 1545-0715**

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

REGULATED FUTURES CONTRACTS

2 PROFIT OR (LOSS) REALIZED IN 2022 ON CLOSED CONTRACTS

Description	4 Expiration Date/ Strike Price	Closing Trade Process Date	Number of Contracts	Buy/Sell/ Expire	Opening Contract Amount	Closing Contract Amount	Realized Profit/(Loss) (Box 8)	5 Federal Income Tax Withheld (Box 4)	State (Box 14)	State ID Number (Box 15)	State Tax Withheld (Box 16)
PUT 100 S & P 500 INDEX	EXP 09-20-XX @ 975	03/15/20XX	10	Sell	1,921.38	1,500.00	(421.38)				
3 CUSIP: 12483B9IO											
Short-Term Profit/(Loss) Total: 40%							(165.55)				
Long-Term Profit/(Loss) Total: 60%							(255.83)				
TOTAL							**($421.38)**	**$0.00**			**$0.00**

6 UNREALIZED PROFIT OR (LOSS) ON OPEN CONTRACTS – 12/31/2021

Description	Expiration Date/ Strike Price	Opening Trade Date	Number of Contracts	Long/Short	Opening Contract Amount	Market Value 12/31/21	Unrealized Profit/(Loss) (Box 9)	Federal Income Tax Withheld (Box 4)	State (Box 14)	State ID Number (Box 15)	State Tax Withheld (Box 16)
PUT 100 S & P 100 INDEX	EXP 09-20-XX @ 430	03/15/20XX	10	Long	1,921.38	2,082.50	161.12				
CUSIP: 7837909TF											
Short-Term Profit/(Loss): 40%							64.45				
Long-Term Profit/(Loss): 60%							96.67				
TOTAL							**$161.12**	**$0.00**			**$0.00**

7 UNREALIZED PROFIT OR (LOSS) ON OPEN CONTRACTS – 12/31/2022

Description	Expiration Date/ Strike Price	Opening Trade Date	Number of Contracts	Long/Short	Opening Contract Amount	Market Value 12/31/22	Unrealized Profit/(Loss) (Box 10)	Federal Income Tax Withheld (Box 4)	State (Box 14)	State ID Number (Box 15)	State Tax Withheld (Box 16)
PUT 100 S & P 100 INDEX	EXP 01-21-XX @ 415	12/11/20XX	10	Short	3,000.00	2,005.00	(995.00)				
CUSIP: 7837909TC											
8 Short-Term Profit/(Loss): 40%							(398.00)				
Long-Term Profit/(Loss): 60%							(597.00)				
TOTAL							**($995.00)**	**$0.00**			**$0.00**
Aggregate Short-Term Profit or (Loss): 40%							**($563.55)**				
9 Aggregate Long-Term Profit or (Loss): 60%							**($852.83)**				
Aggregate Profit or (Loss) on Contracts – Form 1099-B							**($1,416.38)**				
Total Federal Income Tax Withheld on Regulated Futures Contracts								**$0.00**			
Total State Income Tax Withheld on Regulated Futures Contracts											**$0.00**

Foreign Currency Forward Contracts

10 **Foreign Currency Forward Contracts**—Brokers are not required to file with the IRS returns of information (on Form 1099-B) with respect to a sale of foreign currency pursuant to a market order. A market order is an order to buy or sell an investment immediately at the best available current price and does not include a *forward contract.* In the foreign currency market, delivery is typically made on a market order within two business days and is a nonreportable *spot contract* for tax purposes to distinguish it from a *forward contract.* A purchase or sale of foreign currency that requires delivery or settlement on a date that is more than two business days from the date of the contract, or is set at a price that is other than the current market price, should not be a market order transaction and is reportable as a *forward contract.* Accordingly, this section reports only foreign currency forward contract activity for 2022.

11 **Combined Totals for Regulated Futures and Foreign Currency Forward Contracts**—If you have reportable activity for both Regulated Futures and Foreign Currency Forward Contracts, you will receive combined totals for Boxes 8, 9, 10 and 11. These totals will be reported to the IRS.

Profit or (Loss) Realized in 2022—The Profit or (Loss) Realized in 2022 subsection is displayed in this section: the currency, whether the exchange was a buy or sell of foreign currency, the trade date, the settlement date, the foreign currency amount bought or sold, the trade date exchange rate to or from U.S. dollar (USD), the USD equivalent buy or sell amount, the settlement date USD exchange rate, the settlement date USD equivalent for the buy or sell and the realized profit or loss in 2022. The realized profit or loss in this section is the difference between the USD buy/sell amount (trade date) and the USD settlement date amount.

Unrealized Profit or (Loss) on Open Contracts—12/31/2021 and **12/31/2022**—These subsections are displayed in these sections: the currency, whether the exchange was a buy or sell of foreign currency, the trade date, the settlement date, the foreign currency amount bought or sold, the trade date exchange rate to or from USD, the USD equivalent buy or sell amount, the USD exchange rate on December 31, the USD equivalent buy or sell amount on December 31 and the unrealized profit or loss. The unrealized profit or loss in these sections is the difference between the USD buy/sell amount (trade date) and the December 31 market value amount. (Please see illustration on page 18 and refer to circles 2, 6, 7 and 9.) That same information applies to Boxes 8, 9, 10 and 11 in the currency forwards section.

SAMPLE

2022 Form 1099-B **Regulated Futures and Foreign Currency Forward Contracts** *(continued)* **OMB No. 1545-0715**

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

10 **FOREIGN CURRENCY FORWARD CONTRACTS**

PROFIT OR (LOSS) REALIZED IN 2022 ON CLOSED CONTRACTS

Currency	Buy/ Sell	Trade Date	Settlement Date	Currency Buy/Sell Amount	Trade Date Exchange Rate	USD Buy/Sell Amount	Settlement Date Exchange Rate	USD Settlement Date Amount	Realized Profit/ (Loss) (Box 8)
EUROS	Buy	04/27/20XX	05/05/20XX	100.00	1.3115	131.15	1.4000	140.00	8.85
CUSIP: EUR999995	Buy	04/27/20XX	05/05/20XX	100.00	1.3115	131.15	1.4000	140.00	(8.85)
	Buy	04/27/20XX	06/02/20XX	100.00	1.3115	131.15	1.3000	130.00	(1.15)
	Sell	04/27/20XX	06/02/20XX	100.00	1.3115	131.15	1.3000	130.00	1.15
0.00 Australian Dollars CUSIP: AUD999999	Buy	05/27/20XX	07/02/20XX	200.00	1.5000	300.00	1.6000	320.00	20.00
TOTAL									**$20.00**

UNREALIZED PROFIT OR (LOSS) ON OPEN CONTRACTS – 12/31/2021

Currency	Buy/ Sell	Trade Date	Settlement Date	Currency Buy/Sell Amount	Trade Date Exchange Rate	USD Buy/Sell Amount	12/31/2021 Exchange Rate	12/31/2021 Market Value	Unrealized Profit/(Loss) (Box 9)
EUROS	Buy	04/27/20XX	05/05/20XX	100.00	1.3333	133.33	1.3999	139.99	6.66
CUSIP: EUR999995	Sell	04/27/20XX	05/05/20XX	100.00	1.3333	133.33	1.3999	139.99	(6.66)
TOTAL									**$0.00**

UNREALIZED PROFIT OR (LOSS) ON OPEN CONTRACTS – 12/31/2022

Currency	Buy/ Sell	Trade Date	Settlement Date	Currency Buy/Sell Amount	Trade Date Exchange Rate	USD Buy/Sell Amount	12/31/2022 Exchange Rate	12/31/2022 Market Value	Unrealized Profit/(Loss) (Box 10)
EUROS	Buy	04/27/20XX	05/05/20XX	100.00	1.3115	131.15	1.2515	125.15	(6.00)
CUSIP: EUR999995	Sell	04/27/20XX	05/05/20XX	100.00	1.3115	131.15	1.2515	125.15	6.00
TOTAL									**$0.00**
Aggregate Profit or (Loss) – Form 1099-B; Box 11 (report on Form 1040 according to applicable rules)									**$20.00**

11 **Combined Totals for Regulated Futures and Foreign Currency Forward Contracts:**

Profit or (Loss) Realized on Closed Contracts in 2022 (Box 8)	(401.38)
Unrealized Profit or (Loss) on Open Contracts—12/31/2021 (Box 9)	161.12
Unrealized Profit or (Loss) on Open Contracts—12/31/2022 (Box 10)	(995.00)
Aggregate Profit or (Loss) on Contracts (Box 11)	**($1,557.50)**

Interest Income

1. **Interest income** is reported on IRS Form 1099-INT. Details are displayed on Tax Information Statements to provide you with transaction-level information.
2. **Transactions** for each security are listed in CUSIP sequence and classified by security type.
3. The **acquisition date and original cost basis,** as well as the adjusted cost at the beginning and ending of a payment accrual period, are displayed.
4. Any amount shown is your share of **investment expenses** of a single-class REMIC. This amount is included in Box 1.
5. For transactions with market discount or bond premium, the **adjusted cost basis** for the period beginning and end date is displayed.
6. **Separate subtotals** are reported in three categories for interest earned (if applicable): U.S. corporations, foreign corporations and U.S. government agencies.
7. **Bond Premium on Treasury Obligations (Interest Offset)** will display in Box 12.
8. **Foreign source interest income** will be totalled by country and will be displayed with each foreign country.

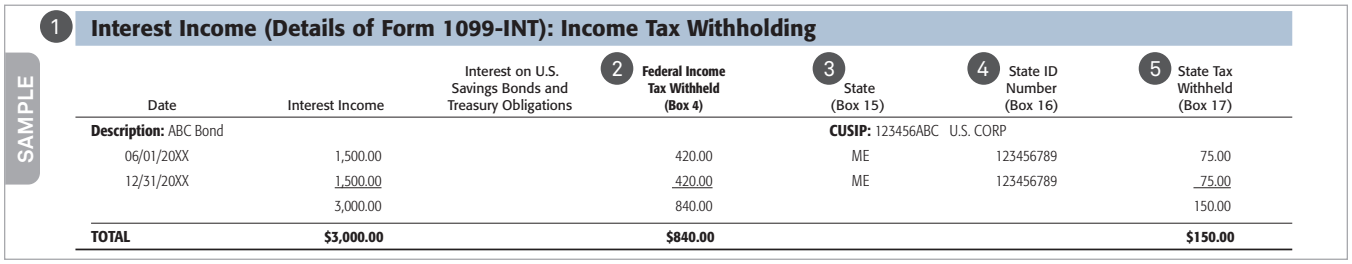
SAMPLE

Interest Income (Details of Form 1099-INT)

Lot Quantity	3 Acquisition Date/Original Cost Basis	Period Begin/End Date	Cost Basis at Beginning/End of Period	1 Interest Income (Box 1)	Interest on U.S. Savings Bonds and Treasury Obligations (Box 3)	4 Investment Expenses (Box 5)	Foreign Tax Paid (Box 6)	Market Discount (Box 10)	Bond Premium (Interest Offset) (Box 11)	7 Bond Premium on Treasury Obligations (Interest Offset) (Box 12)
2 **Description:** SOCIETE GENERALE ISIN#XS0454569863 8.750% 09/07/XX REG DTD 10/07/PD 0407XX							**CUSIP:** F858AMAD7 FOREIGN CORP - FRANCE			
Payment Date: 04/07/20XX										
Noncovered Transactions										
300,000	07/02/20XX			13,125.00						
Payment Date: 10/07/20XX										
Noncovered Transactions										
300,000	07/02/20XX			13,125.00						
SECURITY TOTAL				**$26,250.00**						
Description: SWISSCOM AG ITTIGEN ISIN#CH0039139321 3.500% 04/08/XX REG DTD 04/08/PD 0408XX							**CUSIP:** H8398NAG9 FOREIGN CORP - SWITZERLAND			
Payment Date: 04/09/20XX										
Noncovered Transactions										
30,000	09/13/20XX 32,279.92			1,177.00						
25,000	02/08/20XX 26,720.54			980.83						
							755.24			
Payment Total				**$2,157.83**			**$755.24**			
SECURITY TOTAL				**$2,157.83**			**$755.24**			
Description: TRANSOCEAN SEDCO 7.5% NTS ISIN#US893830AF64 7.500% 04/12/XX B/E DTD 12/05/PD 1231XX							**CUSIP:** F858AMAD7 U.S. CORP			
Payment Date: 06/01/20XX										
Covered Transactions										
100,000	02/01/20XX	02/01/20XX	98,025.00	750.00						
	98,025.00	06/01/20XX	98,028.00							
200,000	04/01/20XX	04/01/20XX	198,045.00	750.00						
	198,045.00	06/01/20XX	198,055.00							
Noncovered Transactions										
300,000	03/01/20XX	01/01/20XX	298,000.00	750.00						
	297,000.00	06/01/20XX	298,010.00							
400,000	05/01/20XX	01/01/20XX	398,000.00	750.00						
	397,000.00	06/01/20XX	398,007.50							
Payment Total				**$3,000.00**						
Payment Date: 12/31/20XX										
Covered Transactions										
100,000	02/01/20XX	06/02/20XX	98,029.00	750.00						
	98,025.00	12/31/20XX	98,040.00							
200,000	04/01/20XX	06/02/20XX	198,056.00	750.00						
	198,045.00	12/31/20XX	198,065.00							
Noncovered Transactions										
300,000	03/01/20XX	06/02/20XX	298,011.00	750.00						
	297,000.00	12/31/20XX	298,025.00							
400,000	05/01/20XX	06/02/20XX	398,008.00	750.00						
	397,000.00	12/31/20XX	399,030.00							
Payment Total				**$3,000.00**						
5 **Market Discount Adjustments**										
Covered Transactions										
100,000	02/01/20XX	02/01/20XX	98,025.00					15.00		
	98,025.00	12/31/20XX	98,040.00							
200,000	04/01/20XX	04/01/20XX	198,045.00					20.00		
	198,045.00	12/31/20XX	198,065.00							
Noncovered Transactions										
300,000	03/01/20XX	01/01/20XX	298,000.00					25.00		
	297,000.00	12/31/20XX	298,025.00							
400,000	05/01/20XX	01/01/20XX	398,000.00					30.00		
	397,000.00	12/31/20XX	398,030.00							
SECURITY TOTAL				**$6,000.00**				**$90.00**		
Noncovered Transactions										
300,000	03/01/20XX			750.00					10.00	
400,000	05/01/20XX			750.00					10.00	
Payment Total				**$3,000.00**			**$300.00**		**$40.00**	
Payment Date: 12/01/20XX										
Covered Transactions										
100,000	02/01/20XX			750.00					10.00	
200,000	04/01/20XX			750.00					10.00	
Noncovered Transactions										
300,000	03/01/20XX			750.00					10.00	
400,000	05/01/20XX			750.00					10.00	
Payment Total				**$3,000.00**			**$300.00**		**$40.00**	
SECURITY TOTAL				**$6,000.00**			**$600.00**		**$80.00**	
Payment Date: 12/31/20XX										
Interest on Your Credit Balance				100.00						
Market Discount and Bond Premium Covered Totals								**$35.00**	**$40.00**	**$1.24**
Market Discount and Bond Premium Noncovered Totals								**$55.00**	**$40.00**	
6 **Interest Income – U.S. Corporations and on Your Credit Balance**				**$7,600.00**		**$50.00**				
Interest Income – U.S. Government Agencies										
8 **Interest Income – Foreign Corporations**										
France				**$26,250.00**						
Switzerland				**$2,157.83**			**$600.00**			
Other				**$23,125.16**						
Total				**$51,532.99**						
TOTAL				**$59,232.99**	**$90.63**	**$50.00**	**$600.00**	**$90.00**	**$80.00**	**$1.24**

Interest Income—Income Tax Withholding

1. **Income Tax Withholding on Interest Income** is reported in its own section. If federal or state income taxes were withheld from your interest amounts, they will be reported and displayed in this section.
2. **Federal Income Tax Withheld (Box 4)** reports federal income tax withheld (backup withholding) as a payment on IRS Form 1040 (U.S. Individual Income Tax Return). Federal income tax withheld is 24% of interest income.
3. **State (Box 15)** displays the two-letter postal abbreviation of the state(s) for which state income taxes are being withheld.
4. **State ID Number (Box 16)** displays the payer's state identification number(s).
5. **State Tax Withheld (Box 17)** displays the amount of state income tax withheld on interest payments reported on this form.



SAMPLE

1 Interest Income (Details of Form 1099-INT): Income Tax Withholding

Date	Interest Income	Interest on U.S. Savings Bonds and Treasury Obligations	2 Federal Income Tax Withheld (Box 4)	3 State (Box 15)	4 State ID Number (Box 16)	5 State Tax Withheld (Box 17)
Description: ABC Bond				**CUSIP:** 123456ABC U.S. CORP		
06/01/20XX	1,500.00		420.00	ME	123456789	75.00
12/31/20XX	1,500.00		420.00	ME	123456789	75.00
	3,000.00		840.00			150.00
TOTAL	**$3,000.00**		**$840.00**			**$150.00**

Tax-Exempt Interest

1. **Tax-exempt interest income** is reported on IRS Form 1099-INT.
2. The **Tax-Exempt Interest** section is sorted by U.S. state or territory and amount totals are provided for each state/territory.
3. The **payment dates** for the interest payments are displayed above the details.
4. **Box 14** reports the CUSIP number(s), if any, of the tax-exempt bond(s) for which tax-exempt interest is reported in Box 8.
5. The accrued interest received on municipal notes and bonds sold between interest payment dates is reported on a settlement-date basis and is included in the **Tax-Exempt Interest (Box 8)** category. Amounts representing accrued interest sold are identified with the symbol "*" on your statement(s). It may be necessary to reduce the amount of the tax-exempt interest income category by the amount of accrued interest purchased.
6. **Market Discount and Bond Premium Covered or Noncovered Totals** are displayed as separate subtotals.
7. **Bond Premium on Tax Exempt Bond (Interest Offset) (Box 13)** is displayed.

SAMPLE

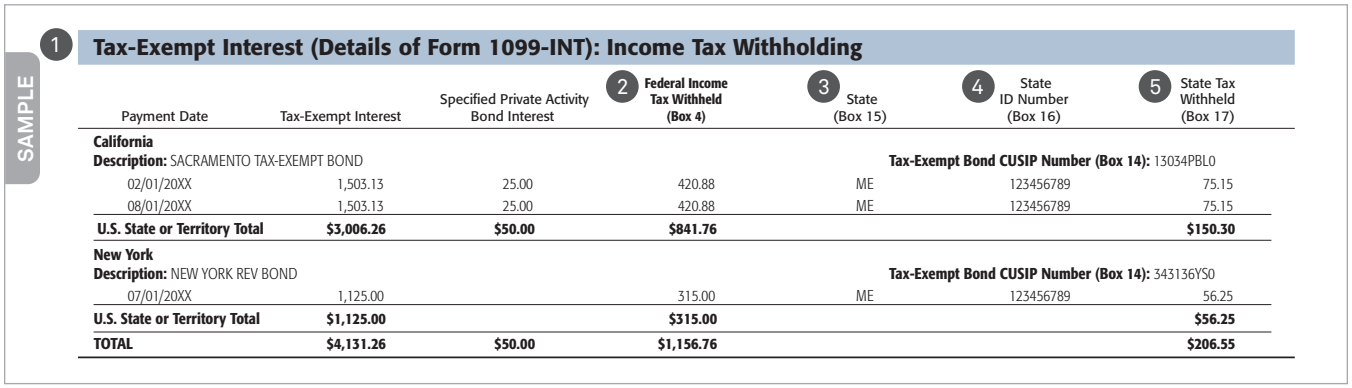
1 Tax-Exempt Interest (Details of Form 1099-INT) **OMB No. 1545-0112**

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Acquisition Date	Quantity	Original Cost Basis	Period Begin/End Date	Cost Basis at Beginning/End of Period	Investment Expenses (Box 5)	5 Tax Exempt Interest (Box 8)	Specified Private Activity Bond Interest (Box 9)	Market Discount (Box 10)	7 Bond Premium on Tax-Exempt Bond (Interest Offset) (Box 13)
2 California									
Description: SACRAMENTO TAX-EXEMPT BOND 5.125% 09/01/XX B/E DTD 01/15/XX						**4 Tax-Exempt Bond CUSIP Number (Box 14):** 13034PBL0			
3 Payment Date: 03/01/20XX									
Noncovered Transactions									
06/25/20XX	35,000	39,023.48	09/02/20XX	36,465.18		896.88			233.32
			03/01/20XX	36,231.86					
Payment Date: 09/01/20XX									
Noncovered Transactions									
06/25/20XX	35,000	39,023.48	03/02/20XX	36,231.86		896.88			237.57
			09/01/20XX	35,994.29					
SECURITY TOTAL						**1,793.76**	**0.00**		**470.89**
U.S. State or Territory Total						**$1,793.76**	**$0.00**		**$470.89**
New York									
Description: NEW YORK REV BOND							**Tax-Exempt Bond CUSIP Number (Box 14):** 343136YS0		
Payment Date: 07/01/20XX									
Noncovered Transactions									
07/18/20XX	50,000	49,938.85	01/01/20XX	49,942.78		1,125.00			
			07/01/20XX	49,943.64					
U.S. State or Territory Total						**$1,125.00**			
6 Market Discount and Bond Premium Covered Totals									
Market Discount and Bond Premium Noncovered Totals									**$466.89**
TOTAL						**$2,918.76**	**$0.00**		**$466.89**

Tax-Exempt Interest—Income Tax Withholding

1. **Income Tax Withholding on Tax-Exempt Interest Income** is displayed in its own section.
2. **Federal Income Tax Withheld (Box 4)** reports federal income tax withheld (backup withholding).
3. **State (Box 15)** displays the two-letter postal abbreviation of the state(s) for which state income taxes were withheld.
4. **State ID Number (Box 16)** displays the payer's state identification number(s).
5. **State Tax Withheld (Box 17)** displays the amount of state income tax withheld on interest payments reported on this form.



SAMPLE

1 Tax-Exempt Interest (Details of Form 1099-INT): Income Tax Withholding

Payment Date	Tax-Exempt Interest	Specified Private Activity Bond Interest	2 Federal Income Tax Withheld (Box 4)	3 State (Box 15)	4 State ID Number (Box 16)	5 State Tax Withheld (Box 17)
California						
Description: SACRAMENTO TAX-EXEMPT BOND					**Tax-Exempt Bond CUSIP Number (Box 14):** 13034PBL0	
02/01/20XX	1,503.13	25.00	420.88	ME	123456789	75.15
08/01/20XX	1,503.13	25.00	420.88	ME	123456789	75.15
U.S. State or Territory Total	**$3,006.26**	**$50.00**	**$841.76**			**$150.30**
New York						
Description: NEW YORK REV BOND					**Tax-Exempt Bond CUSIP Number (Box 14):** 343136YS0	
07/01/20XX	1,125.00		315.00	ME	123456789	56.25
U.S. State or Territory Total	**$1,125.00**		**$315.00**			**$56.25**
TOTAL	**$4,131.26**	**$50.00**	**$1,156.76**			**$206.55**

Dividends and Distributions

1. **Dividends and Distributions** are reported on IRS Form 1099-DIV. Details are displayed on Tax Information Statements to provide you with transaction-level information.
2. **Transactions** are listed in CUSIP sequence.
3. **Subtotals in the Total Ordinary Dividends (Box 1a)** column are provided for income from total U.S. and foreign corporations to assist in preparing tax returns.
4. The portion of the amount in Box 1a that may be eligible for reduced capital gains rates is separated in the **Qualified Dividends (Box 1b)** column.
5. **Section 897 Ordinary Dividends (Box 2e)** shows the portion of the amount in Box 1a that is section 897 gain attributable to disposition of U.S. real property interests (USRPI).
6. **Section 199A Dividends (Box 5)** shows the portion of the amount in Box 1a that may be eligible for the 20% qualified business income deduction under section 199A.
7. **Shows your share of investment expenses of a nonpublicly offered RIC,** generally a nonpublicly offered mutual fund. This amount is included in Box 1a. Your share of UIT, WHFIT and WHMT expenses is also reported in the **Investment Expenses (Box 6)** column.

   If any income was subject to foreign tax, the foreign tax paid is reported in the **Foreign Tax Paid (Box 7)** column.
8. **U.S. Source and Foreign Source Income Totals** will be provided separately.
9. **NEW FOR 2022 »** The foreign country or U.S. possession for which the foreign tax was paid and reported in Box 7 will be displayed for foreign equities and ADRs. RICs will continue to be summed as Other.

SAMPLE

1 Dividends and Distributions (Details of Form 1099-DIV)

Supplemental information regarding the percentages of tax-exempt income on municipal bond funds by state and the percentage of government agency, direct federal and foreign source income for funds will be available by March 1, 2023, at bny.mn/taxresources.

Description	Date Paid	3 Total Ordinary Dividends (Box 1a)	4 Qualified Dividends (Box 1b)	*Total Capital Gain Distributions (Box 2a)	5 Section 897 Ordinary Dividends (Box 2e)	Nondividend Distributions (Box 3)	6 Section 199A Dividends (Box 5)	7 Investment Expenses (Box 6)	Foreign Tax Paid (Box 7)
2 PETER XOS INC COM	06/01/20XX	1,500.00	1,500.00						
CUSIP: ABC123456	09/01/20XX	1,500.00	1,500.00						
		3,000.00	3,000.00						
HOUNDS BANCORP	03/15/20XX	1,000.00	1,000.00				115.00		
SER H PFD STK QTR	06/15/20XX	1,000.00	1,000.00						
PERP CALL@25	09/15/20XX	1,000.00	1,000.00						
CUSIP: DEF123456		3,000.00	3,000.00				115.00		
ADIDAS AG	05/08/20XX	977.27							257.75
ORD SHS									
ISIN#DE000A1EWWW0									
CUSIP: D0066B185 FOREIGN CORP									
GERMANY									
HENKEL AG & CO KGAA	04/04/20XX	4,760.71							1,255.64
INHABER VORZUGSAKTIEN									
ISIN#DE0006048432									
CUSIP: D3207M110 FOREIGN CORP									
GERMANY									
PETROFAC LTD LONDON	06/02/20XX	8,760.00							
SHS	10/21/20XX	4,400.00							
ISIN#GB00B0H2K534									
CUSIP: G7052T101 FOREIGN CORP									
UNITED KINGDOM		13,160.00							
ADVISORS DISCIPLINED	09/25/20XX	132.58	41.91	25.82		16.91			1.04
CUSIP: 00771H471	10/27/20XX	132.58	41.91	25.82		16.91			1.04
FOREIGN % 100	11/25/20XX	132.58	41.91	25.82		16.91			1.04
	12/26/20XX	132.50	41.91	25.76		16.82			0.98
		530.24	167.64	103.22		67.55			4.10
9 Dividends – U.S. Source Total		6,362.02	6,362.02						
Dividends – Foreign Country or U.S. Possession									
Canada		612.71	612.71						91.91
Germany		5,737.98	0.00						1,513.39
United Kingdom		13,160.00	0.00						
Other (Mutual Funds)		1,705.65	1,228.18						191.78
8 **Foreign Source Total**		**$21,216.34**	**$1,840.89**						**$1,797.08**
TOTAL		**$27,578.36**	**$8,202.91**	**$728.22**	**$52.00**	**$272.95**	**$115.00**		**$1,797.08**

Dividends and Distributions—Income Tax Withholding

1. If any dividend is subject to federal tax withholding, the amount withheld is reported in the Federal Income Tax Withheld (Box 4) column.
2. If any dividend is subject to state tax withholding, the amount withheld is reported in the State Tax Withheld (Box 16).

SAMPLE

2022 Form 1099-DIV — Dividends and Distributions: Income Tax Withholding

CUSIP	Total Ordinary Dividends	Total Capital Gain Distributions	Nondividend Distributions	1 Federal Income Tax Withheld (Box 4)	State (Box 14)	State ID Number (Box 15)	2 State Tax Withheld (Box 16)
Description: PETER XOS INC COM CUSIP: ABC123456	3,000.00			720.00	ME	123456789	150.00
Description: HOUNDS BANCORP SER H PRFD STK QTR PERPCALL@25 CUSIP: DEF123456	3,000.00			720.00	ME	123456789	150.00
TOTAL	**$6,000.00**	**$0.00**	**$0.00**	**$1,440.00**			**$300.00**

Tax-Exempt Dividends

This section shows tax-exempt dividends, including exempt-interest dividends from a mutual fund or other RIC. You report this amount on IRS Form 1040 or Form 1040A.

SAMPLE

Tax-Exempt Dividends (Details of Form 1099-DIV)

Supplemental information regarding the percentages of tax-exempt income on municipal bond funds by state and the percentage of government agency, direct federal and foreign source income for funds will be available by March 1, 2023, at bny.mn/taxresources.

Description	Date Paid	Exempt Interest Dividends (Box 12)	Specified Private Activity Bond Interest Dividends (Box 13)	Federal Income Tax Withheld (Box 4)	State (Box 14)	State ID Number (Box 15)	State Income Tax Withheld (Box 16)
ALABASTER COMPANY CUSIP: ALA123456	06/01/20XX	3,000.00	1,000.00	840.00	ME	123456789	150.00
TOTAL		**$3,000.00**	**$1,000.00**	**$840.00**			**$150.00**

Capital Gain Distributions

1. **The Capital Gain Distributions** section identifies various classifications of capital gain distributions from RICs (mutual funds and ETFs treated as mutual funds) and REITs.

   Note: This section does not include short-term capital gain distributions from RICs (mutual funds and ETFs treated as mutual funds) and REITs, which are reported on the 1099-DIV as ordinary dividends.
2. The sum of the Unrecaptured Section 1250 Gain (Box 2b) column, Section 1202 Gain (Box 2c) column, Collectibles (28%) Gain (Box 2d) column, Section 897 Capital Gain (Box 2f) and Long-Term Capital Gain Distributions column is displayed in the **Total Capital Gain Distributions** (Box 2a) column, which has been carried forward from the Dividends and Distributions section.
3. **Section 897 Capital Gain** shows the portion of the amount in Box 2a that is section 897 gain attributable to disposition of USRPI.

SAMPLE

1 **Capital Gain Distributions (Details of Form 1099-DIV)**

Description	Date Paid	2 Total Capital Gain Distributions (Box 2a)	Unrecaptured Section 1250 Gain (Box 2b)	Section 1202 Gain (Box 2c)	Collectibles (28%) Gain (Box 2d)	3 Section 897 Capital Gain (Box 2f)	Long-Term Capital Gain Distributions
DFA U.S. CORE EQUITY 1 PORTFOLIO INSTITUTIONAL CLASS CUSIP: 233203413	12/16/20XX	625.00	175.00	350.00		50.00	50.00
TOTAL		**$625.00**	**$175.00**	**$350.00**	**$0.00**	**$50.00**	**$50.00**

Liquidation Distributions

1. **Liquidating Distributions,** sometimes called liquidating dividends, are distributions you receive during a partial or complete liquidation of a corporation. This section displays both cash and noncash liquidation distributions (Boxes 9 and 10).
2. If any liquidation distribution is subject to federal tax withholding, the amount withheld is reported in the **Federal Income Tax Withheld** (Box 4) column.

SAMPLE

Liquidation Distributions (Details of Form 1099-DIV)

Description	Date Paid	Cash Liquidation Distributions (Box 9)	1 Noncash Liquidation Distributions (Fair Market Value) (Box 10)	2 Federal Income Tax Withheld (Box 4)	State (Box 14)	State ID Number (Box 15)	State Income Tax Withheld (Box 16)
ACCAL COMPANY CUSIP: ABC123456	06/15/20XX	100.00			ME	123456789	150.00
TOTAL		**$100.00**	**$0.00**	**$0.00**			**$150.00**

Original Issue Discount (OID)

1. The 1099-OID displays OID and Tax-Exempt OID in one section.
2. For the **Original Issue Discount** Details, transactions are listed in CUSIP sequence.
3. **Bond Premium (Box 10).** Bond premium information is displayed.

SAMPLE

1 **2022 Form 1099-OID** — **Original Issue Discount** — **OMB No. 1545-0117**

(For individuals, report details on Form 1040; Schedule B; Line 1.)

This is important tax information and is being furnished to the Internal Revenue Service (except as indicated). If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Acquisition Date	Lot Quantity	Original Cost Basis	Days Held or Payment Date	Original Issue Discount (Box 1)	Other Periodic Interest (Box 2)	Market Discount (Box 5)	Acquisition Premium (OID Offset) (Box 6)	OID on U.S. Treasury Obligations (Box 8)	Investment Expenses (Box 9)	3 Bond Premium (Box 10)	Tax-Exempt OID (Box 11)	Tax-Exempt OID (Specified Private Activity Bond)
Original Issue Discount Details												
Description: C HLDGS INC SR 2.250% 12/15/XX								2 **CUSIP (Box 7):** 123456789 U.S. CORP.				
Covered												
11/07/20XX	16,000	15,220.00	54	278.43	1,000.00							
Security Total - Amount Reportable to IRS				**$278.43**	**$1,000.00**	**$224.45**						
Description: QWEST CORP GTD NTS 8.375% 05/01/XX B/E DTD 11/01/XX								**CUSIP (Box 7):** 123456789 U.S. CORP.				
Noncovered												
10/18/20XX	50,000	54,768.00	360	676.90	4,187.50		676.90			1,128.91		
Security Total - Amount Reportable to IRS				**$676.90**	**$4,187.50**							
Description: CHLDGS ENTRY INC SR 14.000% 02/01/XX DTD 06/21/XX								**CUSIP (Box 7):** 123456789 U.S. CORP				
Covered												
04/22/20XX	1,000,000	1,025,005.93	21	8,266.65			165.01					
Security Total - Amount Reportable to IRS				**$8,266.65**		**$224.45**	**$165.01**					
Original Issue Discount Totals												
Amount Reportable to IRS				**$9,221.98**	**$5,187.50**	**$224.45**	**$165.01**					
Amount Not Reportable to IRS							**$676.90**			**$1,128.91**		
Total				**$9,221.98**	**$5,187.50**	**$224.45**	**$841.91**			**$1,128.91**		

* This may not be the correct figure to report on your income tax return. See instructions for details.

Tax-Exempt Original Issue Discount (OID)

1. The 1099-OID displays OID and Tax Exempt OID in one section.
2. Tax-exempt OID details will display in U.S. State or Territory sequence.
3. **Tax-Exempt OID (Box 11).** OID for covered and noncovered tax-exempt bond transactions is displayed in this section. This information is reported to the IRS for covered transactions.
4. **Tax-Exempt OID (Specified Private Activity Bond).** OID for tax-exempt specified private activity bonds is displayed in this column. If the OID is not for a specified private activity bond, then this column will be blank.

SAMPLE

1 2022 Form 1099-OID — **Original Issue Discount** *(continued)* — **OMB No. 1545-0117**

Acquisition Date	Lot Quantity	Original Cost Basis	Days Held or Payment Date	Original Issue Discount (Box 1)	Other Periodic Interest (Box 2)	Market Discount (Box 5)	Acquisition Premium (OID Offset) (Box 6)	OID on U.S. Treasury Obligations (Box 8)	Investment Expenses (Box 9)	Bond Premium (Box 10)	3 Tax-Exempt OID (Box 11)	4 Tax-Exempt OID (Specified Private Activity Bond)
2 Tax-Exempt Original Issue Discount Details												
Colorado												
Description: COLORADO HEALTH FACS AUTH RETIREMENT FACS REV LIBERTY HEIGHTS									**CUSIP (Box 7):** 123456789			
Covered												
11/15/20XX	100,000	40,231.00	360								2,400.27	
Security Total - Reportable to IRS											**$2,400.27**	
Florida												
Description: FLORIDA HEALTH FACS AUTH RETIREMENT FACS REV LIBERTY HEIGHTS									**CUSIP (Box 7):** 123456789			
Noncovered												
11/15/20XX	30,000	100,000	40,231.00	360							4,000.00	
Security Total - Amount Reportable to IRS												
Security Total											**$4,000.00**	
Illinois												
Description: CHICAGO ILL WASTEWATER TRANSMISSION BDS 2017 A 3.250% 10/01/35 B/E DTD 08/24/17 CLB									**CUSIP (Box 7):** 123456789			
Covered												
1/01/20XX	30,000	10,647.00	360				87.22				949.70	949.70
Noncovered												
01/01/20XX	30,000	9,647.00	360				86.47				909.96	909.96
Security Total - Reportable to IRS							**$87.22**				**$949.70**	**$949.70**
Security Total							**$173.69**				**$1,859.66**	**$1,859.66**
New Jersey												
Description: NEW JERSEY ECONOMIC DEV AUTH REV SAINT BARNABAS 0.00% 07/01/21 B/E DTD 06/26/20XX									**CUSIP (Box 7):** 123456789			
Covered												
11/01/20XX	50,000	15,058.00	360			12.68					2,095.44	
Noncovered												
6/28/20XX	50,000	17,058.00	360			15.32					363.00	
Security Total - Reportable to IRS						**$12.68**					**$2,095.44**	
Security Total						**$28.00**					**$2,458.44**	
Tax-Exempt Original Issue Discount Totals												
Amount Reportable to IRS						**$12.68**	**$87.22**				**$5,445.41**	**$949.70**
Amount Not Reportable to IRS						**$15.32**	**$86.47**				**$5,272.96**	**$909.86**
Total						**$28.00**	**$173.69**				**$10,718.37**	**$1,859.56**

Original Issue Discount (OID): Income Tax Withholding

1. **If any income is subject to federal tax withholding,** the amount withheld is reported in the Federal Income Tax Withheld (Box 4) column.
2. **If any income was subject to state tax withholding,** the amount withheld is reported in the State Tax Withheld (Box 14).

SAMPLE

2022 Form 1099-OID — **Original Issue Discount: Income Tax Withholding** — **OMB No. 1545-0117**

Date	Other Periodic Interest	1 Federal Income Tax Withheld (Box 4)	State (Box 12)	State ID Number (Box 13)	2 State Tax Withheld (Box 14)
Description (Box 7): BELTLY CORP FIXED RT SR NT 8.000% 11/15/XX B/E			**CUSIP:** 080555AJ4 FOREIGN CORP.		
02/15/20XX	1,000.00	280.00	ME	123456789	50.00
TOTAL	**$1,000.00**	**$280.00**			**$50.00**

Miscellaneous Information

1. **The total amount displayed in the Miscellaneous Information section** is reported on IRS Form 1099-MISC. Details are displayed on Tax Information Statements to provide you with transaction-level information.
2. **Transactions** are listed in CUSIP sequence.
3. **If any income was subject to federal tax withholding,** the amount withheld is reported in the Federal Income Tax Withheld (Box 4) column.
4. **If any income was subject to state tax withholding,** the amount withheld is reported in the State Tax Withheld (Box 16) column.

SAMPLE

1 **2022 Miscellaneous Information (Details of Form 1099-MISC)**

Description	Date Paid	Rents (Box 1)	Royalties (Box 2)	Other Income (Box 3)	Substitute Payments in Lieu of Dividends and Interest (Box 8)	3 Federal Income Tax Withheld (Box 4)	4 State Tax Withheld (Box 16)	State/Payer's State Number (Box 17)	State Income (Box 18)
2 ABC ROYALTY TRUST CUSIP: 678901234	06/01/20XX	3,000.00			25.00	840.00	150.00	ME/123456789	
RESOURCE TRUST UNITS CUSIP: 567321987	03/09/20XX 06/08/20XX 09/07/20XX 12/07/20XX		211.14 156.72 120.36 160.23 648.45						
TOTAL		**$3,000.00**	**$648.25**		**$25.00**	**$840.00**	**$150.00**		

Transactions We Do Not Report to the IRS

Information regarding transactions that we do not report to the IRS is provided to help you prepare your tax returns. The section consists of the following categories: Non-Reportable Proceeds and Cost Basis Information, Non-Reportable Transactions, Advisory Fees and Other Expenses (optional feature), Foreign Tax Refunds, Equity Noncovered Options Transactions, Securities Purchased with Accrued Interest Paid and Margin Interest Expense.

NON-REPORTABLE PROCEEDS AND COST BASIS INFORMATION

Certain nonreportable options, fixed income, currency transactions[1] and certain partnership redemptions reported on K-1s that previously displayed within the Form 1099-B section will be grouped and sorted by the CUSIP within the following three subsections:

1. **Short-Term Transactions Not Reported to the IRS on Form 1099-B:** For Informational Purposes Only
2. **Long-Term Transactions Not Reported to the IRS on Form 1099-B:** For Informational Purposes Only
3. **Transactions Not Reported to the IRS and for Which Short-Term or Long-Term Determination Is Unknown (to Broker):** For Informational Purposes Only

SAMPLE

Transactions We Do Not Report to the IRS

NON-REPORTABLE PROCEEDS AND COST BASIS INFORMATION

Disposition Transaction	Quantity	Date Acquired	Date Sold or Disposed	Proceeds	Cost or Other Basis	Adjustments D = Market Discount O = Option Premium W = Wash Sale Loss	Difference
1 Short-Term Transactions Not Reported to the IRS on Form 1099-B: For Informational Purposes Only							
Description: CALL GK INDUS CL A 03-22-XX					**CUSIP:** 123456ABC		
EXPIRATION	1,000	01/01/20XX	06/01/20XX	1,000.00	900.00		100.00
EXPIRATION	2,000	01/02/20XX	06/02/20XX	2,000.00	1,800.00		200.00
				$3,000.00	**$2,700.00**		**$300.00**
Short-Term Transactions Not Reported Total				**$3,000.00**	**$2,700.00**		**$300.00**
2 Long-Term Transactions Not Reported to the IRS on Form 1099-B: For Informational Purposes Only							
Description of Property (Box 1a): CALL ALPHA UNITY WOR 02-22-XX					**CUSIP:** 99QADUQTX		
BUY TO COVER	100	01/01/20XX	06/01/20XX	100.00	50.00		50.00
BUY TO COVER	200	01/02/20XX	06/02/20XX	200.00	100.00		100.00
				$300.00	**$150.00**		**$150.00**
Description of Property (Box 8): ESCROW WASHINGTON MUTUAL INC COMMON					**CUSIP:** 939ESC968		
DEL WORTHLESS	844	03/23/20XX	06/20/20XX	0.00	0.00		
3 Long-Term Transactions Not Reported Total				**$300.00**	**$150.00**		**$150.00**
Transactions Not Reported to the IRS and for Which Short- or Long-Term Determination Is Unknown (to Broker): For Informational Purposes Only							
Description of Property (Box 8): CALL BROCHE CORP 03-22-XX					**CUSIP:** 123456CBC		
REDEMPTION	100		06/01/20XX	1,000.00	0.00		
REDEMPTION	200		06/02/20XX	2,000.00	0.00		
					$3,000.00		**$0.00**
Other Transactions Not Reported Total				**$3,000.00**			
TOTAL				**$6,300.00**	**$2,850.00**		**$450.00**

[1] Exchanges of foreign currency for USD and exchanges of foreign currency for a different foreign currency are displayed in this section. When the exchange is a forward contract, it also is reported on Form 1099-B, within the section titled Foreign Currency Forward Contracts. Please see that section and the instructions that follow it for more information.

Transactions We Do Not Report to the IRS (continued)

NON-REPORTABLE DISTRIBUTIONS

4 **Transactions** are listed in CUSIP sequence.

5 **This section displays nonreportable distributions,** such as Partnership Cash Distributions, Shortfalls, Return of Principal Distributions and Non-Qualified Stated Interest. (Please see pages 50–51 for descriptions of these distribution types.)

SAMPLE

Transactions We Do Not Report to the IRS *(continued)*

NON-REPORTABLE TRANSACTIONS

Description	4 CUSIP	Date Paid	5 Partnership Cash Distributions	Shortfalls	Return of Principal Distributions and Non-Qualified Stated Interest
BOUNTIFUL PLC 11.000% 01/27/XX B/E	06740P233	01/28/20XX			2,750.00
DTD 01/27/20XX CLB		07/28/20XX			2,750.00
					5,500.00
MONTAGUE STANT MEDIUM TERM SR NTS	61760QCW2	03/28/20XX			1,250.00
FIXED TO FLOATING RATE NOTES		06/30/20XX			1,250.00
		09/29/20XX			675.50
					3,175.50
TOTAL			**$0.00**	**$0.00**	**$8,675.50**

ADVISORY FEES AND OTHER EXPENSES DETAIL INFORMATION[1]

6 **Certain Advisory Fees and Other Expenses** charged to your accounts during 2022 will be displayed in this section. The transactional details of each individual fee that was charged for the year will display in the Advisory Fees and Other Expenses Detail section.

SAMPLE

6 **ADVISORY FEES AND OTHER EXPENSES**

Transaction Type	Description	CUSIP	Date Paid	Amount
AGENT SERVICING FEE			03/15/20XX	(50.00)
MANAGEMENT FEE PAID			10/27/20XX	(129.46)
CUSTODY FEE			11/11/20XX	(116.80)
FEE FGN DIV WH SRCE	ABC PLC SPONS ADR	055622104	03/31/20XX	(2.71)
FEE FGN DIV WH SRCE	ABC PLC SPONS ADR	055622104	04/09/20XX	2.71
FEE FGN DIV WH SRCE	ABC PLC SPONS ADR	055622104	12/18/20XX	(3.35)
FEE FGN DIV WH SRCE	DEF PLC SPONS ADR	37733W105	07/14/20XX	(12.87)
FEE FGN DIV WH SRCE	DEF PLC SPONS ADR	37733W105	10/01/20XX	(13.05)
FEE FGN DIV WH SRCE	GRAPEVINE ADR	502441306	01/02/20XX	(12.50)
FEE FGN DIV WH SRCE	GRAPEVINE ADR	502441306	04/02/20XX	(92.36)
TOTAL				**($430.39)**

FOREIGN TAX REFUNDS

7 **Foreign Tax Refunds.** This section displays any prior year foreign tax refunds received during 2022. If no Original Withholding Date is displayed, please refer to your financial records. Please consult your tax professional for possible amendments to prior year filings.

SAMPLE

7 **FOREIGN TAX REFUNDS**

Transaction Type	Security Description	CUSIP	Date Paid	Original Withholding Date	Amount
FOREIGN TAX REFUND	ABC COMPANY	123456789	05/05/20XX	10/12/2021	105.00
FOREIGN TAX REFUND	ABC COMPANY	123456789	07/24/20XX		26.00
TOTAL					**$131.00**

Foreign Tax Refunds. This section displays a total of all prior year foreign tax refunds received during 2022. If no Original Withholding Date is displayed, please refer to your financial records. Please consult your tax professional for possible amendments to prior year filings.

[1] Advisory Fees and Other Expenses Detail Information are optional features. Please direct any questions to your financial organization or advisor.

Transactions We Do Not Report to the IRS (continued)

NONCOVERED EQUITY OPTIONS TRANSACTIONS

8 The **Equity Options Transactions** section includes purchases, sales, expirations, exercises and assignments.

9 **Transactions** are listed in CUSIP sequence.

Note: This section will only be displayed if you receive the YTIS.

SAMPLE

8 EQUITY OPTIONS TRANSACTIONS

Description	*Expiration Date/ Strike Price*	*Trade/Process Date*	*Transaction Type*	*Quantity*	*Purchase Amount*	*Proceeds*
9 PUT 100 DELL COMPUTER CORP CUSIP: 2470259TO	EXP 08-19-XX @ 75	08/18/20XX	Sell Open	3		88.99
PUT 100 DELL COMPUTER CORP CUSIP: 2470259TO	EXP 08-19-XX @ 75	08/21/20XX	Expiration	3		0.00
CALL 100 LANCER GRP. CUSIP: 51461D240	EXP 06-30-XX @ 16 5/8	03/16/20XX	Buy Open	25	6,363.80	
CALL 100 LANCER GRP. CUSIP: 51461D240	EXP 06-30-XX @ 16 5/8	06/30/20 XX	Sell Close	25		7,500.00
TOTAL					**$6,363.80**	**$7,588.99**

SECURITIES PURCHASED WITH ACCRUED INTEREST PAID

10 The **Securities Purchased with Accrued Interest Paid** provides you with information related to the acquisition of debt obligations.

11 **Transactions** are listed in CUSIP sequence.

12 **Accrued Interest Purchased** related to the acquisition of debt obligations is displayed in this section.

SAMPLE

10 **SECURITIES PURCHASED WITH ACCRUED INTEREST PAID**

Description	11 CUSIP	Trade/Process Date	Quantity	12 Accrued Interest Paid	Security Type
FMG RESOURCES SR NT REG S ISIN#USQ3919KAE12 6.000% 04/01/XX B/E DTD 03/19/XX CLB	Q3919KAE1	11/24/20XX	400,000	3,800.00	Foreign Source
AVAYA INCORPORATED 9.000% 04/01/XX B/E DTD 12/21/XX CLB	U05258AD7	05/02/20XX	300,000	2,700.00	U.S. Corporation
NGPL PIPECO LLC 9.625% 06/01/XX B/E DTD 05/25/XX	U6536EAD8	09/03/20XX 10/03/20XX	500,000 300,000	12,967.01 10,186.46 23,153.47	U.S. Corporation
PHILADELPHIA PA 5.250% 07/15/XX B/E DTD 02/06/XX CLB	717813QQ5	03/26/20XX	55,000	441.50	Tax-Exempt
TOTAL				**$30,094.97**	

Securities Purchased with Accrued Interest Paid. Securities purchased with accrued interest paid through your account during 2022 may be displayed in this section. Accrued interest purchased is reported separately in this section of your Tax Information Statement.

MARGIN INTEREST EXPENSE

13 The **Margin Interest Expense Charged to Your Account** section provides the amount of margin interest charged to an account during the year. Margin interest may be deductible for tax purposes.

SAMPLE

Summary of Transactions We Do Not Report to the IRS (See instructions for additional information) *(continued)*

13 **Margin Interest Expense Charged to Your Account**.....**$662.60**

Transactions We Do Not Report to the IRS (continued)

CORESTONE® ACCOUNT FEATURES

For Corestone® Gold and Platinum account holders, the TYES also includes up to 12 months (depending on when you enrolled in the Gold or Platinum level) of checking and debit card activity, electronic deposits and electronic withdrawals.

SAMPLE

ELECTRONIC DEPOSITS

Process/ Settlement Date	Activity Type	Description	Amount
01/31/20XX	ELECTRONIC TRANSACTION	DIRECT DEPOSIT 1231231234 THE BOARD OF PEN	1,890.34
05/31/20XX	ELECTRONIC TRANSACTION	DIRECT DEPOSIT 9999995559 TCHRS R ET SYS	808.91
Total Electronic Deposits			**$2,699.25**

OTHER DEPOSITS

Process/ Settlement Date	Activity Type	Description	Quantity	Price	Amount
02/01/20XX	CHECK RECEIVED	CHECK RECEIVED 4335			18,551.35
02/25/20XX	CHECK RECEIVED	CHECK RECEIVED 9538			16,446.31
09/09/20XX	FEDERAL FUNDS RECEIVED	XYZ BANK NA NYBD CIT 14458			20,000.00
Total Other Deposits					**$54,997.66**

CHECKING ACTIVITY

Process Date	Date Written	Check Number	Payee	Check Category	Amount
Code 0					
11/26/20XX	11/26/20XX	0651	POSTY CARDS	CODE O	(69.69)
11/26/20XX	10/26/20XX	0652	DR. GREENE	CODE O	(340.00)
12/30/20XX	11/30/20XX	0666	SILVER CREEK FARMS	CODE O	(390.00)
Code 0 Total					**($799.69)**
Charitable Contributions					
01/07/20XX	12/15/20XX	0642	ANYWHERE UNIV	CHARITABLE CONTRIBUTIONS	(1,000.00)
01/03/20XX	12/15/20XX	0654	ST JOSEPHS PREP	CHARITABLE CONTRIBUTIONS	(500.00)
03/09/20XX	02/28/20XX	0661	XYZ FOOD BANK	CHARITABLE CONTRIBUTIONS	(1,000.00)
Charitable Contributions Total					**($2,500.00)**
Total Checking Activity					**($3,299.69)**

DEBIT CARD ACTIVITY

Process Date	Transaction Date	Vendor	Location	Reference Number	Amount
Cash Disbursements					
10/25/20XX	10/25/20XX	ATM WITHDRAWAL	HOLLYWOOD	11111111111111111111	(2,000.00)
11/22/20XX	11/22/20XX	ATM WITHDRAWAL	MAIN & VINE STS	22222222222222222222	(2,000.00)
12/25/20XX	12/24/20XX	ATM WITHDRAWAL	DEF	33333333333333333333	(5,000.00)
Total Cash Disbursements					**($9,000.00)**
Retail Stores					
06/23/20XX	06/22/20XX	MARKS & SPENCER	SPRINGFIELD VA	44444444444444444444	(208.25)
06/24/20XX	06/23/20XX	MARKS & SPENCER	SPRINGFIELD VA	55555555555555555555	45.27
Retail Stores Total					**($162.98)**
Total Debit Card Activity					**($9,162.98)**

ELECTRONIC WITHDRAWALS

Process Settlement Date	Activity Type	Description	Amount
01/07/20XX	ELECTRONIC TRANSACTION	AUTHORIZED DEBIT 474747474WFHM MORTGAGE	(2,425.30)
12/14/20XX	ELECTRONIC TRANSACTION	AUTHORIZED DEBIT ABC EXPRESS	(2,472.95)
Total Electronic Withdrawals			**($4,898.25)**

OTHER WITHDRAWALS

Process Settlement Date	Activity Type	Description	Quantity	Price	Amount
05/02/20XX	FEDERAL FUNDS SENT	ABC NATIONAL			(23,750.00)
08/10/20XX	FEDERAL FUNDS SENT	ABC SAFE DEPOSIT			(5,000.00)
Total Other Withdrawals					**($28,750.00)**

Collateralized Debt Obligations (CDOs), Collateralized Mortgage Obligations (CMOs) and Real Estate Mortgage Investment Conduits (REMICs)

According to federal tax law, income from the above-mentioned securities is calculated on an accrual basis, not on a cash basis. We are required to furnish additional information to taxpayers who hold these securities.

Note: We are required by the IRS to report this information to you by March 15, 2023.

- For collateralized debt obligations (CDOs) issued with OID, income is reported in the Form 1099-OID section of the Tax Information Statement. For CDOs issued without OID, income is reported in the Form 1099-INT section of the Tax Information Statement.

Additional Written Statement—CDOs (Including REMICs)

Depending on the type of CDO held in your account, accrued interest income is reported on either IRS Form 1099-INT or 1099-OID. OID is reported on IRS Form 1099-OID.

1. **We are required to report certain additional information to you regarding CDOs, including REMICs.** We provide this on an Additional Written Statement. You need this additional information to complete your tax returns. The Additional Written Statement also provides calculations of interest income and OID, and is provided only to you, but not to the IRS.
2. The amount displayed in the **Aggregate Amount of OID** column is calculated as:
   ([quantity] x [days held] x [daily OID]) ÷ 1,000.
   For example, ([50,000] x [30] x [.0056711]) ÷ 1,000 = 8.51.
3. The amount displayed in the **Aggregate Amount of Accrued Interest Income** column is calculated as:
   ([quantity] x [days held] x [daily accrued interest income]) ÷ 1,000.
   For example, ([50,000] x [30] x [.2500000]) ÷ 1,000 = 375.00.

1 Additional Written Statement—Collateralized Debt Obligations (Including REMICs)

SAMPLE

Lot No.		Quantity	Accrual Period Begins	Days Held	Per $1,000 of Original Principal: Beginning Adjusted Issue Price	Per $1,000 of Original Principal: Daily Original Issue Discount	Per $1,000 of Original Principal: Daily Accrued Interest Income	Aggregate Amount of: 2 Original Issue Discount	Aggregate Amount of: 3 Accrued Interest Income	Actual Interest Paid (Cash)	Investment Expenses	Ending Market Discount Fraction
Description: ABC GTD REMIC PASS THRU CTF REMIC											CUSIP: 123456789	
	1	50,000	XX/XX/XXXX	30	990.0156	0.0056711	0.25	8.51	375.00	375.00	15.00	0.168721
		50,000	XX/XX/XXXX	30	990.1857	0.0078586	0.25	11.79	375.00	375.00	15.00	0.237814
Lot Total:				60				20.30	750.00	750.00	30.00	
Security Total:								**$20.30**	**$750.00**	**$750.00**	**$30.00**	
Description: ABC CMO TR TR 89 CMO SER 11 CL 11-D											CUSIP: 123456789	
	1	30,000	XX/XX/XXXX	30	998.4197		0.25		225.00	225.00		0.0226692
		30,000	XX/XX/XXXX	30	998.4621		0.25		225.00	225.00		0.0233715
		30,000	XX/XX/XXXX	30	998.4883				225.00	225.00		0.0237944
Lot Total:				90				0.00	675.00	675.00	0.00	
Security Total:								**$0.00**	**$675.00**	**$675.00**	**$0.00**	

Additional Written Statement—WHFITs and WHMTs

We are required to provide details for items of gross income and expenses reflected on 1099 forms for WHFITs, including UITs, MBSs and commodity trusts, which are all considered WHFITs. A WHFIT is also considered a WHMT if substantially all of its assets include trust interests in one or more WHMTs and regular interest in one or more REMICs. We provide this information on an Additional Written Statement.

Note: This Additional Written Statement provides details of amounts reported on IRS Form 1099. You need this additional information to complete your tax returns. The Additional Written Statement provides details of certain income and expenses for WHFITs and WHMTs, and is provided to you only and not to the IRS.

- Items of gross income attributable to the WHFIT for the calendar year (including redemption and trust sale proceeds, non-pro rata partial principal payments, redemption asset proceeds, sales asset proceeds and all other amounts of income attributable to selling or redeeming your interest in the WHFIT) are displayed on the Additional Written Statement.
- Expenses not included in Box 5 of IRS Form 1099 are displayed in the Investment Expenses column of the Additional Written Statement.

Refer to the explanation of items displayed in the sample statement on the following page.

Additional Written Statement—WHFITs and WHMTs (continued)

SAMPLE

Additional Written Statement—Widely Held Mortgage Trusts (WHMTs) and Widely Held Fixed Investment Trusts (WHFITs)

PC*	Payment/ Settlement Date	Quantity	Principal Balance	1 Period Principal Paid or Proceeds of Sale	2 Cost/Purchase Price	3 Gross Interest	4 Investment Expense	5 Market Discount Fraction	6 Remaining Income Adjustment	7 Income Adjustment	8 Adjusted Basis Percentage	9 Original Cost Basis
Description: FEDERAL HOME LOAN MTG 5.500% XX/XX/XXXX B/E DTD XX/XX/XXXX											CUSIP: 1234M5ED6	
	07/15/20XX	15,000	265.12345	150.00	15.00							
	08/15/20XX	15,000	260.12345	160.00	14.00							
	09/15/20XX	15,000	255.12345	170.00	13.00							
Security Total				**$480.00**	**$42.00**							

(PC* = Purchase Condition: X - Blended, not lot specific P - Premium A - Acquisition Premium N - Par, no adjustment G - De minimus market discount D - Market Discount. Applicable only to distribution record.)

1. **Period Principal Paid or Proceeds of Sale.** This amount represents the principal distributed to record date holders or the proceeds of a sale net of accrued interest. This amount includes redemption and sale proceeds and redemption and sale asset proceeds. It also includes principal payments that completely retire a debt instrument (other than a final scheduled principal payment) and pro rata partial principal prepayments. The amount should be reported on IRS Form 8949 and Form 1040, Schedule D.
2. **Cost/Purchase Price.** This amount represents the cost of a purchase (the amount paid for the units, including broker's commissions or the fair market value of such units on the date they were distributed), net of accrued interest.
3. **Gross Interest.** This amount represents the amount of interest distributed to you and received as accrued interest on sales or paid as accrued interest on purchases.
4. **Investment Expense.** This amount represents your share of investment expenses paid by the trust.
5. **Market Discount Fraction.** This is the ratio used to compute your market discount income or premium amortization for the year. For amortization of bond premiums see IRS Form 1040, Schedule B instructions. If you claim a deduction for amortization of premiums for bonds acquired after October 22, 1986, but before January 1, 1988, the deduction is treated as interest expense and is subject to the investment interest limitations. Use IRS Form 4952, Investment Interest Expense Deduction, to compute the allowable deduction. For taxable bonds acquired after 1987, you can elect to amortize the bond premium over the life of the bond. See *IRS Publication 550* for more information.
6. **Remaining Income Adjustment.** This represents the portion of your premium or discount that remains unamortized as of the start of the period. A positive amount represents additional income in the form of a market discount. A negative amount indicates a bond premium offset to interest income.
7. **Income Adjustment.** You must increase or decrease your taxable income by the amount of this premium or discount on purchases for his or her account.
8. **Adjusted Basis Percentage.** This represents the ratio of the principal distribution over the principal balance at the start of the year. You can use this ratio to determine the portion of your adjusted basis that represents return of principal. It should be used to compute gain or loss on IRS Form 8949 and Schedule D of IRS Form 1040.

   Use the cost basis factor provided to allocate a portion of your cost basis in the WHFIT (what was paid for the WHFIT, less any reinvested dividend or capital gains distributions) to each sale or disposition to determine any attributable and reportable sales proceeds and realized gains or losses on Schedule D of IRS Form 1040. For commodity trusts, the cost basis factor is reflected in the Adjusted Basis Percentage column.
9. **Original Cost Basis.** This represents the amount that our records indicate or we were advised that you originally paid for the units, including broker's commissions or the fair market value of such units on the date they were distributed. This amount should be used to compute gain or loss on IRS Form 8949 and Form 1040, Schedule D.

Supplemental Information—Royalty Trusts

We are required to report certain additional information to you regarding royalty trusts. We provide this information on a Supplemental Information Statement. You need this additional information to complete your 2022 tax returns.

NOTE:

- Royalty trusts are considered NMWHFITs for federal income tax purposes. These grantor trusts are subject to the reporting requirements for WHFITs. The trustee of your royalty trust will provide tax information in accordance with the applicable U.S. Treasury regulations governing the information reporting requirements of the trust as a WHFIT and an NMWHFIT. Links to tax information booklets for royalty trusts will be available on bny.mn/taxresources when available on the trust's website.
- For NMWHFITs generating interest and dividends only, we have reported required amounts using the "simplified reporting" procedure authorized by the IRS.

Please refer to the explanations below for each item displayed on the Supplemental Information Statement.

SAMPLE

Royalty Trusts Supplemental Information

Date	1 Severance Tax	2 Fees	3 Administrative Expenses	4 Non-Deductible Generic Expenses	5 Deductible Generic Expenses	6 Investment Interest Expenses	7 Section 1231 Gain	8 Basis Addition	9 Basis Reduction
Description: RESOURCE TRUST UNITS								CUSIP: 123456789	
03/09/20XX	12.18		29.25					10.32	2.32
06/08/20XX	8.64		32.45						
09/07/20XX	6.21		40.95						
12/07/20XX	9.05		25.12					4.01	1.01
Security Total	**$36.08**		**$127.77**					**$14.33**	**$3.33**

1. **Severance Tax.** This amount represents your pro rata share of severance taxes paid by the trust, which are deductible on IRS Form 1040, Schedule E.
2. **Fees.** Your pro rata share of professional fees paid by the trust is deductible on IRS Form 1040, Schedule E, line 10.
3. **Administrative Expenses.** Your pro rata share of trust administration expenses paid and accrued during the period on a per unit basis should be reported on IRS Form 1040, Schedule E.
4. **Non-deductible Generic Expenses.** This amount represents your share of generic expenses incurred by the trust that are non-deductible.
5. **Deductible Generic Expenses.** This amount represents your share of certain other expenses that may be deductible.
6. **Investment Interest Expenses.** This amount represents your share of investment interest expense paid by the trust. If you file IRS Form 1040, you may be able to deduct these expenses on IRS Form 1040, Schedule A, but the deduction is limited to net investment income. This limitation is calculated on IRS Form 4952, Investment Interest Expense Deduction. If your investment interest expense is deductible, this is reported as an itemized deduction on IRS Form 1040, Schedule
7. **Section 1231 Gain.** Section 1231 transactions are sales and exchanges of property held for longer than one year and either used in a trade or business, or held for the production of rents or royalties. This amount should be reported on Form 4797, Sale of Business Property.
8. **Basis Addition.** Your original cost basis (the amount paid for the units, including broker's commissions or the fair market value of the units on the date they were distributed) should be increased by amounts reflected in this section to compute your adjusted basis. Your adjusted basis should be used to compute any gain or loss reportable on IRS Form 4797, Sales of Business Property.
9. **Basis Reduction.** The cost basis of your units (the amount paid for the units, including brokers' commissions or the fair market value of such units on the date they were distributed) should be decreased by amounts reflected in this section to compute your adjusted basis. This amount should be used to compute any gain or loss reportable on IRS Form 1040, Schedule D.

Revised Tax Summary Statement

The Revised Tax Summary Statement, which is included with the Revised Tax Information Statement, explains revisions. The pages of these two documents are numbered separately.

The following message will be provided when a delivering firm provides additional cost basis information after the phased mailing:

"A revised tax statement has been generated due to changes in cost basis information provided by your previous firm."

SAMPLE

BNY MELLON | PERSHING

Account Number: 123-456789
Recipient's Identification Number: ***-**-9999

2022
YOUR REVISED TAX SUMMARY STATEMENT
Revised Statement as of 02/03/20XX
Mailed by 02/15/20XX

Recipient's Name and Address:

JOHN Q. PUBLIC
1234 TOWNLINE STREET
APT. #1234
SOMEWHERE, CA 00000-0000

Your Financial Advisor Is:

ROBERT "CONTACT" ADVISOR
1234 STREET
BOX 1234
SOMEWHERE, CA 00000-0000
IP: 123

Payer Information:

PERSHING LLC
Federal Identification Number: 13-2741729

The following item(s) have been updated and are reflected on the revised 20XX tax information statement included in this package.

INCOME RECLASSIFICATIONS

Description	CUSIP	1 Date	2 Prior Information	3 Revised Information	4 Revision Type	5 Statement Section
ABC GROWTH COMPANY	123456ABC	04/11/20XX	200.00	0.00	Qualified Dividends	1099-DIV
		04/11/20XX	0.00	100.00	Total Capital Gain Distr.	1099-DIV
		04/11/20XX	0.00	100.00	Nondividend Distributions	1099-DIV

CAPITAL GAIN RECLASSIFICATIONS

Description	CUSIP	Date	Prior Information	Revised Information	Revision Type	Statement Section
ABC GROWTH COMPANY	123456ABC	04/11/20XX	100.00	0.00	Long-Term Capital Gain Distr.	Capital Gain Distribution
		04/11/20XX	0.00	90.00	Total Capital Gain Distr.	Capital Gain Distribution
		04/11/20XX	0.00	10.00	Nondividend Distributions	Capital Gain Distribution

ADDITIONS

Description	CUSIP	Date	Prior Information	Revised Information	Revision Type	Statement Section
DEF FUND Q	123456DEF	01/11/20XX	0.00	50.00	Ordinary Dividends (U.S. Corp)	1099-DIV

DELETIONS

Description	CUSIP	Date	Prior Information	Revised Information	Revision Type	Statement Section
DEF COMPANY	123456GIF	06/18/20XX	25,963.13	0.00	Proceeds	1099-B ST COVERED

OTHER CHANGES

Description	CUSIP	Date	Prior Information	Revised Information	Revision Type	Statement Section
XYZ CORP.	123456RTU	04/25/20XX	04/09/20XX	04/19/20XX	Acquisition Date Change	1099-B LT COVERED
		09/27/20XX	1,000.00	2,000.00	Cost Basis Change	1099-B LT COVERED

1. **Dates** listed in the Date column are based on original transaction dates (not revised activity dates).
2. The **Prior Information** column displays information reported on the initial tax statement. Information in this column is not displayed on the revised tax statement.
3. Information displayed in the **Revised Information** column is based on data we received after the initial statement was mailed.
4. The **Revision Type** column displays the type of transaction or information that was revised.
5. The **Statement Section** column displays the statement section affected by the revision. Use the information in the Statement Section and the Revision Type columns to locate a particular transaction.

SAMPLE

6 OTHER CHANGES

Description	CUSIP	Date	Prior Information	Revised Information	Revision Type	Statement Section
XYZ CORP.	**123456RTU**	**04/25/20XX**	**04/09/20XX**	**04/19/20XX**	**Acquisition Date Change**	**1099-B LT COVERED**
		09/27/20XX	**1,000.00**	**2,000.00**	**Cost Basis Change**	**1099-B LT COVERED**

6 The **Other Changes** section displays security description, CUSIP, date, prior information, revised information, the revision type and the statement section.

Cost Basis Information Revisions: Prior and revised information for changes to cost basis-related information will be displayed in this section. If the following cost basis-related information is revised, it will be displayed as the type of gain or loss (short term or long term), covered/noncovered, disposition transaction and acquisition date.

If cost basis information is adjusted for covered securities transactions, it may result in a revised Tax Information Statement, since typically the 1099-B form will be updated. If cost basis information is adjusted for noncovered securities transactions, a revised tax statement will typically only be produced if you receive the TYES.

Note: If you would like to receive a new statement inclusive of cost basis adjustments for noncovered transactions, contact your financial organization or advisor to request a duplicate statement. The request should be generated after the update is made to the account.

IRS Form 1099-B—Proceeds From Broker and Barter Exchange Transactions

IRS Form 1099-B

COVERED SECURITIES TRANSACTIONS

For covered securities transactions (identified in Box 12), the 1099-B will report the Quantity and Description (Box 1a), Date Acquired (Box 1b), Date Sold or Disposed (Box 1c), Proceeds (Box 1d), Cost or Other Basis (Box 1e), Accrued Market Discount (1f), Wash Sale Loss Disallowed Amounts (Box 1g), Short-term Gain or Loss, Long-term Gain or Loss, or Ordinary (Box 2), Federal Income Tax Withheld (Box 4) and State Tax Withholding Information (Boxes 14, 15 and 16).

NONCOVERED SECURITIES TRANSACTIONS

For noncovered securities transactions (Box 5), the 1099-B will report the Quantity and Description (Box 1a), Date Sold or Disposed (Box 1c), Proceeds (Box 1d), Federal Income Tax Withheld (Box 4) and State Tax Withholding Information (Boxes 14, 15 and 16). The following boxes are intentionally left blank and will not be reported to the IRS—date acquired, cost or other basis, short-term gain or loss, long-term gain or loss, ordinary interest income indicator, market discount or whether any loss is disallowed due to a wash sale. Also, noncovered securities transactions are grouped by the Date of Sale or Exchange, regardless of the holding period. Taxpayers are responsible for reporting cost basis and resulting gain or loss realized upon disposition of a noncovered asset.

Note: If you receive the premium TYES, the date acquired, cost or other basis, type of gain or loss, market discount or whether any loss is disallowed due to a wash sale for both covered and noncovered securities transactions will be displayed when available. Such detail for noncovered transactions is not reported to the IRS, which is disclosed within the detail and instructions sections of the 1099-B.

SECURITIES TRANSACTIONS REPORTED

Proceed amounts do not reflect net profit and are net of transaction costs (for instance, commissions and option premium adjustments). The following types of securities transactions are reported to the IRS:

- Sales
- Redemptions
- Tender offers
- Mergers for cash
- Maturities
- Some cash-in-lieu payments
- Short sales
- Commercial paper sales
- Final principal payments on bonds
- Consent fee payments
- Liquidation distributions
- Covered options transactions
- Option premium for reverse convertibles
- Trust sales
- Returns of principal

ADDITIONAL IMPORTANT POINTS

Sales Are Reported According to the Trade Date. Transactions with a December trade date and a January settlement date are reported for the year in which the trade date occurred. You should generally report these transactions on your tax return for the year during which the trade date occurred.

If any proceeds were subject to federal tax withholding, the amount withheld is reported in the Federal Income Tax Withheld (Box 4) column. We report this information to the IRS on Form 1099-B. If any proceeds were subject to state tax withholding, the amount withheld is reported in the State Tax Withheld column. We report this information to the IRS on Form 1099-B.

Market Discount. A market discount condition exists when the purchase cost of a bond is below the adjusted issue price of an OID bond or below the redemption value of a non-OID bond. You may elect to recognize market discount as income throughout the time held. If no election has been made, Pershing is required to defer this recognition of income until the time of sale or redemption. The market discount amounts displayed in Box 1f represent ordinary interest income up to the instrument's accrued market discount for less complex debt instruments acquired during 2014 and forward.

Complex debt acquired since January 1, 2016, will display on the 1099-B. (See page 7 for additional information.)

Covered Options. Realized options opened from January 1, 2014, forward and closed in 2022 are reported to the IRS on the 1099-B. Realized options opened prior to 2014 and closed in 2022 are not reported to the IRS on the 1099-B and will be displayed in the Nonreportable Proceeds and Cost Basis Information section of the TYES.

IRS Form 1099-B—Proceeds From Broker and Barter Exchange Transactions (continued)

SHORT SALES

Cost basis reporting rules require brokers to report short sales for the tax year the short sale is *closed* (or the tax year it is covered by delivery of securities to satisfy the short sale obligation). Therefore, if you sold securities short in 2022, and did not close the short sale in 2022, the short sale will not be reported in the Form 1099-B section of your 2022 Tax Information Statement. If you sold securities short in 2021 and closed the short sale in 2022, the closed short sale should be reported in the Form 1099-B section of your 2022 Tax Information Statement. If you executed a short sale with one broker and then transferred the short sale to a second broker, the second broker will be required to report the short sale when it is closed. In tax years prior to 2011, short sales were reportable for the tax year the short sale was *opened* (or the tax year it occurred).

Note: Pershing will not report the closing of a short sale when a delivering broker has not transferred the proceeds of a short sale or if it has not transferred the cost of the securities used to close the short sale.

The holding period of a short sale for purposes of determining whether the gain or loss on the closed short sale is short- or long-term gain or loss is based on the holding period of the securities acquired to close the short sale. For that reason, most short sales will result in short-term gain or loss as opposed to long-term gain or loss. A short sale will be denoted with the words *short sale* in the Disposition Transaction column of the 1099-B section of the Tax Information Statement. You should consult a tax professional or *IRS Publication 550* for information on reporting proceeds from closed short sales on your tax return.

SHORT SALE EXAMPLE:

You sold 500 shares of ABC Company in 2022, of which you acquired 200 shares in 2022 (closing transaction). Pershing will report the disposition of the 200 shares on the IRS Form 1099-B under Short-Term Transactions for Which Basis Is Reported to the IRS.

FOREIGN TAX PAID

This section lists foreign tax paid, which includes foreign tax withheld from foreign source proceed events.

ADJUSTMENTS COLUMN

The following adjustment amounts are displayed within the Form 1099-B with the accompanying identifier:

D = Accrued Market Discount (Box 1f)

O = Option Premium

W = Wash Sale Loss (Box 1g)

TRANSACTION TYPE

If you held an interest in a UIT, MBS, royalty trust or commodities trust, we are required to report certain details regarding transactions for these securities on IRS Form 1099-B because these investments are considered WHFITs. IRS rules governing reporting for WHFITs require us to provide more detailed and comprehensive information that was not previously provided on Form 1099 in years prior to 2009, but does not impact the total amount of income or expenses that we report to you. Information reported to you for WHFITs on IRS Form 1099-B is generally reported by you on IRS Form 8949 and IRS Form 1040, Schedule D. These transactions are not found on your month-end statements, but are provided by the issuer for reporting purposes.

IRS FORM 8949 AND IRS FORM 1040, SCHEDULE D

Transactions should be reported separately on IRS Form 8949 and Form 1040, Schedule D, as either short term or long term, depending on the holding period. See the Instructions for Form 8949 for exceptions to reporting each transaction on a separate row. The cost basis information will be provided for covered securities transactions. These transactions should be itemized in Part I of Form 8949 for short-term transactions and in Part II of Form 8949 for long-term transactions. Taxpayers should determine the cost or other basis for each transaction reflected on Form 8949 and Schedule D from their records for noncovered transactions.

IRS Form 1099-B—Proceeds From Broker and Barter Exchange Transactions (continued)

REGULATED FUTURES CONTRACTS (BROAD-BASED INDEX OPTIONS)

- Regulated futures contracts are reported to the IRS on IRS Form 1099-B.
- The **Profit or (Loss) Realized** in this subsection displays contracts settled or closed in this tax year on IRS Form 1099-B (Box 8).
- Transactions are listed in CUSIP sequence. CUSIPs are displayed below security descriptions.
- The expiration date and strike price are displayed in the **Expiration Date/Strike Price** column.
- **The Unrealized Profit or (Loss) on Open Contracts** Prior year subsection provides the details of all contracts open at the end of the prior year. Open contracts were marked to market as of December 31 of the prior year, to determine unrealized profit or (loss). We report this information to the IRS on IRS Form 1099-B (Box 9).
- **The Unrealized Profit or (Loss) on Open Contracts** Current year subsection provides the details of contracts open at the end of the current year. Open contracts are marked to market as of December 31 of the current year, to determine unrealized profit or (loss). We report this information to the IRS on IRS Form 1099-B (Box 10).
- **The Aggregate Profit or (Loss) (Box 11)** equals the Realized Profit or Loss adjusted for the Unrealized Profit or Loss on December 31, 2021, and December 31, 2022. Aggregate Profit or Loss is calculated as follows: {Profit or (Loss) Realized in 2022} – {Unrealized Profit or (Loss) on Open Contracts–12/31/2021} + {Unrealized Profit or (Loss) on Open Contracts–12/31/2022}.

SECTION 1256 GAIN OR LOSS

Section 1256 options (nonequity) are subject to year-end mark to market adjustments, with gain or loss recognition on the sale, expiration or mark at a 60% long-term rate and 40% short-term rate. Pershing will report the 60-40 split within the Form 1099-B.

IRS FORM 1099-B—FOREIGN CURRENCY FORWARD CONTRACTS

Brokers are not required to file with the IRS returns of information (on Forms 1099-B) with respect to a sale of foreign currency pursuant to a market order. A market order is an order to buy or sell an investment immediately at the best available current price and does not include a *forward contract.* In the foreign currency market, delivery is typically made on a market order within two business days and is a nonreportable *spot contract* for tax purposes to distinguish it from a *forward contract.* A purchase or sale of foreign currency which requires delivery or settlement on a date that is more than two business days from the date of the contract, or is set at a price that is other than the current market price, should not be a market order transaction and is reportable as a *forward contract.* Accordingly, this section reports only foreign currency forward contracts activity for 2022. (Refer to the sample on page 19.)

IRS Form 1099-DIV—Dividends and Distributions

Types of dividends and distributions reported to the IRS:

ORDINARY DIVIDENDS

- From mutual funds (including ETFs treated as RICs), REITs and UITs, as well as both U.S. and foreign corporations
- Paid on money market and bond funds
  Note: Tax Information Statements include income earned on money market funds for which Pershing LLC is the payer of income. When income from money market funds is not reported on the Tax Information Statements, the fund company issues a separate IRS Form 1099
- From short-term capital gains paid by mutual funds (including tax-exempt mutual funds)
- The fair market value of the securities paid as taxable stock dividends

QUALIFIED DIVIDENDS

This section lists the portion of ordinary dividends from Box 1a that may be eligible for the 20%, 15% or 0% capital gains rate. Certain conditions apply for these reduced tax rates. You should contact a tax professional for assistance.

TOTAL CAPITAL GAIN DISTRIBUTIONS

This section lists long-term capital gain distributions paid by mutual funds and REITs. The classification of certain dividend income may be reported as Unrecaptured Section 1250 Gain, Section 1202 Gain, Collectibles (28%) Gain or Section 897 Capital Gain. The appropriate columns will reflect this income.

SECTION 897 ORDINARY DIVIDENDS

This shows the portion of the amount in Box 1a that is section 897 gain attributable to disposition of U.S. real property interests (USRPI).

SECTION 897 CAPITAL GAIN

This shows the portion of the amount in Box 2a that is section 897 gain attributable to disposition of USRPI.

Note: Boxes 2e and 2f apply only to foreign persons and entities whose income maintains its character when passed through or distributed to its direct or indirect foreign owners or beneficiaries. It is generally treated as effectively connected to a trade or business within the United States. See the instructions for your tax return.

NEW FOR 2022 » There may be instances where the sum of the Section 1250 long-term capital gain and the newly introduced Section 897 long-term capital gain exceeded the total long-term capital gain. Similarly, there may be instances with Section 199A dividends overlapping with Section 897 dividends, and Section 199A short-term gain overlapping with Section 897 short-term gain.

An asterisk (*) will denote when your Section 897 distributions overlap with Section 1250 gain or Section 199A dividends.

OVERLAP EXAMPLE:

A long-term capital gain that is both unrecaptured Section 1250 gain (Box 2b of Form 1099-DIV) and Section 897 capital gain (Box 2f of Form 1099-DIV).

An example of this would be a $100.00 long-term capital gain payment of which $100.00 is Section 1250 gain and $100 is also Section 897 gain.

NONDIVIDEND DISTRIBUTIONS

This section lists return of capital paid by corporations, mutual funds (including ETFs treated as RICs), UITs, WHFITs and REITs.

SECTION 199A DIVIDENDS

This section lists REIT dividends that may be eligible for the 20% qualified business income deduction under section 199A.

INVESTMENT EXPENSES

Shows your share of expense of a nonpublicly offered RIC, generally a nonpublicly offered mutual fund. This amount is included in Box 1a. Your share of UIT, WHFIT and WHMT expenses is also reported as investment expenses.

FOREIGN TAX PAID

This section lists foreign tax paid, which includes foreign tax withheld from foreign source dividends.

IRS Form 1099-DIV—Dividends and Distributions *(continued)*

FOREIGN SOURCE DIVIDENDS

To assist with reporting foreign income information on forms such as IRS Form 1116 and IRS Form 8938, foreign source income is summarized by country.

LIQUIDATION DISTRIBUTIONS

This section lists distributions of cash or securities paid in connection with a corporation's or a liquidating trust's complete or partial liquidation.

EXEMPT-INTEREST DIVIDENDS

This section lists exempt-interest dividends from a mutual fund or other RIC.

SPECIFIED PRIVATE ACTIVITY BOND INTEREST DIVIDENDS

This section lists exempt-interest dividends paid by a RIC on specified private activity bonds to the extent that the dividends are attributable to interest on the bonds received by the RIC, minus an allocable share of the expenses.

Important Points

- Dividend income from equities is generally reported when paid.
- You may receive a revised Tax Information Statement from Pershing if you owned one or more mutual funds (including ETFs treated as RICs), REITs, UITs or WHFITs. Each year, these companies frequently reclassify their distributions for tax purposes based on their year-end calculations. Reclassifications may be announced after initial Tax Information Statements are mailed. If we do not receive income reclassifications, the distributions will be classified as nonqualified dividends. Pershing may include two asterisks (**) beside income listed in the Form 1099-DIV section to indicate that we have not received information from the corresponding investment company, and there is a possibility that the Tax Information Statement will be revised.
- Spillover distributions paid by mutual funds are reported in the year in which distributions are declared and are typically paid in January of the following year.

Frequently Asked Questions

Dividends and Distributions

ERRONEOUS DIVIDEND PAYMENT

Q. I received an incorrect dividend payment from the paying agent. It was not mine, and I returned the money to you. However, the paying agent still sent an IRS Form 1099-DIV to me and will not correct it. How do I report this on my tax return?

A. To avoid a mismatch with the IRS, this transaction should be reported twice on IRS Form 1040, Schedule B. First, report the amount shown on the IRS Form 1099-DIV from the paying agent on IRS Form 1040, Schedule B, line 5. Additionally, report the amount you paid to us as a negative adjustment on IRS Form 1040, Schedule B, line 5. Title this negative adjustment *Nominee Distribution.* (Refer to page 6 of this guide for additional information on nominee recipients.)

NONDIVIDEND DISTRIBUTIONS

Q. Why are nondividend distributions reported on my statement?

A. We are required to report these distributions to you and to the IRS. Nondividend distributions generally reduce the cost basis of your investment. This becomes important when you dispose of your investment and need to calculate your gain or loss. However, once the cost basis of your stock has been reduced to zero, you must report subsequent nontaxable distributions as capital gains even though we report them as nontaxable.

Qualified Dividends

Q. What is a qualified dividend?

A. A qualified dividend is a dividend that is taxed at the preferential federal tax rate established by the Jobs and Growth Tax Relief Reconciliation Act of 2003, which was enacted in May 2003. Qualified dividends are generally subject to a maximum tax rate of 20% (or 0% for taxpayers in the 10% or 15% tax brackets).

Q. Why is it important to differentiate a dividend as qualified or nonqualified?

A. It is important to distinguish a qualified dividend from other dividends because qualified dividends are subject to a lower federal tax rate than ordinary income.

Q. How do I know if my dividends are qualified dividends?

A. You can identify which dividends are eligible for qualified dividend status by examining your Tax Information Statement and IRS Form 1099-DIV, Box 1b. You must ensure that your specific circumstances (such as the holding period requirement) allow the dividend to be reported as a qualified dividend on your tax return.

Q. How are qualified dividends reported on my Tax Information Statement?

A. Qualified dividends are reported in the Dividends and Distributions section of your Tax Information Statement, under the column titled *Qualified Dividends.*

Q. Are the qualified dividends on my Tax Information Statement eligible for the reduced rate?

A. Yes. The qualified dividends on your Tax Information Statement are eligible for the reduced rate. However, for you to report these dividends as qualified on your tax return, you must meet certain requirements, such as the holding period requirement (see following question). In addition, if you were short against the box on the dividend's ex-dividend date, your dividend will not be considered a qualified dividend, even though we reported it to you as a qualified dividend.

Q. What is the holding period requirement?

A. You must meet a holding period requirement to report your dividends as qualified dividends on your tax return. These are the important points to note about the holding period requirement:

- You must hold the stock for more than 60 days during the 121-day period that begins 60 days prior to a dividend's ex-dividend date.
- The ex-dividend date is the first date following the declaration of a dividend on which the purchaser of the stock is not entitled to receive the next dividend payment. The ex-dividend date is usually two days before the record date, which is the date set by the company on which an individual must own shares in order to be eligible to receive a dividend or capital gain distribution. For mutual fund shares, the ex-dividend date is usually the reinvestment date.
- When counting the number of days you held the stock, include the day you disposed the stock, but not the day you acquired it.
- The number of days you are considered to hold the stock for this purpose is reduced for each day you diminish your risk of loss by entering into certain transactions, such as options or forward contracts and short-against-the-box transactions.

See the holding period example on next page.

Frequently Asked Questions (continued)

HOLDING PERIOD EXAMPLE:

Assume the following facts:

- July 1, 2022—You purchase 200 shares of XYZ company.
- July 9, 2022—XYZ's stock becomes ex-dividend.
- July 28, 2022—You receive a dividend from XYZ company, which we report as a qualified dividend on your Tax Information Statement.
- August 4, 2022—You sell your 200 shares of XYZ company.

In this case, the 121-day period begins on May 9, 2022, and ends on September 7, 2022. You held the shares from July 2, 2022, through August 4, 2022, a total of 34 days. (Include the date you sold the shares, but not the date you acquired them.) Since you held the stock less than 61 days, your dividend on XYZ company is not a qualified dividend, even though we reported it to you as a qualified dividend on your Tax Information Statement.

Q. Is there a different holding period for preferred stock?

A. Generally, the holding period for preferred stock is the same as stated above. However, if your preferred stock dividend is attributable to a period greater than 366 days, you must hold the stock for at least 91 days during the 181-day period that begins 90 days before the ex-dividend date. These types of dividends pay very rarely. Most likely, your preferred stock dividends would be subject to the 60-day requirement mentioned on the previous page.

Q. How does the holding period apply if I hold mutual fund shares?

A. The holding period requirement for mutual fund shares is the same as the 60-day holding period mentioned above. If you do not hold your mutual fund shares for more than 60 days, your mutual fund dividends will be nonqualified, even if we report them as qualified on your Tax Information Statement.

Q. What if I am *short against the box* when I receive my dividend? Will it be considered a qualified dividend?

A. If you are both long and short in the same stock on the date the stock becomes ex-dividend, the dividend you received on the long position will not be considered a qualified dividend. The Tax Code contains this rule presumably to prevent someone from taking deductions on his or her short selling expenses at ordinary rates, and then including the income at the preferential rate.

Q. Suppose I purchase an option to sell my security (a *put* option) and, as a result, I have diminished my risk of loss in the security that paid a dividend. Does this affect my holding period?

A. Yes. Under the Internal Revenue Code (IRC), your holding period could be reduced if you enter into a transaction that diminishes your risk of loss. This is a complicated aspect of the tax law. You should consult with a tax professional if you have entered into transactions that could have diminished your risk of loss.

Q. How do qualified dividends impact my deduction for margin interest?

A. For most taxpayers, margin interest expense is considered an investment expense, and the deduction for investment expense is limited to *net investment income.* In figuring your net investment income for this purpose, you would normally include your interest and dividends. You should be aware that any dividend you include in net investment income will not be considered a qualified dividend eligible for the reduced federal tax rates. See IRS Form 4952 for information about including your qualified dividends as investment income.

Q. How do qualified dividends impact my foreign tax credit?

A. Your foreign tax credit is figured on IRS Form 1116. On this form, you are required to calculate your foreign tax credit limitation, which generally is:

$$\frac{\text{Foreign Income}}{\text{Total Income}} \times \text{U.S. Tax} = \text{Maximum Foreign Tax Credit Allowed}$$

In calculating your foreign income for purposes of this limitation formula, you may be required to adjust the amount of foreign qualified dividends used in computing your foreign tax credit. See the other instruction documents mentioned in the guide for IRS Form 1116 for more information.

Frequently Asked Questions (continued)

Q. When are foreign dividends reported as qualified dividends?

A. The IRC contains special rules for dividends paid by a foreign corporation. A foreign corporation's dividends are considered qualified if the foreign corporation meets any of the following conditions:

- The corporation is incorporated in a U.S. possession.
- The corporation's stock is readily tradable on an *established market* in the United States, such as the New York Stock Exchange or the NASDAQ stock market. Certain other markets, such as the Pink Sheets or the NASDAQ Over-the-Counter (OTC) Bulletin Board, are not considered established markets for this purpose.
- The company is eligible for the benefits of an income tax treaty with the United States that the Treasury Department determines is satisfactory for this purpose and that contains an exchange-of-information program.

Exception for foreign investment companies: If a foreign corporation is a passive foreign investment company, its dividends will not be considered to be qualified dividends.

Q. Are dividends from mutual funds, REITs or UITs and WHFITs considered to be qualified dividends or capital gain distributions?

A. The character of dividends from mutual funds, REITs, UITs and WHFITs varies based on the underlying investments that comprise these funds. We report dividends from these sources based on information they provide to us. We will report their dividends as nonqualified when they do not provide any information to us. In this case, we may denote the income with the symbol "**," which will appear next to the description of the company in the 1099-DIV section of the Tax Information Statement. This symbol means that we have not received information needed to classify your income and you may receive a revised Tax Information Statement from us if we receive information that changes your income classification.

Q. Are dividends from money market funds or bond funds considered qualified dividends?

A. No. Dividends from money market funds and bond funds are considered nonqualified dividends. However, since distributions from bond funds may be classified as capital gain distributions, your income from a bond fund may be reclassified. Your Tax Information Statement may reflect the symbol "**" next to the description of the bond fund if we have not received reclassification information from the fund.

Q. Are dividends on preferred stock considered qualified dividends?

A. There are generally no distinct rules for determining if dividends on preferred stock qualify for the reduced rates. All of the rules referred to above apply to dividends on preferred stock. However, there are two points you should note:

- In rare circumstances, the holding period requirement is 91 days, as opposed to 61 days.
- Certain preferred securities pay interest, as opposed to dividends. Although these securities may be labeled as stock, they are actually classified as debt for federal tax purposes. The income from these securities will not qualify for the reduced rates and is reported to you in the 1099-INT or 1099-OID section of your Tax Information Statement. These securities are listed under various names, such as fixed-rate capital securities (also referred to as MIPs, QUIDs, QUIPs and TOPrS).

Q. Where can I get more information about qualified dividends?

A. *IRS Publication 550, Investment Income and Expenses,* contains useful information on reporting dividend income and is available at irs.gov or by calling the IRS Forms Distribution Center at (800) TAX-FORM (800-829-3676).

IRS Form 1099-INT—Interest Income

Interest income is reported on IRS Form 1099-INT. Details are displayed on Tax Information Statements to provide you with transaction-level information. Transactions for each security are listed in CUSIP sequence and classified by security type. The following types of interest income and tax items are reported to the IRS:

INTEREST INCOME

- Interest income from U.S. corporate bonds, taxable municipal bonds and certain REMIC or CDO interest
- Interest income from U.S. government agencies (for instance, the Government National Mortgage Association and Federal National Mortgage Association)
- Interest income from foreign bonds
- Credit interest income (total of credit interest earned on cash balances)
- Interest on short-term discount obligations

INTEREST ON U.S. SAVINGS BONDS AND TREASURY OBLIGATIONS

- U.S. Treasury bill maturities
- Coupon payments from U.S. Treasury notes and bonds

INVESTMENT EXPENSES

- For single-class REMICs only
- Your share of WHFIT and WHMT expenses is also reported in this box (Box 5)

FOREIGN TAX PAID

Foreign tax withheld (paid) from foreign source interest income was credited to your account in the reportable tax year.

FOREIGN SOURCE INCOME

To assist with reporting foreign income information on forms such as IRS Form 1116 and IRS Form 8938, foreign source income is summarized by country.

MARKET DISCOUNT

- If you elected to include accrued market discount as income annually, the amount for both covered and noncovered bonds will be displayed
- Only covered market discount will be reported to the IRS

BOND PREMIUM (INTEREST OFFSET)

- If you have not elected out of the IRS default to amortize bond premium annually, Pershing is required to amortize your taxable premium each year and apply this premium as a reduction to taxable interest income
- Corresponding cost basis on lots will also be adjusted for the amortization
- Only covered bond premium will be reported to the IRS
- Tax-exempt bonds must be amortized regardless of your election
- Bond Premium on Treasury obligations (Interest Offset) is displayed in Box 12

IMPORTANT POINTS

- Exempt-interest dividends from a mutual fund or other RIC are no longer reported on Form 1099-INT. Those amounts are reported on Form 1099-DIV, Dividends and Distributions.
- Interest income from short-term instruments such as U.S. Treasury bills and short-term government agency products redeemed through Pershing is reported on IRS Form 1099-INT. If the short-term instrument was not purchased through Pershing, or if the purchase price was not made available to us in the cost basis system, we use the rate shown in *IRS Publication 1212* (this rate is an estimated amount). You may need to adjust the reported amount in this situation.
- Accrued interest income received on bonds and notes is reported on a settlement-date basis. Amounts representing accrued interest sold are identified with the symbol "*" on your statements. Accrued interest purchased between interest payment dates is not included on IRS Form 1099-INT. We report accrued interest purchased in the Securities Purchased section of the tax statement. You may need to adjust interest income for accrued interest purchased.

IRS Form 1099-INT—Interest Income (continued)

- Interest income earned by certain UITs is also reported on IRS Form 1099-INT. If the UIT is organized as a grantor trust and earned interest income, your share of the UIT's interest income is reported in this section.
- Separate subtotals are reported in three categories for interest earned (if applicable): U.S. corporations, foreign corporations, U.S. government agencies and tax-exempt interest from tax-exempt bonds, mutual funds, UITs, WHFITs and WHMTs.
- The Acquisition Date and Original Cost Basis are displayed.
- For transactions with market discount or bond premium, the adjusted cost basis for the Period Begin Date and Period End Date is displayed.

RETURN OF PRINCIPAL AND NONQUALIFIED STATED INTEREST

Generally, a return of principal distribution on a bond is not reportable as taxable, but the distribution reduces the tax basis of your bond. Nonqualified stated interest reflects periodic payments on contingent debt securities. If the nonqualified interest paid was greater than the amount projected by the issuer, the excess will be reported on IRS Form 1099-INT.

Special Message for Owners of Mutual Funds, UITs, WHFITs, WHMTs and REITs

Your Tax Information Statement may display the following message if we have not received final reallocation information by the completion of the phased mailing:

Income and dividends declared on these investments in October, November or December 2022 are considered received on December 31, 2022, even if the income and dividends were not actually paid until January (in the case of RICs or mutual funds and REITs) or February (in the case of WHFITs and WHMTs) 2023. Accordingly, these amounts are reported on your 2022 Form 1099.

Supplemental information regarding the percentages of tax-exempt income on municipal bond funds by state and the percentage of government agency, direct federal and foreign source income for funds will be available by March 1, 2023, via bny.mn/taxresources.com.

IRS Form 1099-OID—Original Issue Discount (OID)

OID is the difference between the stated redemption price at maturity and the issue price of a bond, debenture, note or other evidence of indebtedness.

OID AND TAX-EXEMPT OID

A combined OID and Tax-Exempt OID Total section will display in the event you have both reportable OID and reportable Tax-Exempt OID.

REPORTED OID TRANSACTIONS

- We report OID on corporate bonds, certificates of deposit, CDOs, CMOs, U.S. government obligations and separate trading of registered interest and principal of securities (STRIPS) obligations.
- We report other periodic interest on obligations for the year, which is an amount separate from the OID.

MARKET DISCOUNT

For a covered security, if you made an election under section 1278(b) to include market discount in income as it accrues and you notified your payer of the election, this box shows the market discount that accrued on the debt instrument during the year while held by you. Report this amount on your income tax return as directed in the instructions for Form 1040 or 1040A.

- The market discount will be displayed for both covered and noncovered transactions.
- Only covered transactions will be reported to the IRS.

ACQUISITION PREMIUM

- This is the amount of acquisition premium amortization for the year that reduces the amount of OID included as interest on your income tax return.
- If an amount is reported in this box, see the instructions for Form 1040 (Schedule B).
- If an amount is not reported in this box for a covered security acquired with acquisition premium, then a net amount of OID reflects the offset of OID included in income.

BOND PREMIUM (INTEREST OFFSET)

- If you have not elected out of the IRS default to amortize bond premium annually, Pershing is required to amortize your taxable premium each year and apply this premium as a reduction to taxable interest income.
- Corresponding cost basis on lots will also be adjusted for the amortization.
- Only covered bond premium will be reported to the IRS.
- Tax-exempt bonds must be amortized regardless of your election.

TAX-EXEMPT OID

OID for covered Tax-Exempt OID Bonds are reportable on Form 1099-OID. In addition, Market Discount, Acquisition Premium and Bond Premium for covered bonds are also reportable to the IRS.

Note: Tax-Exempt OID for specified private activity bonds is displayed on the Summary of Form 1099-OID and statement detail as Tax-Exempt OID for Specified Private Activity Bonds.

Note: Tax-Exempt OID is reported for covered bonds in Box 11 on Form 1099-OID.

Important Points

- You may be required to report a portion of this income even though cash payments were not received.
- Transactions are reported to the IRS on a security-level basis.
- You may be required to recalculate OID if an acquisition premium was paid or if Pershing reported an estimated amount based on *IRS Publication 1212.* We now denote if we used *IRS Publication 1212.*
- If an OID instrument was transferred during the tax year into an account at Pershing, the OID for the period held at Pershing during 2022 is reported. You should obtain another IRS Form 1099-OID from your prior firm, which shows remaining OID portions to be reported.
- If a company is in Chapter 11 or has declared bankruptcy, Pershing may still be required to report OID income.

IRS Form 1099-MISC—Miscellaneous Information

Information reported on IRS Form 1099-MISC.

RENTS

Box 1 of Form 1099-MISC reflects rental income that you earned from real estate activities, royalty trusts and any surface royalties generated from strip mining or other activities. This amount should be reported on IRS Form 1040, Schedule E. Please consult your tax professional to determine the proper treatment of this income.

ROYALTIES

The amounts in this section show income earned from royalty trusts.

SUBSTITUTE PAYMENTS IN LIEU OF DIVIDENDS AND INTEREST

The amounts in this section reflect substitute payments in lieu of dividends or interest credited during 2022. These amounts were allocated to an account pursuant to IRS regulations and represent amounts that were credited as a result of a transfer of securities for use in a short sale.

Pershing is authorized to loan your shares for use in a short sale when the shares are held in a margin account with an outstanding margin debt. You should report substitute payments as *other income* for tax purposes. We report the substitute payment in the 1099-MISC section of the Tax Information Statement.

OTHER INCOME

The amounts in this section show other income, such as substitute payment reimbursements. Report this as *other income* for tax purposes.

Important Points

- Positions are held in a margin account.
- The dividend amount originally recorded is reduced by the substitute payment amount.
- Substitute payments are generally the only reporting that is done for corporations and exempt payee accounts. (For 2022, the same tax reporting rules generally apply to C and S corporations.)
- Substitute payments are not considered qualified dividends.
- Supplemental information for royalty trusts will be provided by March 1, 2023.
- A tax booklet will be available online to taxpayers who hold royalty trusts separately from their Tax Information Statements.

Transactions Pershing Does Not Report to the IRS

We do not report the following categories of information to the IRS: nonreportable distributions, equity option transactions, margin interest expense and securities purchased with accrued interest paid. These items, however, are displayed on Tax Information Statements to help you prepare your tax returns.

NON-REPORTABLE PROCEEDS AND COST BASIS INFORMATION

Fixed Income

Sales, maturities and redemptions for short-term discount debt instruments like U.S. Treasury bills, commercial paper and government agencies are displayed in this section. The discount on Treasury bills maturing during 2022 is reported in the 1099-INT section. Refer to the 1099-INT section of these instructions for additional information reported for these types of instruments.

Currency Transactions

Exchanges of foreign currency for USD and exchanges of foreign currency for a different foreign currency are displayed in this section. If the exchange is a *forward contract,* information related to that exchange is reported on Form 1099-B. That information is different than the transactional information provided in this section, as proscribed by the IRS. If you have reportable *forward contracts,* they are reported in the 1099-B section titled Foreign Currency Forward Contracts. Please see that section and the instructions that follow it for more information.

Equity Option Transactions

If you traded or held an equity option(s) during 2022, we may display certain activities (for example, sales, purchases and expirations) related to those options in this section of the Tax Information Statement. This data is provided to you for informational purposes only.

Note: Covered realized options opened from January 1, 2014, forward and closed in 2022 are reported to the IRS on the 1099-B form.

Important Points

- Accrued interest received on municipal notes and bonds that are sold between interest payment dates is reported on a settlement-date basis and is included in the tax-exempt interest income category. Amounts representing accrued interest sold are identified with the symbol "*" on your statements. It may be necessary to reduce the amount of the tax-exempt interest income category by the amount of accrued interest purchased.
- If municipal bonds issued with OID were transferred to Pershing during 2022, we only calculate OID for the period during which the instruments were held at Pershing.

NON-REPORTABLE DISTRIBUTIONS

Deemed Worthless Securities and Customer Deemed Insignificant Value

There is no reporting requirement to report these transactions to the IRS. This activity will be displayed in the non-reportable proceeds section for Tax Year-End Statements only.

PARTNERSHIP CASH DISTRIBUTIONS

Taxpayers who hold limited partnership interests are sent an IRS Schedule K-1 directly from the partnership, even though the position is held in *street name* at Pershing. Pershing is required by law to provide partner information directly to the partnerships.

You should contact the partnership's administrator if you do not receive IRS Schedule K-1 (K-1 forms are not required to be issued until April 15, 2023, unless extended).

Transactions Pershing Does Not Report to the IRS (continued)

SHORTFALLS

This section will display payment shortfalls for contingent debt securities. If the payment announced by the issuer is less than the amount projected by the issuer, the difference is reflected as a shortfall.

RETURN OF PRINCIPAL DISTRIBUTIONS AND NONQUALIFIED STATED INTEREST

Generally, returns of principal distributions are not reportable as taxable income, but the distributions reduce your tax basis. You should consult a tax professional for more detailed information. Nonqualified stated interest reflects periodic payments on contingent debt securities. If the nonqualified interest paid was greater than the amount projected by the issuer, the excess will be reported on IRS Form 1099-INT.

ADVISORY FEES AND OTHER EXPENSES

This optional feature displays certain advisory fees and other expenses charged during 2022.

FOREIGN TAX REFUNDS

The non-reportable transaction section displays any previous year foreign tax refunds received during the tax year. Please consult your tax professional for possible amendments to prior year filings.

EQUITY OPTIONS TRANSACTIONS

Equity options transactions include activities related to sales, purchases, exercises, assignments and expirations of noncovered equity options.

Note: This section will only be displayed for accounts receiving the YTIS.

SECURITIES PURCHASED WITH ACCRUED INTEREST PAID

This section includes bonds purchased with accrued interest paid.

Reclassified Income

It may be necessary to reclassify previously reported distributions to another category, since the tax status of payments made by corporations, mutual funds, UITs, WHFITs and REITs can only be determined after the end of the tax year.

Some of these companies, funds and trusts may not furnish their classifications before we mail Tax Information Statements. As a result, we may issue revised Tax Information Statements to you if you received distributions from one or more of these companies, if the information is received after initial tax statements are mailed.

Typically, reclassifications involve the following categories:

- Ordinary dividends*
- Qualified dividends*
- Capital gain distributions*
  - Unrecaptured Section 1250 Gain*
  - Section 1202 Gain*
  - Collectibles (28%) Gain*
- Nondividend distributions*
- Liquidation distributions*
- Tax-exempt income from specified private activity bonds
- Tax-exempt interest

* Refer to page 43

UIT AND WHFIT REPORTING

Income from UITs and WHFITs will be reported based on information from the trust administrators. This is necessary to distinguish the various types of income that a UIT and WHFIT could generate, such as interest income, tax-exempt income, income from specified private activity bonds, qualified dividend income, nonqualified dividend income or OID. If you own UITs and WHFITs, you will see the following information on your Tax Information Statements:

- **Income Classification:** Income from UITs and WHFITs will be reported in one or more of the Form 1099-DIV, 1099-INT or OID sections of the Tax Information Statement, depending on the nature of the income.
- **Accrual-Based Reporting:** Income will be reported on the Tax Information Statement as it is earned by the UITs and WHFITs, which may differ from the date the UIT and WHFIT distribute the income. In the 1099-DIV and 1099-INT sections, separate entries will be displayed for income that is received in cash and for accrued income.
- **Additional Data:** Tax Information Statements will show *Investment Expenses* and *Foreign Tax Paid* as separate categories when the UIT and WHFIT administrator includes this data in the information provided to us.

Minimum Amounts to be Reported and Due Dates

IRS FORM	MINIMUM AMOUNT TO REPORT	2023 DATE DUE TO THE IRS[1]	2023 DATE DUE TO YOU[1]
1099-B	All	March 31[5]	February 15[2]
1099-DIV	$10 or more ($600 or more for liquidations)	March 31[5]	February 15[2]
1099-INT	$10 or more	March 31[5]	February 15[2]
1099-OID	$10 or more	March 31[5]	February 15[2]
1099-MISC	Generally $10 or more	March 31[5]	February 15[2]
1042-S	All	March 15[6]	March 15
480.6 (A, B, C, D)	All	February 28[7]	March 7
2439	All	December 31 (for October 31 year-end mutual funds and REITs) March 1 (for calendar-year mutual funds and REITs)	60 days after the mutual fund's or REIT's tax year-end
CDO, CMO, REMIC Additional Statement	All	N/A	March 15[3]
WHFIT Additional Statement	Generally $10 or more	N/A	March 15[3]
K-1 (from calendar-year partnerships and trusts)	All	April 15	April 15[4]

[1] These are original due dates, which may, in certain circumstances, be extended to later dates in 2023. If any date falls on a Saturday, Sunday or legal holiday, the return is considered timely if filed or furnished on the next day that is not a Saturday, Sunday or legal holiday.

[2] The February 15 due date applies when the forms are included in a "composite form recipient statement" as defined by the IRS. Pershing expects to receive a 30-day extension for this due date and plans to complete mailing to all recipients by March 15, 2023.

[3] The due date is extended to March 15, 2023, for trustees and middlemen of CDOs, CMOs, REMICs and WHFITs.

[4] K-1s are issued by the respective partnerships and trusts, not by Pershing.

[5] Pershing expects to receive a 30-day extension from the IRS and will report the information to the IRS by April 30, 2023.

[6] Pershing expects to receive a 30-day extension from the IRS and will report the information to the IRS by April 15, 2023.

[7] Form 480.6 information is reported to the Commonwealth of Puerto Rico's Department of the Treasury and not to the IRS.

State/Agency Information

In addition to sending information to the IRS, Pershing will also send the following information to the taxing authorities of the following states, government agencies and Puerto Rico:

STATE/AGENCY	INFORMATION	FILED
California	Non-California municipal bond interest paid to accounts with California addresses	June 1, 2023
Connecticut	Non-Connecticut municipal bond interest paid to accounts with Connecticut addresses	April 30, 2023
Delaware	Miscellaneous income paid to accounts with Delaware addresses	March 31, 2023
District of Columbia	Proceeds, interest, dividends and miscellaneous income paid to accounts with District of Columbia addresses	January 31, 2023
Kentucky	Account identification and asset information on taxpayers identified by the Commonwealth of Kentucky	Quarterly
Maine	Proceeds, dividends, interest, original issue discount and miscellaneous income paid to accounts with Maine addresses	February 28, 2023
Massachusetts	Non-Massachusetts municipal bond interest paid to accounts with Massachusetts addresses	March 31, 2023
	Proceeds, dividends, interest, original issue discount and miscellaneous income paid to accounts with Massachusetts addresses	January 31, 2023
Minnesota	Non-Minnesota municipal bond interest paid to accounts with Minnesota addresses	June 1, 2023
Mississippi	Proceeds, dividends, interest, original issue discount and miscellaneous income paid to accounts with Mississippi addresses	February 28, 2023
Montana	Proceeds, dividends, interest, original issue discount and miscellaneous income paid to accounts with Montana addresses	March 31, 2023
	Non-Montana municipal bond interest paid to accounts with Montana addresses	March 31, 2023
New York	Non-New York municipal bond interest paid to accounts with New York addresses	August 31, 2023
Office of Child Support Enforcement (OCSE)	Account identification and asset information on taxpayers identified by a U.S. state as being delinquent in child support owed to the state is collected by OCSE, a government agency, and provided to the state reporting the deficiency	Quarterly
Oregon	Miscellaneous income paid to accounts with Oregon addresses	March 31, 2023
Puerto Rico	Interest, dividends, proceeds and partnership distributions paid to accounts with Puerto Rico addresses or to nonresidents of Puerto Rico with Puerto Rico income subject to withholding	February 28, 2023
Rhode Island	Non-Rhode Island municipal bond interest paid to accounts with Rhode Island addresses	February 28, 2023
Vermont	Proceeds, dividends, interest, original issue discount and miscellaneous income paid to accounts with Vermont addresses	January 31, 2023

IRS Form 1042-S—Foreign Person's U.S. Source Income Subject to Withholding

Federal tax law requires separate reporting of certain U.S. source transactions when an account holder is a non-U.S. (foreign) individual or entity. Foreign account holders are generally not subject to IRS Form 1099 information reporting and backup withholding. However, these account holders are subject to IRS Form 1042-S reporting.

The 2022 1042-S will continue to include Copy B and Copy C (for recipient) of the IRS version of Form 1042-S. Copy C will be a duplicate of the Copy B version of the form, which is already included. The Copy C version of the form can be attached to any federal tax return you may file and the Copy B version of the form can simply be retained for your records. The 1042-S Copy B and Copy C form(s) displays the income and tax withholding totals reflected for each applicable income, withholding exemption and chapter status code. To help you easily navigate, your tax package will contain a Table of Contents section, a Summary Totals section (which provides all of your reportable income and withholding totals by their applicable exemption and Chapter 3/Chapter 4 status code[s]), a Transaction Details section (which contains a listing of all the reportable information that make up the totals provided in the Summary Totals section) and IRS Form 1042-S Copy B and Copy C.

The 2022 Chapter 3 NRA tax withholding, originally withheld during the calendar year, but reversed between January 1, 2023, and January 31, 2023, will continue to appear in Box 9 (over-withheld tax repaid) on the 1042-S.

Box 7a (Federal Tax withheld) of the 1042-S will provide the total withholding applied. This total withholding amount will then be reduced by the amount in Box 9, and the difference between the two will display as the total tax withholding credited in Box 10.

The 1042-S Box 9 values will display in the transaction details section and the Copy B and Copy C of the Form 1042-S provided in your tax package. It is important to note that Box 9 (over withheld tax repaid) will not be populated for any amounts related to Chapter 4 FATCA tax withholding. The Chapter 4 FATCA tax withholding deadline is December 31, 2022, therefore Chapter 4 FATCA withholding will not be reversed after the start of the new calendar year.

Your tax package may also include a 1042-S Reclassification section if your account received Chapter 3 reportable income distributions that were reclassified by the issuer after year-end. If the issuer reclassification results in a tax refund, the amount of the refund will also be included in Box 9 in the transactions details section, as well as on Copy B and Copy C of IRS Form 1042-S.

As in previous tax years, we will continue to round the income and withholding totals reported in the 1042-S summary section (Foreign Person's U.S. Source Income Subject to Withholding) and on the Copy B and Copy C (IRS version of the form). As we must round off cents to whole dollars and display the bulk total amounts in accordance with IRS rules and regulations. To round off amounts to the nearest whole dollar, amounts fewer than 50 cents will be dropped and amounts from 50 to 99 cents will be increased to the next dollar. For example, $1.39 becomes $1 and $2.50 becomes $3. For the 2022 tax year, the 1042-S transaction detail section and the 1042-S reclassification section will continue to display the actual credited amount, including cents. Only the 1042-S summary page and the amounts that post to the 1042-S Copy B and Copy C (IRS version of the form) will be rounded to whole dollars, essentially only rounding the totals in the sections where we display the bulk total amounts. This rounding exercise streamlines your reporting so that it matches exactly with the rounded income and withholding amounts that are filed with the IRS.

FORM RECIPIENTS

- Nonresident alien individuals
- Foreign partnerships
- Foreign corporations
- Foreign estates and trusts

TRANSACTIONS REPORTED

- Interest, including bank deposit interest
- Dividends
- Publicly traded partnership distributions
- Trust distributions
- Federal taxes withheld
- Capital gains
- Returns of capital
- Substitute payments
- Miscellaneous/Other Income

IRS Form 1042-S—Foreign Person's U.S. Source Income Subject to Withholding (continued)

Important Points

- March 15, 2023, is the due date for mailing IRS Form 1042-S statements.
- Dividends from certain money market funds are reported on IRS Form 1042-S. You will receive a separate IRS Form 1042-S directly from the money market fund if Pershing did not handle the processing of the fund for the entire year.
- An Income Reclassification section displays before and after information if income was reclassified from how it was initially paid. If the issuer reclassification results in a tax refund, the amount of the refund will display in the Refunded Amount Column within the reclassification section of the 1042S. Note that only taxpayers who are subject to reporting under Chapter 3 of the Internal Revenue Code will qualify to participate in our year-end reclassification process. Accounts that are deemed recalcitrant and therefore subject to withholding and reporting under Chapter 4 of the Internal Revenue Code under the Foreign Account Tax Compliance Act (FATCA) will not qualify to participate in our reclassification process. You will receive any tax refunds prior to the mailing of the 2022 1042-S year-end tax statements. A Revision section will display if there are any adjustments made to the income or withholding amounts after the initial 1042-S mailing.

Note: This section will be displayed as the initial pages of your Form 1042-S Tax Information Statement if you have Chapter 3 income reported on this form that was reclassified.

IRS Form 1042-S—Foreign Person's U.S. Source Income Subject to Withholding (continued)

SAMPLE

BNY MELLON | PERSHING

2022 Tax Information Statement

Withholding Agent's Information:

Box 12A. Withholding Agent's EIN: 13-2741729
Box 12B. Withholding Agent's Chapter 3 Status Code: 01
Box 12C. Withholding Agent's Chapter 4 Status Code: 01
Box 12D. Withholding Agent's Name: PERSHING LLC
Box 12E. Withholding Agent's GIN: N/A
Box 12F. Withholding Agent's Country Code: US
Box 12G. Withholding Agent's Foreign Tax ID: N/A
Box 12H. Withholding Agent's Address (number and street): One Pershing Plaza
Box 12I. Withholding Agent's City or town, state or province, country, ZIP: Jersey City, NJ 07399

Recipient's Information:

Box 13A. Recipient's Name: Jane Doe
Box 13B. Recipient's Country Code: UK
Box 13C. Recipient's Address (number and street): 123 Main Street
Box 13D. Recipient's City or town, state or province, country, ZIP: London, United Kingdom AIZ-3BC
Box 13E. Recipient's U.S. TIN: 123-45-6789
Box 13F. Chapter 3 Status Code: 16 - Individual
Box 13G. Chapter 4 Status Code: 23- Individual
Box 13H. Recipient's GIIN: N/A
Box 13I. Recipient's Foreign Tax ID: 123-45-6789-00000
Box 13J. LOB Code: 01
Box 13K. Recipient's Account Number: WWW-999999
Box 13I. Recipient's DOB: 1950/01/01

2022 Form 1042-S (Substitute Copy B) **Foreign Person's U.S. Source Income Subject to Withholding** **OMB No. 1545-0096**

Chapter 3 Summary Totals (Box 3)

Section	Income Code (Box 1)	Income Description	Chap. 3 Tax Rate (Box 3B)	Chap. 3 Exemption Code (Box 3A)	Chap. 4 Tax Rate (Box 4B)	Chap. 4 Exemption Code (Box 4A)	Gross Income (Box 2)	Federal Tax Withheld (Box 7a)	Over Withheld Tax Repaid (Box 9)	Total Withholding Credit (Box 10)
1	06	DIVIDENDS PAID BY U.S. CORPORATIONS	30.0%	00	0.0%	15	1,069.00	320.00	0.00	320.00
2	01	INTEREST PAID BY U.S OBLIGORS-GENERAL	30.0%	00	0.0%	15	3,916.00	1,174.00	0.00	1,174.00
3	29	DEPOSIT INTEREST	0.0%	05	0.0%	15	1,000.00	0.00	0.00	0.00
Chapter 3 Total							**$5,986.00**	**$1,494.00**	**$0.00**	**$1,494.00**

2022 Form 1042-S (Substitute Copy B) **Foreign Person's U.S. Source Income Subject to Withholding** **OMB No. 1545-0096**

Chapter 4 Summary Totals (Box 4)

Section	Income Code (Box 1)	Income Description	Chap. 3 Tax Rate (Box 3B)	Chap. 3 Exemption Code (Box 3A)	Chap. 4 Tax Rate (Box 4B)	Chap. 4 Exemption Code (Box 4A)	Gross Income (Box 2)	Federal Tax Withheld (Box 7a)	Over Withheld Tax Repaid (Box 9)	Total Withholding Credit (Box 10)
4	06	DIVIDENDS PAID BY U.S. CORPORATIONS	0.0%	12	30.0%	00	1,069.00	320.00	0.00	320.00
5	01	INTEREST PAID BY U.S OBLIGORS-GENERAL	0.0%	12	30.0%	00	3,916.00	1,174.00	0.00	1,174.00
6	01	INTEREST PAID BY U.S OBLIGORS-GENERAL	0.0%	12	0.0%	13	1,000.00	0.00	0.00	0.00
7	14	REAL PROPERTY INCOME & NATURAL RESOURCES ROYALTIES	0.0%	12	30.0%	00	1,000.00	300.00	0.00	300.00
Chapter 4 Total							**$6,986.00**	**$1,494.00**	**$0.00**	**$1,494.00**

This information is being furnished to the Internal Revenue Service.
The U.S. Income Tax Filing Requirements for this form are provided below Copy B of the Form 1042-S.
The Chapter Status Code(s), Income Description(s) and Exemption Description(s) displayed are provided in the Explanation Codes for IRS Form 1042-S.

Withholding agents must furnish an IRS Form 1042-S, Copy B for each type of income or payment. The individual forms will assist investors who may seek to claim a refund of over withheld or overpaid taxes.

A sample of the 1042-S Copy B is displayed here.

SAMPLE

Form **1042-S** Department of the Treasury Internal Revenue Service

Foreign Person's U.S. Source Income Subject to Withholding 2022

▶ Go to *www.irs.gov/Form1042S* for instructions and the latest information.

OMB No. 1545-0096

Copy A for Internal Revenue Service

UNIQUE FORM IDENTIFIER ☐ AMENDED ☐ AMENDMENT NO.

1 Income code | 2 Gross income | 3 Chapter indicator. Enter "3" or "4" | 3a Exemption code | 4a Exemption code | 3b Tax rate | 4b Tax rate

5 Withholding allowance

6 Net income

7a Federal tax withheld

7b Check if federal tax withheld was not deposited with the IRS because escrow procedures were applied (see instructions) ☐

7c Check if withholding occurred in subsequent year with respect to a partnership interest ☐

8 Tax withheld by other agents

9 Overwithheld tax repaid to recipient pursuant to adjustment procedures (see instructions) ( )

10 Total withholding credit (combine boxes 7a, 8, and 9)

11 Tax paid by withholding agent (amounts not withheld) (see instructions)

12a Withholding agent's EIN | 12b Ch. 3 status code | 12c Ch. 4 status code

12d Withholding agent's name

12e Withholding agent's Global Intermediary Identification Number (GIIN)

12f Country code | 12g Foreign tax identification number, if any

12h Address (number and street)

12i City or town, state or province, country, ZIP or foreign postal code

13a Recipient's name | 13b Recipient's country code

13c Address (number and street)

13d City or town, state or province, country, ZIP or foreign postal code

13e Recipient's U.S. TIN, if any | 13f Ch. 3 status code | 13g Ch. 4 status code

13h Recipient's GIIN | 13i Recipient's foreign tax identification number, if any | 13j LOB code

13k Recipient's account number

13l Recipient's date of birth (YYYYMMDD)

14a Primary Withholding Agent's Name (if applicable)

14b Primary Withholding Agent's EIN | 15 Check if pro-rata basis reporting ☐

15a Intermediary or flow-through entity's EIN, if any | 15b Ch. 3 status code | 15c Ch. 4 status code

15d Intermediary or flow-through entity's name

15e Intermediary or flow-through entity's GIIN

15f Country code | 15g Foreign tax identification number, if any

15h Address (number and street)

15i City or town, state or province, country, ZIP or foreign postal code

16a Payer's name | 16b Payer's TIN

16c Payer's GIIN | 16d Ch. 3 status code | 16e Ch. 4 status code

17a State income tax withheld | 17b Payer's state tax no. | 17c Name of state

For Privacy Act and Paperwork Reduction Act Notice, see instructions. Cat. No. 11386R Form **1042-S** (2022)

Form 480.6—Puerto Rico Tax Information Reporting*

We are required to report certain tax information to you and to the Government of Puerto Rico Department of Treasury (Hacienda) for residents and nonresidents of Puerto Rico, who are invested in Puerto Rico securities. This information is reported on Puerto Rico 480.6 forms.

We must file electronically with the Hacienda no later than February 28 of the year following the calendar year in which payments are made. Forms are provided to account holders within the following 7 calendar days. There are four 480.6 forms used in reporting: 480.6A, 480.6B, 480.6C and 480.6D.

Our 480.6 Tax Reporting Information statements include substitute forms approved by the Hacienda, as well as other sections to clarify the reportable information. Each section is provided in both English and Spanish.

INTRODUCTION PAGE

This page includes general information regarding the types of 480.6 forms included in the statement.

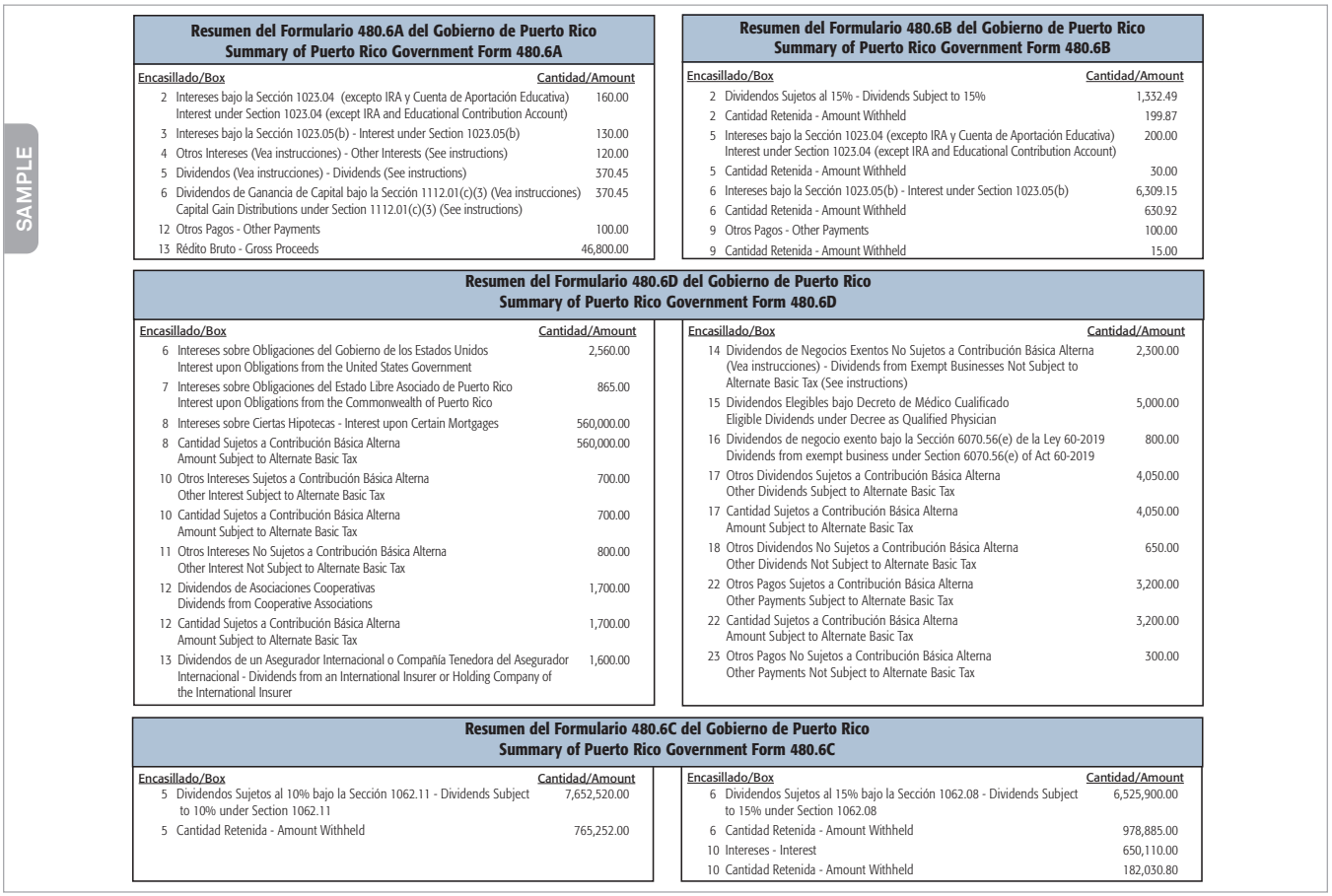
PUERTO RICO 480.6 FORMS

These 480.6 forms are reported for the account based on holdings and residency. These are approved substitute forms created from the Hacienda's requirements. Two copies of each form are included: one for personal records and the other for filing with the Puerto Rico Department of Treasury. Instructions for respective forms are available on the reverse of the form.

- **Form 480.6A**—Reports income of residents holding Puerto Rico securities that are not subject to withholding
- **Form 480.6B**—Reports income of residents holding Puerto Rico equities and bonds that are subject to withholding
- **Form 480.6C**—Reports income of Puerto Rico securities held by nonresidents of Puerto Rico that are subject to withholding
- **Form 480.6D**—Reports exempt and excluded income (Puerto Rico mortgage-backed or collateralized mortgage obligations) and exempt income for Puerto Rico residents who may be subject to Alternative Basic Tax (ABT)

SUMMARY INFORMATION

This section provides summary totals of the reported information within the statement. Noted are reporting of summary for any combination of 480.6A, 480.6B and 480.6D forms or a summary of the 480.6C form. A sample of the sections may be found below.



SAMPLE

Resumen del Formulario 480.6A del Gobierno de Puerto Rico
Summary of Puerto Rico Government Form 480.6A

Encasillado/Box		Cantidad/Amount
2	Intereses bajo la Sección 1023.04 (excepto IRA y Cuenta de Aportación Educativa) Interest under Section 1023.04 (except IRA and Educational Contribution Account)	160.00
3	Intereses bajo la Sección 1023.05(b) - Interest under Section 1023.05(b)	130.00
4	Otros Intereses (Vea instrucciones) - Other Interests (See instructions)	120.00
5	Dividendos (Vea instrucciones) - Dividends (See instructions)	370.45
6	Dividendos de Ganancia de Capital bajo la Sección 1112.01(c)(3) (Vea instrucciones) Capital Gain Distributions under Section 1112.01(c)(3) (See instructions)	370.45
12	Otros Pagos - Other Payments	100.00
13	Rédito Bruto - Gross Proceeds	46,800.00

Resumen del Formulario 480.6B del Gobierno de Puerto Rico
Summary of Puerto Rico Government Form 480.6B

Encasillado/Box		Cantidad/Amount
2	Dividendos Sujetos al 15% - Dividends Subject to 15%	1,332.49
2	Cantidad Retenida - Amount Withheld	199.87
5	Intereses bajo la Sección 1023.04 (excepto IRA y Cuenta de Aportación Educativa) Interest under Section 1023.04 (except IRA and Educational Contribution Account)	200.00
5	Cantidad Retenida - Amount Withheld	30.00
6	Intereses bajo la Sección 1023.05(b) - Interest under Section 1023.05(b)	6,309.15
6	Cantidad Retenida - Amount Withheld	630.92
9	Otros Pagos - Other Payments	100.00
9	Cantidad Retenida - Amount Withheld	15.00

Resumen del Formulario 480.6D del Gobierno de Puerto Rico
Summary of Puerto Rico Government Form 480.6D

Encasillado/Box		Cantidad/Amount
6	Intereses sobre Obligaciones del Gobierno de los Estados Unidos Interest upon Obligations from the United States Government	2,560.00
7	Intereses sobre Obligaciones del Estado Libre Asociado de Puerto Rico Interest upon Obligations from the Commonwealth of Puerto Rico	865.00
8	Intereses sobre Ciertas Hipotecas - Interest upon Certain Mortgages	560,000.00
8	Cantidad Sujetos a Contribución Básica Alterna Amount Subject to Alternate Basic Tax	560,000.00
10	Otros Intereses Sujetos a Contribución Básica Alterna Other Interest Subject to Alternate Basic Tax	700.00
10	Cantidad Sujetos a Contribución Básica Alterna Amount Subject to Alternate Basic Tax	700.00
11	Otros Intereses No Sujetos a Contribución Básica Alterna Other Interest Not Subject to Alternate Basic Tax	800.00
12	Dividendos de Asociaciones Cooperativas Dividends from Cooperative Associations	1,700.00
12	Cantidad Sujetos a Contribución Básica Alterna Amount Subject to Alternate Basic Tax	1,700.00
13	Dividendos de un Asegurador Internacional o Compañía Tenedora del Asegurador Internacional - Dividends from an International Insurer or Holding Company of the International Insurer	1,600.00

Encasillado/Box		Cantidad/Amount
14	Dividendos de Negocios Exentos No Sujetos a Contribución Básica Alterna (Vea instrucciones) - Dividends from Exempt Businesses Not Subject to Alternate Basic Tax (See instructions)	2,300.00
15	Dividendos Elegibles bajo Decreto de Médico Cualificado Eligible Dividends under Decree as Qualified Physician	5,000.00
16	Dividendos de negocio exento bajo la Sección 6070.56(e) de la Ley 60-2019 Dividends from exempt business under Section 6070.56(e) of Act 60-2019	800.00
17	Otros Dividendos Sujetos a Contribución Básica Alterna Other Dividends Subject to Alternate Basic Tax	4,050.00
17	Cantidad Sujetos a Contribución Básica Alterna Amount Subject to Alternate Basic Tax	4,050.00
18	Otros Dividendos No Sujetos a Contribución Básica Alterna Other Dividends Not Subject to Alternate Basic Tax	650.00
22	Otros Pagos Sujetos a Contribución Básica Alterna Other Payments Subject to Alternate Basic Tax	3,200.00
22	Cantidad Sujetos a Contribución Básica Alterna Amount Subject to Alternate Basic Tax	3,200.00
23	Otros Pagos No Sujetos a Contribución Básica Alterna Other Payments Not Subject to Alternate Basic Tax	300.00

Resumen del Formulario 480.6C del Gobierno de Puerto Rico
Summary of Puerto Rico Government Form 480.6C

Encasillado/Box		Cantidad/Amount
5	Dividendos Sujetos al 10% bajo la Sección 1062.11 - Dividends Subject to 10% under Section 1062.11	7,652,520.00
5	Cantidad Retenida - Amount Withheld	765,252.00

Encasillado/Box		Cantidad/Amount
6	Dividendos Sujetos al 15% bajo la Sección 1062.08 - Dividends Subject to 15% under Section 1062.08	6,525,900.00
6	Cantidad Retenida - Amount Withheld	978,885.00
10	Intereses - Interest	650,110.00
10	Cantidad Retenida - Amount Withheld	182,030.80

*Information subject to change pending new information from Puerto Rico.

Form 480.6—Puerto Rico Tax Information Reporting (continued)*

DETAIL INFORMATION

This section includes transaction details of the reportable information for each line amount noted in the form summary for the respective 480.6 form included in the Tax Information Statement.

Noted below are samples of 480.6A, 480.6B, 480.6C and 480.6D segments.

SAMPLE

GOBIERNO DE PUERTO RICO FORMULARIO 480.6A DETALLES DE TRANSACCIÓN
PUERTO RICO GOVERNMENT FORM 480.6A DETAILS

Encasillado 2 - Intereses bajo la Sección 1023.04 (excepto IRA y Cuenta de Aportación Educativa)
• Box 2 - Interest under Section 1023.04 (except IRA and Educational Contribution Account)

Descripción del título devalor • Security Description	CUSIP	Fecha • Date	Cantidad Pago • Amount Paid
SANTANDER INSURED ACCOUNT	802992909	03/15/XX	20.00
TOTAL Encasillado 2 • Box 2 TOTAL			**20.00**

Encasillado 3 - Intereses bajo la Sección 1023.05(b) • Box 3 - Interest under Section 1023.05(b)

Descripción del título valor • Security Description	CUSIP	Fecha • Date	Cantidad Pago • Amount Paid
PUERTO RICO CORP	123NON456	06/15/XX	30.00
PUERTO RICO CORP	123NON456	07/15/XX	30.00
Total del título de valor • Security Total			60.00
TOTAL Encasillado 3 • Box 3 TOTAL			**60.00**

Encasillado 4 - Otros Intereses (Vea instrucciones) • Box 4 - Other Interests (See instructions)

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pago • Amount Paid
ACAM 2019-FL1 LTD/LLC SR SECD NT CL A FLTG 144A ISIN#US000825AA76 0.000% 11/17/34 B/E	000825AA7	07/17/XX	547.62
ACAM 2019-FL1 LTD/LLC SR SECD NT CL A FLTG 144A ISIN#US000825AA76 0.000% 11/17/34 B/E	000825AA7	10/20/XX	586.14
Total del título de valor • Security Total			1,133.76
TOTAL Encasillado 4 • Box 4 TOTAL			**1,133.76**

Encasillado 5 - Dividendos (Vea instrucciones) • Box 5 - Dividends (See instructions)

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pago • Amount Paid
FEDERATED HERMES CAPITAL RESERVES FUND FOR TAX YEAR 20XX	PER980569		515.28
Total del título de valor • Security Total			515.28
TOTAL Encasillado 5 • Box 5 TOTAL			**515.28**

Encasillado 6 - Dividendos de Ganancia de Capital bajo la Sección 1112.01(c)(3) (Vea instrucciones)
• Box 6 - Capital Gain Distributions under Section 1112.01(c)(3) (See instructions)

Descripción del título valor • Security Description	CUSIP	Fecha • Date	Cantidad Pago • Amount Paid
CYRUSONE INC COM	23283R100	04/12/XX	30.00
CYRUSONE INC COM	23283R100	07/12/XX	30.00
Total del título de valor • Security Total			60.00
LEHMAN BROS GRANTOR TRUST	33611M103	10/12/XX	300.00
TOTAL Encasillado 6 • Box 6 TOTAL			**360.00**

Encasillado 12 - OTROS PAGOS • Box 12 - OTHER PAYMENTS

Descripción del título valor • Security Description	CUSIP	Fecha • Date	Cantidad Pago • Amount Paid
PROMOTIONAL CREDIT Q2 EXCEPTION		04/15/XX	100.00
TOTAL Encasillado 12 • Box 12 TOTAL			**100.00**

Encasillado 13 - Rédito Bruto (Vea instrucciones) • Box 13 - Gross Proceeds (See instructions)

Descripción del título valor • Security Description	CUSIP	Fecha • Date	Cantidad • Quantity	Cantidad Pago • Amount Paid
FHLMC MULTICLASS MTG PARTN CTFS GTD SER T31 CL31 A7 0.337% 05/25/31 B/E DTD 01/31/01	3133TR7C3	05/07/XX	25,000,000.0000	275,713.53
FHLMC MULTICLASS MTG PARTN CTFS GTD SER T31 CL31 A7 0.337% 05/25/31 B/E DTD 01/31/01	3133TR7C3	07/09/XX	25,000,000.0000	293.25
Total del título de valor • Security Total				276,006.78
FNMA GTD REMIC PASS THRU TR SER 2001 W4 CL 4 AF6 5.610% 01/25/32 B/E DTD 11/01/01	3139216U7	07/16/XX	5,000,000.0000	166,377.67
FNMA GTD REMIC PASS THRU TR SER 2001 W4 CL 4 AF6 5.610% 01/25/32 B/E DTD 11/01/01	3139216U7	10/25/XX	5,750,000.0000	12,224.21
Total del título de valor • Security Total				178,601.88
TOTAL Encasillado 13 • Box 13 TOTAL				**454,608.66**

*Information subject to change pending new information from Puerto Rico.

Form 480.6—Puerto Rico Tax Information Reporting (continued)*

SAMPLE

GOBIERNO DE PUERTO RICO FORMULARIO 480.6B DETALLES DE TRANSACCIÓN
PUERTO RICO GOVERNMENT FORM 480.6B DETAILS

Encasillado 2 - 15% DIVIDENDOS • Box 2 - 15% DIVIDENDS

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad del Dividendo • Dividend Amount	Cantidad Retenida • Amount Withheld
FIRST PUERTO RICO AAA TARGET MAT FD I INC COM CASH DIVID	336124102	09/01/XX	12.17	1.83
FIRST PUERTO RICO AAA TARGET MAT FD I INC COM CASH DIVID	336124102	10/01/XX	12.17	1.83
Total del título de valor • Security Total			24.34	3.66
FIRST BANCORP P R COM NEW ISIN#PR3186727065	318672706	03/15/XX	145.83	21.88
FIRST BANCORP P R COM NEW ISIN#PR3186727065	318672706	04/15/XX	145.83	21.88
Total del título de valor • Security Total			291.66	43.76
FIRST PUERTO RICO TAX EXEMPT TARGET FD II INC COM CASH DIV	33611M103	01/20/XX	100.00	15.00
TOTAL Encasillado 2 • Box 2 TOTAL			**416.00**	**62.42**

Encasillado 5 - 15% Intereses bajo la Sección 1023.04 (excepto IRA y Cuenta de Aportación Educativa) · Box 5 - Interest under Section 1023.04 (except IRA and Educational Contribution Account)

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad del Dividendo • Dividend Amount	Cantidad Retenida • Amount Withheld
POPULAR CAP TR II MONTHLY INCOME TR CPN6.125% FREQMTLY MATURITY ON12/01/34 CALLABLE ON OR AFTER	73317H206	02/15/XX	200.00	30.00
TOTAL Encasillado 5 • Box 5 TOTAL			**200.00**	**30.00**

Encasillado 6 - Intereses bajo la Sección 1023.05(b) · Box 6 - Interest under Section 1023.05(b)

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad del Dividendo • Dividend Amount	Cantidad Retenida • Amount Withheld
PUERTO RICO HOLDER INTEREST		04/15/XX	6,309.15	630.92
TOTAL Encasillado 6 • Box 6 TOTAL			**6,309.15**	**630.92**

Encasillado 9 - Otros Pagos · Box 9 - Other Payments

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad del Dividendo • Dividend Amount	Cantidad Retenida • Amount Withheld
OTHER		01/15/XX	100.00	15.00
TOTAL Encasillado 9 • Box 9 TOTAL			**100.00**	**15.00**

SAMPLE

GOBIERNO DE PUERTO RICO FORMULARIO 480.6C DETALLES DE TRANSACCIÓN
PUERTO RICO GOVERNMENT FORM 480.6C DETAILS

Encasillado 5 - Dividendos Sujetos al 10% bajo la Sección 1062.11 • Box 5 - Dividends Subject to 10% under Section 1062.11

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pagada • Amount Paid	Cantidad Pagada • Amount Paid
POPULAR INC COM NEW	733174700	07/01/XX	170.12	17.01
TOTAL Encasillado 5 • Box 5 TOTAL			**170.12**	**17.01**

Encasillado 6 - Dividendos Sujetos al 15% bajo la Sección 1062.08 • Box 6 - Dividends Subject to 15% under Section 1062.0

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pagada • Amount Paid	Cantidad Pagada • Amount Paid
OFG BANCORP COM	67103X102	07/01/XX	420.24	63.04
TOTAL Encasillado 6 • Box 6 TOTAL			**420.24**	**63.04**

Encasillado 10 - Intereses • Box 10 - Interest

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pagada • Amount Paid	Cantidad Pagada • Amount Paid
POPULAR CAP TR I MONTHLY INCOME	73317W203	06/01/XX	17,125.16	2,568.77
POPULAR CAP TR I MONTHLY INCOME	73317W203	07/01/XX	17,125.16	2,568.77
Total del título de valor • Security Total			34,250.32	5,137.54
TOTAL Encasillado 10 • Box 10 TOTAL			**34,250.32**	**5,137.54**

*Information subject to change pending new information from Puerto Rico.

Form 480.6—Puerto Rico Tax Information Reporting (continued)*

SAMPLE

GOBIERNO DE PUERTO RICO FORMULARIO 480.6D DETALLES DE TRANSACCIÓN
PUERTO RICO GOVERNMENT FORM 480.6D DETAILS

Encasillado 6 - Intereses sobre Obligaciones del Gobierno de los Estados Unidos · Box 6 - Interest upon Obligations from the United States Government

Descripción del título valor • Security Description	CUSIP	Date Paid	Total Cantidad Pagada • Total Amount Paid
US GOVT	336119988	02/18/XX	10.00
TOTAL Encasillado 6 • Box 6 TOTAL			**10.00**

Encasillado 7 - Intereses sobre Obligaciones del Estado Libre Asociado de Puerto Rico · Box 7 - Interest upon Obligations from the Commonwealth of Puerto Rico

Descripción del título valor • Security Description	CUSIP	Date Paid	Total Cantidad Pagada • Total Amount Paid
SOLO PUERTO RICO EXEMPT CASH DIV	33611M10T	02/18/XX	10.00
TOTAL Encasillado 7 • Box 7 TOTAL			**10.00**

Encasillado 8 - Intereses sobre Ciertas Hipotecas · Box 8 - Interest upon Certain Mortgages

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pagada • Amount Paid	Cantidad Sujeta a Contribución Básica Alterna • Amount Subject to Alternate Basic Tax
CITIGROUP MTG LN TR 2019-IMC1 MTG PASSTHRU CTF CL A-3 144A 3.030% 07/25/49 B/E	17328BAC8	07/28/XX	981.89	981.89
TOTAL Encasillado 8 • Box 8 TOTAL			**981.89**	**981.89**

Encasillado 10 - Otros Intereses Sujetos a Contribución Básica Alterna · Box 10 - Other Interest Subject to Alternate Basic Tax

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pagada • Amount Paid	Cantidad Sujeta a Contribución Básica Alterna • Amount Subject to Alternate Basic Tax
FHLMC MULTICLASS MTG PARTN CTFS GTD SER T31 CL31 A7 0.337% 05/25/31 B/E DTD 01/31/01	3133TR7C3	05/07/XX	69.10	69.10
TOTAL Encasillado 10 • Box 10 TOTAL			**69.10**	**69.10**

Encasillado 11 - Otros Intereses No Sujetos a Contribución Básica Alterna · Box 11 - Other Interest Not Subject to Alternate Basic Tax

Descripción del título valor • Security Description	CUSIP	Date Paid	Total Cantidad Pagada • Total Amount Paid
OTHER	33611XXXX	10/15/XX	800.00
TOTAL Encasillado 11 • Box 11 TOTAL			**800.00**

Encasillado 22 - Otros Pagos Sujetos a Contribución Básica Alterna · Box 22 - Other Payments Subject to Alternate Basic Tax

Descripción del título valor • Security Description	CUSIP	Fecha de pago • Date Paid	Cantidad Pagada • Amount Paid	Cantidad Sujeta a Contribución Básica Alterna • Amount Subject to Alternate Basic Tax
OTHER	33622XXXX	10/15/XX	100.00	100.00
TOTAL Encasillado 22 • Box 22 TOTAL				**100.00**

RECLASSIFIED INCOME

It may be necessary to reclassify previously reported distributions to another category, since the tax status of payments made by corporations, mutual funds and certain issuers can only be determined after the end of the tax year. Your Tax Reporting Information may contain income that was reclassified, based on issuer information captured up to February 17. After this date, any reclassification of income by issuers will not be reported on Your Tax Reporting Information statement and will only be revised upon request and if the information does not cause initial reporting, after the filing date of February 28. Requests for amendments based on reclassifications should be sent via Service Center Request for processing.

*Information subject to change pending new information from Puerto Rico.

IRS Form 2439—Notice To Shareholder of Undistributed Long-Term Capital Gains

Certain regulated investment companies (RICs) elect to pay federal income tax on undistributed long-term capital gains. If you hold RICs as of year-end, you may receive IRS Form 2439. This form reports your shares of undistributed capital gains and the federal tax paid by RICs. A separate Form 2439 will be issued for each investment. Taxpayers holding positions in these RICs (as of the fiscal year end of the RIC) should receive IRS Form 2439 for those holdings.

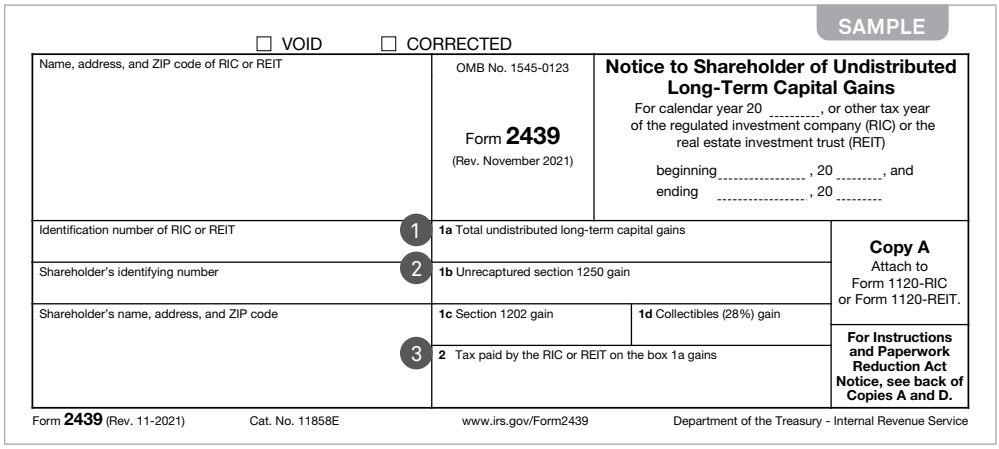
Note that some RICs do not have calendar fiscal years, so it is best to consult the website of the investment. You may also consult a tax professional for specific guidance in the area of reporting the capital gain in their income and their entitlement to claim a credit on their income tax returns for their shares of the federal tax paid by the RICs issuing Form 2439.

IMPORTANT NOTES

The Depository Trust and Clearing Corporation (DTCC) provides Pershing with information for IRS Form 2439 reporting.

- IRS Form 2439 information is not included on the Tax Information Statement provided by Pershing.
- The date on which IRS Form 2439 is mailed varies depending on the RIC's year-end for tax purposes. Nonetheless, these forms will be issued within 60 days following the fiscal year-end of the RIC.
- For IRAs and other retirement accounts for which Pershing is the retirement account custodian, Pershing will claim the collective tax credit for the tax paid by RICs issuing Form 2439s and, once reimbursed by the IRS, will credit respective IRAs and other retirement accounts accordingly.
- Although Pershing may receive the rates used to calculate items on IRS Form 2439 from our vendor, we cannot mail IRS Form 2439 to you until we receive copies from the DTCC, showing the amount of the RIC's long-term capital gain paid to Pershing and the amount of tax paid by the RIC.

Pershing uses a replica of the IRS Form 2439. You will receive Copy B and Copy C to attach to your income tax return and to keep for your records, respectively. The IRS Form 2439 Copy B is shown below.



SAMPLE

☐ VOID ☐ CORRECTED

Name, address, and ZIP code of RIC or REIT	OMB No. 1545-0123 Form **2439** (Rev. November 2021)	**Notice to Shareholder of Undistributed Long-Term Capital Gains** For calendar year 20 _____, or other tax year of the regulated investment company (RIC) or the real estate investment trust (REIT) beginning _____, 20 _____, and ending _____, 20 _____
Identification number of RIC or REIT	1 **1a** Total undistributed long-term capital gains	**Copy A** Attach to Form 1120-RIC or Form 1120-REIT.
Shareholder's identifying number	2 **1b** Unrecaptured section 1250 gain	
Shareholder's name, address, and ZIP code	**1c** Section 1202 gain / **1d** Collectibles (28%) gain	
	3 **2** Tax paid by the RIC or REIT on the box 1a gains	**For Instructions and Paperwork Reduction Act Notice, see back of Copies A and D.**

Form **2439** (Rev. 11-2021) Cat. No. 11858E www.irs.gov/Form2439 Department of the Treasury - Internal Revenue Service

1. **Box 1a** reports total undistributed long-term capital gains attributable to your ownership of the RIC. For individuals, this amount is reported on IRS Form 1040, U.S. Individual Income Tax Return, Schedule D, Capital Gains and Losses.
2. **Box 1b** is your allocated portion of the amount included in Box 1a that has been designated as unrecaptured section 1250 gain from the disposition of depreciable real property. For individuals, this amount is entered on your Unrecaptured Section 1250 Gain Worksheet.
3. **Box 2** contains any federal income tax paid by the RIC on this gain, on behalf of the taxpayer.

What's New?

THE SECURE ACT 2.0 OF 2022

On December 29, 2022, the SECURE (Setting Every Community Up for Retirement Enhancement) Act 2.0 was signed into law. SECURE Act 2.0 is intended to build on the previous SECURE Act of 2019. In accordance with SECURE Act 2.0, there are numerous new provisions with various effective dates beginning with the 2023 tax year.

IMPORTANT PROVISIONS

A few key provisions with January 1, 2023, effective dates, or later, include:

- The age at which owners of retirement accounts must start taking RMDs will increase to 73, starting January 1, 2023. The current age to begin taking RMDs is 72, so individuals will have an additional year to delay taking a mandatory withdrawal of deferred savings from their retirement accounts. (Note: Retirement account owners that turned 72 in 2022, or earlier will need to continue taking RMDs as scheduled. If a retirement account owner is turning 72 in 2023 and has already scheduled a withdrawal, please have the account owner consult with a tax professional). The RMD beginning age changes to 75 in 2033.
- The penalty for failing to take an RMD will decrease to 25% of the RMD amount, from 50% currently, and 10% if corrected in a timely manner for IRAs.
- Increased catch-up and contribution limits for several types of plans (including IRA, 401(k) and SIMPLEs), which is effective for tax years after December 31, 2024.
- Allow for rollovers for certain qualifying distributions from 529 accounts to a Roth IRA or other types of retirement plans, which is effective for distributions after December 31, 2023.

Additional communication and updates to follow.

General Information for Your 2022 Retirement Products

PAYER

Pershing LLC is the payer of income reported on IRS Forms 1099-R and 1099-Q for those accounts where Pershing is the custodian or servicing agent for other custodians.

PAYER'S TIN

Pershing's TIN for 1099-R and 1099-Q reporting is 13-3718556. Pershing's TIN for 5498 and 5498-ESA reporting is 13-2741729.

Note: For 5498 and 5498-ESA reporting, if you have a custodian other than Pershing, that custodian's TIN will be used for reporting.

MINIMUM DISTRIBUTION AMOUNTS

In accordance with regulatory requirements, Pershing will issue an IRS Form 1099-R to report all distributions of $10 or more from IRAs, qualified retirement plans and 403(b)(7) custodial accounts to the IRS.

ACCOUNTS OPENED IN 2022

Tax forms will include tax reporting activity for the 2022 tax year. If you joined Pershing after January 1, 2022, you may receive tax forms from Pershing and the previous payer. Questions regarding tax forms should be directed to the appropriate payer.

QUALIFIED RETIREMENT PLAN

Qualified retirement plan omnibus accounts pool assets for multiple employees of the same employer. Generally, these accounts bear the name and TIN of the employer. Pershing does not issue IRS Form 1099-R to participants for distributions that occur from omnibus accounts. Instead, these forms are issued by the plan trustee(s).

FAIR MARKET VALUE

IRA owners will receive their December 31, 2022, fair market value report as part of their December 2022 account statement.

COVERDELL EDUCATION SAVINGS ACCOUNT (ESA)

Coverdell ESA contributions will be reported on IRS Form 5498-ESA, Coverdell ESA Contribution Information. Coverdell ESA distributions will be reported on IRS Form 1099-Q, Payments from Qualified Education Programs (under Sections 529 and 530).

Direct transfers into a Coverdell ESA will be reported in Box 2 (Rollover Contributions) of IRS Form 5498-ESA. The transfer amounts will be included with any rollover contributions. Direct transfers have historically been nonreportable. As a result, the amount reported in Box 2 may be different than the rollover contribution amount reported on the account statement or in IRAS.

IRS Form 5498-ESA will be mailed by May 31, 2023, instead of April 30, as a result of Pershing filing for an extension with the IRS. The additional time is needed to accommodate contributions for 2022 that can be made as late as April 15, 2023.

DISPLAY OF FAIR MARKET VALUE INFORMATION ON RETIREMENT ACCOUNT STATEMENTS

The IRS requires filers of Form 5498 to provide the December 31, 2022, IRA Fair Market Value to participants by January 31, 2023. This information is reported to the IRS as part of Form 5498 filing, which has a deadline of May 31 following the tax year with the IRS. Enhanced descriptions relating to fair market value fields were implemented in the Your Account Information section of December 2022 retirement account statements for participants who hold IRAs where Pershing functions as either the custodian or servicing agent.

For 2022, Pershing provided the fair market value, as of December 31, 2022, as part of the December statement. December 2022 is a quarter-end statement and is sent to all open retirement accounts, regardless of activity.

VALUATION OF IN-KIND DISTRIBUTIONS AND ROLLOVER CONTRIBUTIONS

When an In-Kind Distribution is initiated in Asset Movement, the valuation is captured as of the prior business day's closing price. The previous close price is provided upon selection as well as the total gross distribution prior to submission. When the federal and state tax elections are selected, the Market Value of the securities is calculated based on quotes as of the previous close.

The valuation of a rollover deposit will capture the prior business day's closing price of the security.

IRS Form 1099-R

Generally, per IRS instructions, distributions from pensions, annuities, profit-sharing and retirement plans (including section 457 state and local government plans), IRAs, insurance contracts, etc., are reported to recipients on Form 1099-R.

- **IRAs.** For distributions from a traditional individual retirement arrangement (IRA), simplified employee pension (SEP) or Savings Incentive Match Plans for Employees (SIMPLE), generally the payer is not required to compute the taxable amount. See the Form 1040 instructions to determine the taxable amount. If you are at least age 72, you must take minimum distributions from your IRA (other than a Roth IRA). If you do not, you may be subject to a 50% excise tax on the amount that should have been distributed. See *IRS Publication 590* for more information on IRAs.
- **Recipient's Identification Number.** For your protection, this form may show only the last four digits of your SSN, ITIN, ATIN or EIN. However, the issuer has reported your complete identification number to the IRS.

For more information, please see the instructions for Form 1099-R at irs.gov.

Note: For corrected forms, *Corrected as of MM/DD/YYYY* will be displayed in the upper-right corner of the form, directly below *2022 Retirement Account Tax Information Statement.* The date will be the day the process was run to generate the corrected form. The following additional note will appear at the bottom of the note section: "This form contains revised information to correct reporting previously provided for your account for tax year 2022."

SAMPLE

BNY MELLON | PERSHING

2022 Retirement Account Tax Information Statement

Recipient's Name and Address:

IRA FBO JANE DOE
PERSHING LLC AS CUSTODIAN
123 MAIN STREET
ANYTOWN US 12345

Your Financial Advisor:

I.M. WISE
ABC FINANCIAL ADVISORS
456 EASY STREET
NEW YORK NY 45678
ID: 789

Payer's Information:

PERSHING LLC
ONE PERSHING PLAZA
JERSEY CITY NJ 07399
Customer Service Phone Number: 800-555-5555
Payer's Federal Identification Number: 12-3456789

Recipient's Information:

Account Number: ABC-123456
Recipient's Identification Number: ***-**-9999

2022 Form 1099-R	**Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.**	**OMB No. 1545-0119**

Copy C: For Recipient's Records

Box			Box		
1	Gross Distribution	$100,000.00	9a	Your Percentage of Total Distribution	%
2a	Taxable Amount	$100,000.00	9b	Total Employee Contributions	$0.00
2b	Taxable Amount Not Determined	[X]	10	Amount allocable to IRR within 5 years	
	Total Distribution	[ ]	11	1st Year of Designated Roth Contribution	
3	Capital Gain (included in Box 2a)	$0.00	12	FATCA Filing Requirement	[ ]
4	**Federal Income Tax Withheld**	**$10,000.00**	13	Date of Payment	
5	Employee Contributions/Designated Roth Contributions or Insurance Premiums	$0.00	14	State Tax Withheld	$5,000.00
6	Net Unrealized Appreciation in Employers Securities	$0.00	15	State/Payer's State Number	NY/12-3456789
7	Distribution Code(s)	7	16	State Distribution	
	IRA/SEP/SIMPLE	[ ]	17	Local Tax Withheld	$0.00
8	Other Amount	$0.00	18	Name of Locality	
	Other Percentage	0.00%	19	Local Distribution	$0.00

This information is being furnished to the Internal Revenue Service. The above represents a summary of your retirement account distribution activity for Tax Year 2022. The Internal Revenue Service instructions are on the back of this page.

IRS Form 1099-Q

Per IRS instructions, Form 1099-Q, Payments from Qualified Education Programs (Under Sections 529 and 530) report redemptions of 529 units processed from 529 College Savings Plans and Coverdell education savings accounts (ESA).

- **Truncating recipient's identification number on payee statements.** Pursuant to Treasury Regulations sections 301.6109-4, all filers of this form may truncate a recipient's identification number (SSN, ITIN, ATIN or EIN) on payee statements. Only the last four digits of the tax identification number are displayed on your form.

For more information, please see the instructions for Form 1099-Q at irs.gov.

Note: For corrected forms, *Corrected as of MM/DD/YYYY* will be displayed in the upper-right corner of the form, directly below *2022 Education Account Tax Information Statement.* The date will be the day the process was run to generate the corrected form. The following additional note will appear at the bottom of the note section: "This form contains revised information to correct reporting previously provided for your account for tax year 2022."

SAMPLE

BNY MELLON | PERSHING

2022 Education Account Tax Information Statement

Recipient's Name and Address:

IRA FBO JANE DOE
PERSHING LLC AS CUSTODIAN
123 MAIN STREET
ANYTOWN US 12345

Your Financial Advisor:

I.M. WISE
ABC FINANCIAL ADVISORS
456 EASY STREET
NEW YORK NY 45678
ID: 789

Payer's Information:

VCSP / COLLEGE AMERICA AMERICAN FUNDS
PO BOX 6273
INDIANAPOLIS IN 46206-6273
Customer Service Phone Number: 800-555-5555
Payer's Federal Identification Number: 12-3456789

Recipient's Information:

Account Number: ABC-123456
Recipient's Identification Number: ***-**-9999

2022 Form 1099-Q	**Payments from Qualified Education Programs (Under Sections 529 and 530)**	**OMB No. 1545-1760**

Copy B: For Recipient

Box			Box		
1	Gross Distribution	$1,000.00	4	Trustee-to-trustee transfer	☐
2	Earnings	$200.00	5	Check one:	
3	Basis	$800.00		Qualified Tuition Program–Private	☐
	If an FMV amount is shown, see Pub. 970, Tax Benefits for Education, for how to figure earnings			Qualified Tuition Program–State	☒
				Coverdell ESA	☐
	FMV	$0.00	6	If this box is checked, the recipient is not the designated beneficiary	☐
				Distribution Code	

This important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. The above represents a summary of your education account distribution activity for Tax Year 2022. The Internal Revenue Service instructions are on the back of this page.

IRS Form 5498

Per IRS instructions:

- **Instructions for Participant.** The information on Form 5498 is submitted to the IRS by the trustee or issuer of your individual retirement arrangement (IRA) to report contributions, including any catch-up contributions, required minimum distributions (RMDs) and the fair market value (FMV) of the account. For information about IRAs, see *IRS Publications 590* and *560*.
- **Participant's Identification Number.** For your protection, this form will show only the last four digits of your SSN, ITIN, ATIN or EIN. However, the trustee or issuer has reported your complete identification number to the IRS.

For more information, please see the instructions for Form 5498 at irs.gov.

Note: For corrected forms, *Corrected as of MM/DD/YYYY* will be displayed in the upper-right corner of the form, directly below *2022 Retirement Account Tax Information Statement.* The date will be the day the process was run to generate the corrected form. The following additional note will appear at the bottom of the note section: "This form contains revised information to correct reporting previously provided for your account for tax year 2022."

SAMPLE

BNY MELLON | PERSHING

2022 Retirement Account Tax Information Statement

Participant's Name and Address:

IRA FBO JANE DOE
PERSHING LLC AS CUSTODIAN
123 MAIN STREET
ANYTOWN US 12345

Your Financial Representative:

I.M. WISE
ABC FINANCIAL ADVISORS
456 EASY STREET
NEW YORK NY 45678
ID: 789

Trustee's or Issuer's Information:

PERSHING LLC
ONE PERSHING PLAZA
JERSEY CITY NJ 07399
Customer Service Phone Number: 800-555-5555
Federal Identification Number: 12-3456789

Participant's Information:

Account Number: ABC-123456
Participant's Social Security Number: ***-**-9999

2022 Form 5498	IRA Contribution Information	OMB No. 1545-0747

Box		
1	IRA Contributions (other than amounts in boxes 2-4, 8-10, 13a and 14a)	$6,500.00
2	Rollover Contributions	$0.00
3	Roth IRA Conversion Amount	$0.00
4	Recharacterized Contributions	$0.00
5	Fair Market Value of Account	$373,221.41
6	Life Insurance Cost Included in Box 1	$0.00
7	IRA [X] SEP [ ] SIMPLE [ ] ROTH IRA [ ]	

Box		
8	SEP Contributions	$0.00
9	SIMPLE Contributions	$0.00
10	Roth IRA Contributions	$0.00
11	If checked, Required Minimum Distribution for 2021	[X]
13a	Postposed Contribution	$0.00
13b	Year	
13c	Code	SC
15a	FMV of certain specified assets	$2,542.50
15b	Code(s)	B

This information is being furnished to the Internal Revenue Service. The above represents a summary of your retirement account distribution activity for Tax Year 2022. The Internal Revenue Service instructions are on the back of this form.

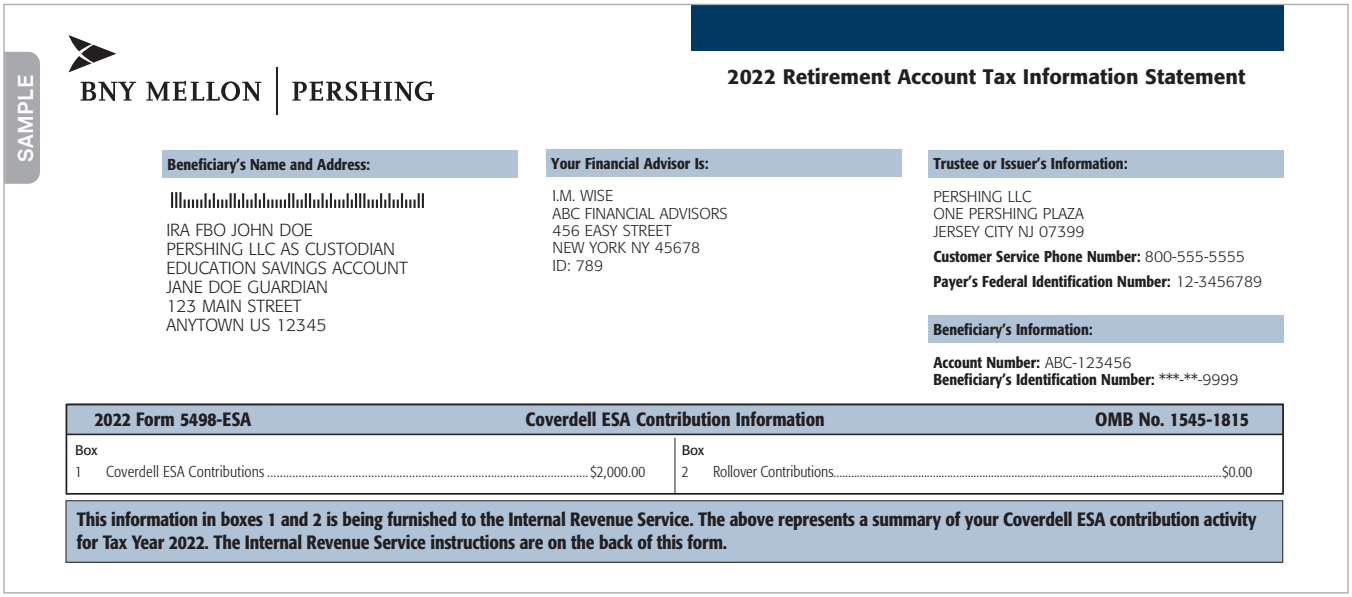
IRS Form 5498-ESA

Per IRS instructions:

- **Instructions for Beneficiary.** The information on Form 5498-ESA is furnished to you by the trustee or issuer of your Coverdell ESA by April 30, 2023. Form 5498-ESA reports contributions and rollover contributions made for you for 2022. For more information about Coverdell ESAs, see *IRS Publication 970, Tax Benefits for Education.*
- *Note:* Pershing obtains a 30-day extension from the IRS and plans to mail Forms 5498-ESA by May 31, 2023.
- **Update to: Recipient's taxpayer identification no. (TIN).** For your protection, this form may show only the last four digits of your SSN, ITIN, ATIN or EIN. However, the issuer has reported your complete identification number to the IRS.

For more information, please see the instructions for Form 5498-ESA at irs.gov.

Note: For corrected forms, *Corrected as of MM/DD/YYYY* will be displayed in the upper-right corner of the form, directly below *2022 Retirement Account Tax Information Statement.* The date will be the day the process was run to generate the corrected form. The following additional note will appear at the bottom of the note section: "This form contains revised information to correct reporting previously provided for your account for tax year 2022."



SAMPLE

BNY MELLON | PERSHING

2022 Retirement Account Tax Information Statement

Beneficiary's Name and Address:

IRA FBO JOHN DOE
PERSHING LLC AS CUSTODIAN
EDUCATION SAVINGS ACCOUNT
JANE DOE GUARDIAN
123 MAIN STREET
ANYTOWN US 12345

Your Financial Advisor Is:

I.M. WISE
ABC FINANCIAL ADVISORS
456 EASY STREET
NEW YORK NY 45678
ID: 789

Trustee or Issuer's Information:

PERSHING LLC
ONE PERSHING PLAZA
JERSEY CITY NJ 07399
Customer Service Phone Number: 800-555-5555
Payer's Federal Identification Number: 12-3456789

Beneficiary's Information:

Account Number: ABC-123456
Beneficiary's Identification Number: ***-**-9999

2022 Form 5498-ESA	Coverdell ESA Contribution Information	OMB No. 1545-1815

Box			Box		
1	Coverdell ESA Contributions	$2,000.00	2	Rollover Contributions	$0.00

This information in boxes 1 and 2 is being furnished to the Internal Revenue Service. The above represents a summary of your Coverdell ESA contribution activity for Tax Year 2022. The Internal Revenue Service instructions are on the back of this form.

529 Plans

A 529 plan is a qualified tuition program and account arrangement that is described in Section 529 of the IRC.

The type of 529 plan account custodied by Pershing is a savings plan where the account owner (participant) contributes for the benefit of an eligible college-bound individual (beneficiary). The plan and account earnings generally accumulate tax-free as long as the contributions and earnings remain in the plan and are ultimately used to pay qualifying educational expenses. Qualified plan and account distributions generally are received free from federal income tax and state income tax in certain states and may include expenses for tuition, books, supplies, room and board at any accredited post-secondary educational institution. 529 plans are offered by states with varying rules dictated by state legislation and are typically, but not always, administered by a single investment (mutual fund) management company directly and offered by that investment management company or by licensed securities brokers.

For 2022, Pershing is required to report distributions from 529 plans on IRS Form 1099-Q (Payments From Qualified Education Programs [Under Sections 529 and 530]). The Form 1099-Q will be mailed to recipients by January 31, 2023. (Please refer to the image on the next page to view the 2022 Form 1099-Q.) Pershing expects to report the information included on recipients' copies of Form 1099-Q to the IRS by April 30, 2023.

For 2022, the Form 1099-Q will be issued under the applicable State 529 Plan's Federal or EIN as the payer of the income. The Form 1099-Q reports all distributions in their component parts, which includes the amount of the Gross Distribution (Box 1) and the portions of the Gross Distribution that consist of Earnings (Box 2) and Basis (Box 3)—see the next page for a further explanation of the Form 1099-Q boxes. Losses or negative earnings are only reported if the 529 plan account was closed by December 31, 2022. If a 529 plan account has a loss or negative earnings on a distribution made in 2022, but the account was not closed by year-end 2022, zero earnings will be reported and the amounts of basis and gross distribution reported will be equal to each other. If a participant/beneficiary has accounts with multiple 529 plan providers (other custody firms or directly with the sponsoring state or fund), all 529 plan accounts must be closed before any losses or negative earnings may be reported. In this case, Pershing will continue to receive the external basis and market value information from the master aggregator for the 529 plan. This means there are still open accounts for the participant/beneficiary. Therefore, Pershing will not report losses or negative earnings.

529 Plans *(continued)*

529 Plan Tax Information Reporting on IRS Form 1099-Q

SAMPLE

BNY MELLON | PERSHING

2022 Education Account Tax Information Statement

Recipient's Name and Address:

IRA FBO JANE DOE
PERSHING LLC AS CUSTODIAN
123 MAIN STREET
ANYTOWN US 12345

Your Financial Advisor:

I.M. WISE
ABC FINANCIAL ADVISORS
456 EASY STREET
NEW YORK NY 45678
ID: 789

Payer's Information:

VCSP / COLLEGE AMERICA AMERICAN FUNDS
PO BOX 6273
INDIANAPOLIS IN 46206-6273
Customer Service Phone Number: 800-555-5555
Payer's Federal Identification Number: 12-3456789

Recipient's Information:

Account Number: ABC-123456
Recipient's Identification Number: ***-**-9999

2022 Form 1099-Q	Payments from Qualified Education Programs (Under Sections 529 and 530)	OMB No. 1545-1760

Copy B: For Recipient

Box			Box		
1	Gross Distribution	1 $1,000.00	4	Trustee-to-trustee transfer	4 ☐
2	Earnings	2 $200.00	5	Check one:	
3	Basis	3 $800.00		Qualified Tuition Program–Private	☐
	If an FMV amount is shown, see Pub. 970, Tax Benefits for Education, for how to figure earnings			Qualified Tuition Program–State	5 ☒
				Coverdell ESA	☐
	FMV $0.00		6	If this box is checked, the recipient is not the designated beneficiary	6 ☐
				Distribution Code	

This important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported. The above represents a summary of your education account distribution activity for Tax Year 2022. The Internal Revenue Service instructions are on the back of this page.

REFER TO THE SAMPLE FORM ABOVE FOR DETAILED INFORMATION ON THE SECTIONS.

1. The amount reported in **Box 1** shows the gross distribution paid. The gross distribution from the 529 plan causes the generation of a Form 1099-Q. The amount of the gross distribution is the total amount of the redemptions (sale trades) processed directly from the 529 plan. The check disbursement from the client account is not the reportable event.
2. The amount reported in **Box 2** shows the gross distribution less any amount used to pay for qualified education expenses, transfers to another trustee or rolled to another qualified education program in 60 days.
3. The amount reported in **Box 3** shows the basis in the gross distribution paid in Box 1. The basis is the total amount contributed to the 529 plan. The amount reported in Box 3 will equal the amount reported in Box 1 minus the amount reported in Box 2.
4. **If Box 4 is checked,** then a distribution has been made directly from one Qualified Tuition Program to another Qualified Tuition Program.
5. **All 2022 Forms 1099-Q** issued by Pershing will report the State Qualified Tuition Program.
6. **Box 6** will be checked if the recipient of the distribution is not the designated beneficiary under the Qualified Tuition Program.

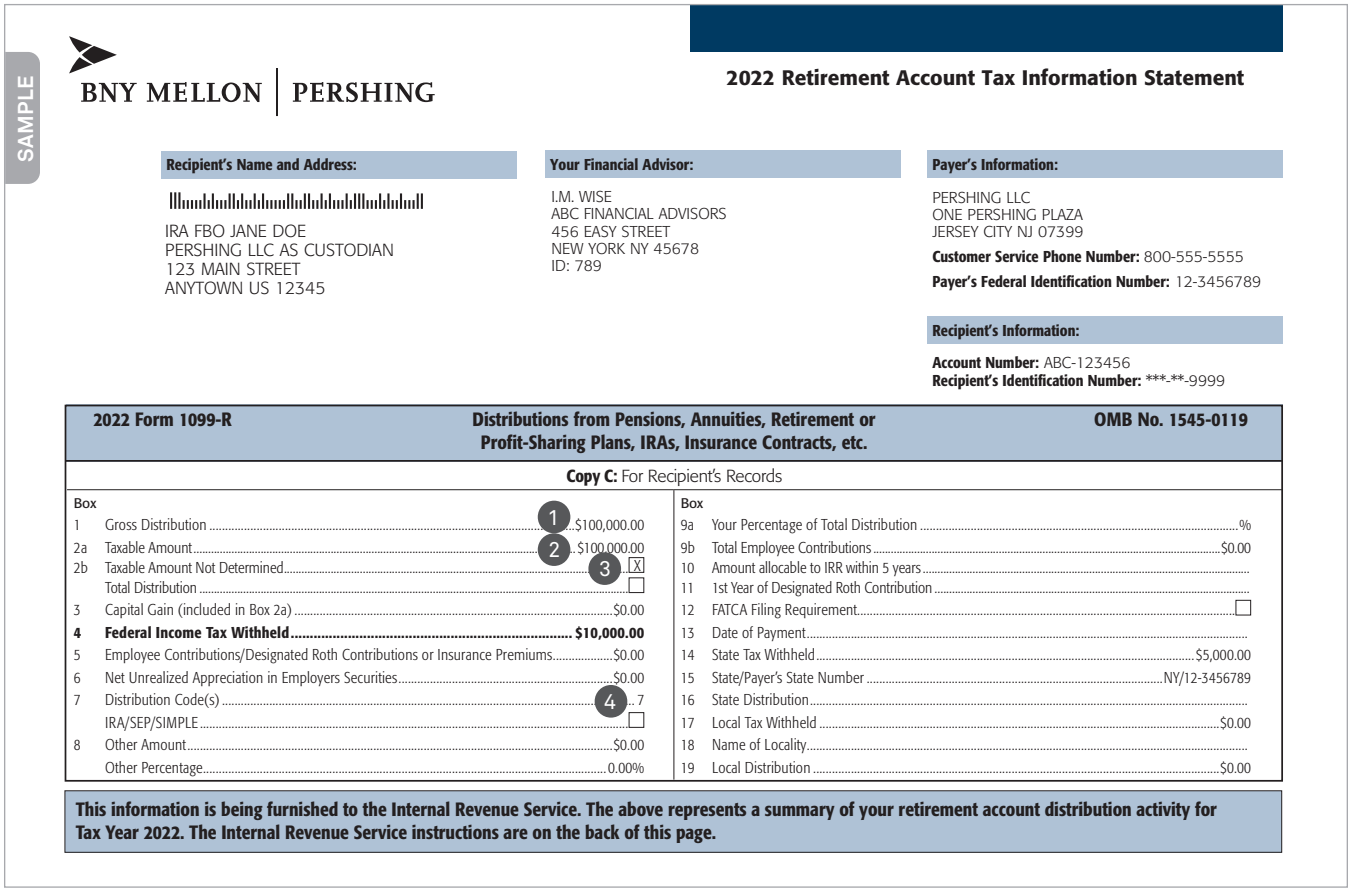
Please see *IRS Publication 970 (Tax Benefits for Education)* for additional information.

Retirement Account Distributions—IRS Form 1099-R

Information Reported on IRS Form 1099-R

If you took a reportable distribution from your IRA (Traditional IRA, Roth IRA, Simplified Employee Pension [SEP] IRA or Savings Incentive Match Plan for Employees [SIMPLE] IRA), qualified retirement plan (401[k], profit-sharing plan or money purchase pension plan) or 403(b)(7) custodial account, you will receive IRS Form 1099-R. The payer for transactions reported on IRS Form 1099-R is Pershing LLC (Taxpayer Identification Number 13-3718556).

The following example is provided for illustrative purposes only. For more information, please refer to IRS Form 1040 instructions and speak with your tax professional regarding your specific circumstances.



SAMPLE

BNY MELLON | PERSHING

2022 Retirement Account Tax Information Statement

Recipient's Name and Address:

IRA FBO JANE DOE
PERSHING LLC AS CUSTODIAN
123 MAIN STREET
ANYTOWN US 12345

Your Financial Advisor:

I.M. WISE
ABC FINANCIAL ADVISORS
456 EASY STREET
NEW YORK NY 45678
ID: 789

Payer's Information:

PERSHING LLC
ONE PERSHING PLAZA
JERSEY CITY NJ 07399
Customer Service Phone Number: 800-555-5555
Payer's Federal Identification Number: 12-3456789

Recipient's Information:

Account Number: ABC-123456
Recipient's Identification Number: ***-**-9999

2022 Form 1099-R	**Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.**	**OMB No. 1545-0119**

Copy C: For Recipient's Records

Box			Box		
1	Gross Distribution	1 $100,000.00	9a	Your Percentage of Total Distribution	%
2a	Taxable Amount	2 $100,000.00	9b	Total Employee Contributions	$0.00
2b	Taxable Amount Not Determined	3 [X]	10	Amount allocable to IRR within 5 years	
	Total Distribution	☐	11	1st Year of Designated Roth Contribution	
3	Capital Gain (included in Box 2a)	$0.00	12	FATCA Filing Requirement	☐
4	**Federal Income Tax Withheld**	**$10,000.00**	13	Date of Payment	
5	Employee Contributions/Designated Roth Contributions or Insurance Premiums	$0.00	14	State Tax Withheld	$5,000.00
6	Net Unrealized Appreciation in Employers Securities	$0.00	15	State/Payer's State Number	NY/12-3456789
7	Distribution Code(s)	4 7	16	State Distribution	
	IRA/SEP/SIMPLE	☐	17	Local Tax Withheld	$0.00
8	Other Amount	$0.00	18	Name of Locality	
	Other Percentage	0.00%	19	Local Distribution	$0.00

This information is being furnished to the Internal Revenue Service. The above represents a summary of your retirement account distribution activity for Tax Year 2022. The Internal Revenue Service instructions are on the back of this page.

1. **Gross Distributions.** Box 1 displays the gross distribution taken from your retirement account. Note that you may receive more than one IRS Form 1099-R.
2. **Taxable Amount.** Box 2a displays the taxable amount of distributions taken from your retirement account. In the Instructions to Form 1099-R, the IRS generally stipulates that the taxable amount reported in Box 2a be the same amount reported in Box 1 for Traditional, SEP and SIMPLE IRAs.
3. **Taxable Amount Not Determined.** The "Taxable Amount Not Determined" box is either blank or populated with an "X." In most cases, particularly for distributions from IRAs, the IRS instructions call for the payer to populate the box with an "X." You should consult with a tax professional to determine the actual taxable amount of your distributions.
4. **Distribution Codes.** You may owe additional tax on the amount distributed to you. An example of this would be if you took a distribution from your IRA and you are under age 59½ and no exceptions apply (for example, first-time home purchase). In certain cases where no exception applies, you may owe additional taxes. See IRS Form 5329 for the calculation of additional tax on early distributions.

AUTOMATED RETIREMENT AND ESA ACCOUNT CORRECTIONS

TAX REPORTING YEAR	1099-R / 1099-Q CORRECTIONS	5498 / 5498-ESA CORRECTIONS
2022	No daily corrections. Weekly corrections will mail and post to e-Document Suite by each Tuesday, beginning February 24, 2023 (as of February 24, 2023) through end of year.	No daily corrections. Weekly corrections will mail and post to e-Document Suite by each Tuesday, from June 27, 2023, (as of June 23, 2023) through end of year.
2021	Weekly corrections will post to e-Document Suite by each Tuesday, beginning March 28, 2023, (as of March 24, 2023) through end of year.	Weekly corrections will post to e-Document Suite by each Tuesday, beginning March 28, 2023, (as of March 24, 2023) through end of year.
2020	Weekly corrections will post to e-Document Suite by each Tuesday, beginning March 28, 2023, (as of March 24, 2023) through end of year.	Weekly corrections will post to e-Document Suite by each Tuesday, beginning March 28, 2023, (as of March 24, 2023) through end of year.
2019	No longer available, as of December 31, 2022.	No longer available, as of December 31, 2022.

All files will be cut as of Fridays

If a holiday falls on a weekday, the process runs on the next business day

Foreign Distribution Tax Treatment

FOREIGN DISTRIBUTIONS: DEFINITION AND BASIC CONDITIONS

A foreign distribution, for these purposes, is defined as a taxable amount distributed from a retirement account that is disbursed either outside of the United States or within the United States to a nonresident alien. There are specific requirements regarding tax treatment for foreign distributions.

There are three basic conditions:

1. If funds are distributed outside of the United States or its possessions to a U.S. person, a minimum of 10% federal tax must be withheld from the gross distribution amount.
2. If funds are distributed to a nonresident alien or foreign estate and the account is not documented with a W-8BEN, 30% nonresident alien tax must be withheld from the gross distribution amount.
3. If funds are distributed to a nonresident alien or foreign estate and the account is documented with a W-8BEN, 30% nonresident alien tax, or a reduced rate based upon validly-claimed treaty benefits, must be withheld from the gross distribution amount.

FOREIGN DISTRIBUTION TAX TREATMENT GRIDS

To provide a more specific understanding of how Pershing will determine tax for foreign distributions, refer to the two grids that follow. Each grid has three lines, one for each possible scenario.

Grid #1 details how Pershing handles documented accounts (accounts with a valid IRS Form W-8BEN or IRS W-9 on file).

- **Documented Account—Scenario #1** (Nonresident Alien or Foreign Estate): A foreign distribution is taken and a valid W-8BEN form is on file. Treaty benefits are not claimed on the form and a W-9 form is not on file. Whether the foreign address is in a *zero treaty country* (as defined on page 75) is not applicable to the determination of tax treatment. Nonresident alien tax will be withheld from the distribution at a rate of 30% of the gross distribution amount. IRS Form 1042-S will be mailed to recipients and transmitted to the IRS to report the activity for the year.
- **Documented Account—Scenario #2** (Nonresident Alien or Foreign Estate): A foreign distribution is taken and a valid W-8BEN form is on file. Treaty benefits are claimed on the form and a W-9 form is not on file. There is an SSN or ITIN on file for the account. Whether the foreign address is in a *zero treaty country* is not applicable to the determination of tax treatment. Nonresident alien tax will be withheld from the distribution at the treaty rate of the gross distribution amount (see the country lists on page 75). IRS Form 1042-S will be mailed to recipients (as noted on page 75) and transmitted to the IRS to report the activity for the year.
- **Documented Account—Scenario #3** (U.S. Person): A foreign distribution is taken and a valid W-8BEN form is not on file. Since there is no W-8BEN form on file, the claim of treaty benefits is not applicable to the determination of tax treatment. A W-9 form is on file for the account. Whether there is an SSN on record for the account or if the foreign address is in a *zero treaty country* is not applicable to the determination of tax treatment. Federal tax will be withheld from the distribution at a minimum rate of 10% of the gross distribution amount. IRS Form 1099-R will be mailed to recipients and transmitted to the IRS to report the activity for the year.

Note: If both documents are on file, then the most recently received valid document will dictate tax treatment. IRS Form W-9 is valid indefinitely except when there is a change in circumstances that requires different tax documentation. W-8BEN forms generally expire on December 31 of the third year following the year the form is signed and dated.

GRID #1: DOCUMENTED ACCOUNT: VALID IRS FORM W-8BEN OR W-9 ON FILE

	IRS W-8BEN ON FILE	TREATY BENEFITS CLAIMED	IRS W-9 ON FILE	SSN	ZERO TREATY COUNTRY	TAX TYPE	REQUIRED MINIMUM WITHHOLDING	IRS TAX FORM
#1	Yes	No	No	N/A	N/A	NRA	30%	1042-S
#2	Yes	Yes	No	Yes[1]	N/A	NRA	Treaty Rate	1042-S
#3	No	N/A	Yes	N/A	N/A	FED	10%	1099-R

[1] An SSN or ITIN is required to claim a reduced treaty rate.

Foreign Distribution Tax Treatment (continued)

Grid #2 details how Pershing handles undocumented accounts. Absent a form, IRS presumption rules [as provided in IRS Regulation Sec. 1.1441-1(b)(3)(iii)(C)] are followed to determine tax treatment.

- **Undocumented Account—Scenario #1** (U.S. Person): A foreign distribution is taken and either a valid W-8BEN or W-9 form is not on file with Pershing. There is an SSN on record for the account, and the foreign address is in a *zero treaty country*. Federal tax will be withheld from the distribution at a minimum rate of 10% of the gross distribution amount. IRS Form 1099-R will be mailed to recipients and transmitted to the IRS to report the activity for the year.
- **Undocumented Account—Scenario #2** (Nonresident Alien or Foreign Estate): A foreign distribution is taken and either a valid W-8BEN or W-9 form is not on file with Pershing. There is an SSN on record for the account, but the foreign address is not in a *zero treaty country.* Nonresident alien tax will be withheld from the distribution at a rate of 30% of the gross distribution amount. IRS Form 1042-S will be mailed to recipients (as noted on next page) and transmitted to the IRS to report the activity for the year.
- **Undocumented Account—Scenario #3** (Nonresident Alien or Foreign Estate): A foreign distribution is taken and either a valid W-8BEN or W-9 form is not on file with Pershing. There is not an SSN on record for the account. Whether the foreign address is in a *zero treaty country* or not is immaterial to tax treatment determination. Nonresident alien tax will be withheld from the distribution at a rate of 30% of the gross distribution amount. IRS Form 1042-S will be mailed to recipients (as noted on next page) and transmitted to the IRS to report the activity for the year.

GRID #2: UNDOCUMENTED ACCOUNT: IRS PRESUMPTION RULES

	IRS W-8BEN ON FILE	TREATY BENEFITS CLAIMED	IRS W-9 ON FILE	SSN	ZERO TREATY COUNTRY	TAX TYPE	REQUIRED MINIMUM WITHHOLDING	IRS TAX FORM
#1	No	N/A	No	Yes	Yes	FED	10%	1099-R
#2	No	N/A	No	Yes	No	NRA	30%	1042-S
#3	No	N/A	No	No	N/A	NRA	30%	1042-S

IRS Publication 515 and IRS Form 1042-S

IRS PUBLICATION 515: WITHHOLDING OF TAX ON NONRESIDENT ALIENS AND FOREIGN ENTITIES

IRS Publication 515 contains information regarding withholding of tax on nonresident aliens and foreign entities. More information about *IRS Publication 515* can be found at the IRS website via https://www.irs.gov/pub/irs-pdf/p515.pdf. In addition, the IRS makes available a tax treaty table which includes treaty rates for withholding from pension and annuity distributions to nonresident aliens and foreign entities. To view the table, visit the IRS website at https://www.irs.gov/pub/irs-utl/Tax_Treaty_Table_1_2019_Feb.pdf.

If a country is not noted below, then the nonresident alien rate is generally 30% of the gross distribution amount. To receive the reduced rate, taxpayers must have a certified IRS Form W-8BEN, in which treaty benefits are claimed, on file with Pershing and coded in Pershing's system.

Zero Treaty Countries (0% Nonresident Alien tax):
Ashmore and Cartier Islands, Australia, Austria, Bangladesh, Barbados, Belgium, Bulgaria, China, Christmas Island, Cocos (Keeling) Islands, Coral Sea Island Territory, Cyprus, Czech Republic, Egypt, Estonia, Finland, Germany, Greece, Hungary, Iceland, India, Ireland, Jamaica, Japan, Kazakhstan, Latvia, Lithuania, Luxembourg, Malta, Mexico, Morocco, New Zealand, Norfolk Island, Norway, Pakistan, Portugal, Romania, Russia, Slovak Republic, Slovenia, South Korea, Spain, Sri Lanka, Sweden, Switzerland, Thailand, Trinidad and Tobago, Tunisia, Turkey, Ukraine and Venezuela.

Reduced Treaty Countries (15% Nonresident Alien tax):
Canada, Indonesia and South Africa

U.S. TAX TREATMENT

For purposes of the tax treatment, the United States includes U.S. military bases and U.S. possessions.

U.S. Possessions:
American Samoa, Baker Island, Guam, Howland Island, Jarvis Island, Johnston Atoll, Kingman Reef, Marshall Islands, Micronesia, Midway Islands, Navassa Island, Northern Mariana Island, Palmyra Atoll, Puerto Rico, Trust Territory of the Pacific Island, U.S. Virgin Islands and Wake Island

IRS FORM 1042-S

IRS Form 1042-S (not Form 1099-R) is sent to retirement account holders to report nonresident alien distributions. These forms will be mailed to recipients by the March 15, 2023, IRS deadline. Of note, the Box 1 Income Code is 15, the gross amount of the distributions will be reported in Box 2, the applicable tax rate will be in Box 3b and the amount of nonresident alien withholding (if any) will be reported in Box 7a. (Refer to page 58 for a sample of IRS Form 1042-S.)

IRS Form 990-T—Exempt Organization Business Income Tax Return

IRS Form 990-T—Exempt Organization Business Income Tax Return As an IRS-approved nonbank (for third-party retirement account trustees), custodian or servicing agent, Pershing is required to file with the IRS Form 990-T—Exempt Organization Business Income Tax Return. This may include applicable State Tax Returns to report unrelated business taxable income (UBTI) for tax-deferred accounts, including IRAs, SEPs, Savings Incentive Match Plans for Employees (SIMPLEs), Roth IRAs and Coverdell ESAs that have $1,000 or more of UBTI annually.

UBTI

Unrelated business taxable income is income earned by a tax-exempt entity, such as an IRA, that is not related to the exempt purpose of the tax-exempt entity. The exempt purpose of an IRA is to provide for the retirement of the IRA holder with tax typically deferred in IRAs until funds are distributed from the account. Tax reporting is required each year for tax-deferred accounts invested in limited partnerships that earned $1,000 or more of UBTI.

Types of Tax-Deferred Accounts Impacted

- Traditional and Roth individual retirement accounts (IRAs)
- Simplified employee pension plans (SEPs)
- Savings Incentive Match Plans for Employees (SIMPLEs)
- Coverdell education savings accounts (ESAs)

Types of Investments That Generate UBTI

- Limited partnerships (LPs)—businesses owned by more than one person, with limited liability to the owners for business debt
- Master limited partnerships (MLPs)
- Publicly traded Partnership (PTPs)
- Private Equity Partnerships (PEPs)

Types of Forms Are Used

- IRS Form 990-T—Exempt Organization Business Income Tax Return
- IRS Form 8868—Application for Extension of Time to File an Exempt Organization Return
- Applicable state tax returns

Filing Policy

According to the IRS instructions for Form 990-T, custodians of IRAs are required to file Form 990-T on behalf of all IRAs that have a filing obligation. Pershing is required to report this income to the IRS and applicable state taxing authorities by filing a tax return and providing payment on behalf of the account owner their share of the partnership's UBTI.

If an account is invested in a limited partnership that earned $1,000 or more of unrelated business taxable income (UBTI) the owner will be taxed on their share of the partnership's income, regardless of the accounts tax-deferred status.

Note: The UBTI being reported on the K-1 might have been under $1,000, but if there was capital and/or ordinary gain, it was determined that a 990-T must be filed if the inclusion of that amount resulted in UBTI greater than $1,000.

Information Used to Determine UBTI

Limited partnerships will send Schedule K-1s or information to Pershing LLC directly and will report the UBTI information (if applicable).

The below sections are reviewed by our vendor, PwC, to calculate the UBTI amount:

- Box 20V – Unrelated Business Taxable Income—this box indicates the amount of UBTI reported
- Footnotes often indicate any percentages of income reported
- Ordinary Gains

Note: In cases where your client receives Schedule K-1(s) directly from the partnership, please provide them to Pershing as soon as possible via a Service Center request in NetX360 (Global Tax Management > Tax Reporting > UBTI/990T General Inquiry).

Note: Pershing has been tracking net operating losses (NOLs) from the account's partnership investments since 2003. Tax returns will be prepared using the NOL information Pershing has on file. If your tax-deferred account incurred losses prior to 2003, that can be used to offset current-year income, then evidence must be submitted to substantiate the losses. Appropriate evidence of prior-year losses can be found on the prior year's Schedule K-1 forms. Schedule K-1 forms can be obtained from the LPs in which the tax-deferred account is currently or previously invested. Pershing does not guarantee the use of any prior year's losses.

IRS Form 990-T—Exempt Organization Business Income Tax Return (continued)

The Importance of Cost Basis Information

In some cases, based on certain dispositions that occurred in the reporting year, for the partnership, the cost basis may be an important factor in determining UBTI. It may affect an account's UBTI tax liability after taking into account other factors that are used to calculate the adjusted cost basis. The IRS views that if there is debt financing being allocated to partners, then the sale of the MLP should be reviewed for UBTI attributable to that sale. In such instances, Pershing will use the cost basis information that is available on our system.

Note: We request that you review and ensure that your clients' cost basis information is complete and accurate on Pershing's system.

Gains Calculation

The calculation for gains is what was received on the conversion or sale, compared to what was paid for the partnership units, reduced by lifetime tax adjustments. The total gain is separated between the capital and ordinary portions. The calculation to determine the amount attributed to UBTI is the partner's share of acquisition indebtedness (portion relating to debt financed property) multiplied by the capital portion of the gain or loss. Ordinary gain is treated as 100% UBTI.

Timing of Form 990T

As long as Pershing receives all required information, including the Schedule K-1 information from the limited partnership(s) in a timely manner, we will have PwC prepare the tax returns, and we will file the returns by the IRS's April filing deadline.

Note: Pershing or PwC may receive the Schedule K-1 information or any additional information necessary to prepare the tax return well after the April tax filing deadline since IRS regulations permit limited partnerships to request extensions of time to distribute K-1s to their limited partners. In such instances, Pershing will file any necessary tax returns by no later than the October filing extension deadline for the prior tax year. However, it is important to note that interest will begin to accrue on any tax liability after the April filing deadline. The IRS may also assess penalties for late payment of taxes, late filing of tax returns (if an extension has not been requested) and for failure to pay estimated taxes where the tax liability is in excess of $500.

Note: Estimated tax payment penalties and interest may be assessed by the IRS if those quarterly estimated tax payments were not made in sufficient amounts from the tax-deferred account during 2022. This type of penalty applies to you if your 2022 tax due is in excess of $500.00. In these cases, PricewaterhouseCoopers will calculate the estimated tax payment penalty and interest and add it to the tax due on your return.

Client Notification

On behalf of Pershing, PwC will mail a letter to your client explaining the UBTI process and enclosing a copy of the IRS Form 990-T and any applicable state tax return(s), which include a schedule reflecting the name of the limited partnership(s) and the UBTI earned. The letter will advise your client of the intended filing date so that you can work with your client to ensure that there is sufficient cash in the account to cover your total tax liability.

Copies of the IRS Form 990-T will be available to e-Document Suite in NetX360 once it is generated. The letter will be available in Online Documents in NetX360.

Tax Due Payment

If UBTI is earned and taxes are due, Pershing will remit the appropriate federal income tax payment to the IRS or the state income tax payment to the applicable state taxing authority from the tax-deferred account on the payment date, as indicated on the letter.

ITEMS FOR ATTENTION (IFA)—TAXES DUE—UNRELATED BUSINESS TAXABLE INCOME

An IFA, Taxes Due—Unrelated Business Taxable Income, will be created to notify your firm when investor IRAs have tax due. This IFA will be displayed when an IRS Form 990-T, along with a letter regarding Unrelated Business Taxable Income (UBTI), is mailed to investors and a tax payment is required. The tax due will be automatically paid from the IRA on the tax due date if sufficient funds are available. If sufficient funds are not available, we will continue to monitor the account so we can remit the funds to the IRS as soon as they become available. If the tax due is not paid to the IRS timely, penalties and interest will continue to accrue. The IFA will be removed when the tax has been fully paid to the IRS.

If the account is closed after December 31, 2022, or if sufficient funds are not available to pay the tax, we will file the tax return(s) and refer the IRS or state taxing authority to the taxpayer/account holder for collection of tax, interest and penalties. Please ensure that cash is in these accounts to satisfy the tax, penalties and interest due.

Note: Payments made with funds from outside the tax-deferred account are considered contributions to the tax-deferred accounts that may cause the account to have an impermissible excess contribution.

IRS Form 990-T—Exempt Organization Business Income Tax Return (continued)

Reports

The UBTI Status Report (IRA984R0) will be available in Report Center via NetX360 for the previous year. This report is updated with accounts for which a Form 990-T was prepared. Accounts will be added to this report as Pershing receives and updates Schedule K-1 information and determines taxes due. We strongly recommend that your firm reviews this report and IFA weekly, as it lists clients who are subject to UBTI filing. In addition, it will help your firm determine if cash is available in the accounts to satisfy any outstanding tax liability.

Fees

Pershing applies a filing fee to the applicable tax-deferred account for each tax return prepared and filed. This fee will be charged to the client's account, whether there is tax due or not.

Additional Information

Should you require additional information regarding these tax returns, please refer to the Schedule K-1 issued by the limited partnership(s) in which you were invested, the IRS Instructions to IRS Form 990-T or the applicable State Tax Form instructions. The instructions can be found on the IRS website, irs.gov, or the applicable state tax authority website, as appropriate.

Any 990T/UBTI inquires can be sent via a Service Center request in NetX360 (Global Tax Management > Tax Reporting > UBTI/990T General Inquiry).

Frequently Asked Questions

Required Minimum Distributions (RMDs) and IRS Forms 1099-R, 1099-Q, 5498 and 5498-ESA

Q. Am I required to attach a copy of IRS Form 1099-R to my tax return?

A. It depends. Copy B of IRS Form 1099-R must be attached to your income tax return only if federal taxes were withheld from distributions during the year. The federal tax amount is reflected in Box 4 of the form.

Q. I received a distribution of $10,000 from my Pershing IRA in 2022. The funds were used to purchase a first-time home, which exempts the amount from the early distribution penalty. Box 7 of IRS Form 1099-R reflects Code 1. When I contacted Pershing for a correction, I was informed that Pershing reported the transaction properly and I should claim the exemption on my income tax return. Is this true?

A. Yes. The IRS requires Pershing to use an exception code, such as Code 2, but only in instances when we know that an exception to the 10% penalty applies. For distributions such as medical expenses, first-time home purchases or qualified higher education expenses, Pershing uses Code 1 if you are under the age of 59½ when the distribution occurs. You may claim the exception by filing IRS Form 5329 along with your tax return.

Q. I took a distribution from my IRA and made a rollover contribution of the amount to my IRA within 60 days. Will I receive an IRS Form 1099-R for the distribution?

A. Yes. The IRS requires that Pershing issue IRS Form 1099-R for all distributions that occur from the retirement account, including those that are rolled over in a timely manner. You will receive IRS Form 5498 for the rollover to offset IRS Form 1099-R.

Q. I made an excess IRA contribution in July 2021 and removed the excess amount in January 2022 before the tax filing deadline. Will I receive IRS Form 1099-R or IRS Form 5498 for the distribution or contribution?

A. The IRS requires all IRA distributions to be reported on IRS Form 1099-R, including return of excess contributions. IRS Form 1099-R will be issued for 2022, the year in which the distribution occurs.

Pershing will indicate Code P in Box 7 of IRS Form 1099-R to let the IRS know that the distribution is attributable to an excess contribution made for 2021. If the excess contribution was attributable to 2022 and distributed in 2022, then IRS Form 1099-R would have been issued for 2022 and the code in Box 7 would be Code 8. The IRS also requires all IRA contributions to be reported on IRS Form 5498, even if a contribution is later removed.

Q. I established and funded a Traditional IRA in January 2022 and revoked the IRA seven days after signing the Adoption Agreement. I still received an IRS Form 1099-R for the amount returned. Is this correct?

A. According to the IRS instructions for filing IRS Form 1099-R and IRS Form 5498, IRA custodians must report revoked contributions on IRS Form 1099-R. The distributed amount is reported as a return of excess contribution. You will also receive IRS Form 5498 for the contribution amount.

Q. Am I required to attach a copy of IRS Form 5498 or Form 5498-ESA to my tax return?

A. No. The IRS does not require you to attach these forms to your tax return. You should retain the forms.

Q. Why does Pershing send IRS Form 5498 and IRS Form 5498-ESA after the tax filing date?

A. The IRS deadline for contributing to an IRA is April 15 of the following tax year. Since the filing requirements allow contributions to be made until April 15, including those that are mailed by April 15, the forms are prepared and mailed after the tax filing date.

Q. I did not receive an IRS Form 5498. I was informed that even though a contribution for 2022 was not made, I should receive IRS Form 5498. Is this correct?

A. No. For IRAs that have no other reporting activity for 2022, such as a contribution, conversion or recharacterization, Pershing is not required to issue IRS Form 5498. We must report, however, the fair market value of these IRAs. This information appears on your December 2022 account statement. If there are any changes to the fair market value, the updated amount and a note indicating that the amount has been updated will be included in the monthly statement for the month in which the adjustment is made.

Q. I deposited a 2022 contribution to a SEP IRA in January 2023. This amount, however, was not included on my 2022 IRS Form 5498. Is this correct?

A. Yes. The IRS requires Pershing to report SEP IRA and SIMPLE IRA contributions, including salary reduction and deferral contributions, for the calendar year that we receive the contribution, regardless of the tax year to which the employer might be contributing. You should report contributions based on the tax year, not the calendar year. For contributions that are clearly marked "previous year," Pershing will add the trailer "contribution received current year for previous year" to the transaction.

Frequently Asked Questions (continued)

Q. If I revoke my 2022 IRA contribution in a timely manner, will I still receive IRS Form 5498?

A. Yes. Any reportable contributions made for 2022, even if the contribution is revoked before December 31, 2022, must be reported on IRS Form 5498.

Q. What is an RMD?

A. Under federal regulations, owners of Traditional IRAs, SEP IRAs, SIMPLE IRAs, qualified plans and 403(b) accounts are required to distribute a certain amount from the retirement account each year beginning with the year in which the taxpayer reached age 72.[1] This amount is referred to as a required minimum distribution, or RMD. Generally, the RMD for a year is determined by dividing the previous year-end fair market value by the retirement account owner's life expectancy factor, which may be obtained by using the life expectancy tables in *IRS Publication 590.* The RMD amount must be distributed by December 31 of each year. An exception applies the year in which the taxpayer reaches age 72, where you are allowed to defer the RMD for that year until April 1 of the following year.

Q. What happens if I fail to withdraw the RMD amount?

A. If you fail to withdraw the RMD amount by the applicable deadline, you will owe the IRS an excise tax of 50% of the shortfall. This is referred to as an excess accumulation tax.

Q. Will Pershing be able to process and report the withdrawal as a 2022 transaction if the participant submitted the withdrawal request to the firm in 2022, but the request was not forwarded to Pershing until 2023?

A. No. To be compliant with IRS reporting requirements, distribution requests processed after December 31, 2022, cannot be reported for 2022. Requests to report transactions processed after December 31, 2022, for tax year 2022 will not be honored.

Q. Is there any provision for waiving the penalty?

A. Yes. If you feel that there is a reasonable excuse for failing to satisfy the RMD in a timely manner, you may ask the IRS to waive the excess accumulation tax. According to the instructions provided by the IRS in *IRS Publication 590,* you must take the following steps when the waiver is being requested:

- Withdraw the RMD amount
- File IRS Form 5329 with your Form 1040 (tax return)
- Pay any tax owed on the excess accumulation
- Attach a letter of explanation

If the IRS approves the request, it will refund the excess accumulation taxes paid.

Note:

- Pershing will report the distribution for the year it is processed.
- You are responsible for paying the excise tax to the IRS when you file IRS Form 5329.
- If you elect to pay the excise tax from your retirement account, it will be considered a distribution and will be reported in the year it is processed.

Q. If you already filed your IRS Form 1040 for the year, can you still file IRS Form 5329?

A. You should contact your tax professional for assistance if you already filed your IRS Form 1040 for the year and did not include IRS Form 5329.

Q. Where can I obtain IRS Form 5329?

A. IRS Form 5329 and the instructions are available online at irs.gov/form5329.

Q. Who should I contact for assistance with completing IRS Form 5329?

A. You should contact a tax professional for assistance with completing IRS Form 5329. You may also refer to *IRS Publication 910, Guide to Free Tax Services,* for information on free tax services offered by the IRS.

[1] Participants may be able to defer beginning the RMD until April 1 of the year after the year the individual retires from service with the employer that sponsored the plan. Participants should refer to their plan administrator or the plan document for the rules that apply to the plan.

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