

Common tax form questions and answers

At Edward Jones, we want your tax preparation to go as smoothly as possible, so we've compiled some of the most frequently asked questions we hear from our clients. We also encourage you to visit our Tax Resources website at www.edwardjones.com/taxcenter for more details.

FORMS

When will I receive my tax forms?

Most taxpayers are familiar with Jan. 31 as the deadline for tax form delivery. This is the deadline for a singular Form 1099, such as a Form 1099-R for IRA distributions or Form 1099-Q for a 529 Savings Plan.

However, for taxable brokerage accounts, Edward Jones issues a consolidated reporting statement as permitted by the IRS. The IRS deadline for these statements to be furnished is **Feb. 15, not Jan. 31**. Our Consolidated 1099 Tax Statement includes all applicable Forms 1099 (such as 1099-INT, 1099-DIV, 1099-B, 1099-OID and/or 1099-MISC) for your taxable brokerage account. You may receive a Consolidated 1099 Tax Statement for each taxable brokerage account you hold at Edward Jones.

On Feb. 15, we produce *Figures Not Final* forms for all accounts for which we do not yet have final tax reporting information. After this date, *Figures Are Final* versions are produced as the tax reporting information for accounts becomes final. By March 15, we produce all remaining *Figures Are Final* forms.

What if my tax form says *Figures NOT Final*?

Issuers of some securities may report information to Edward Jones later in the tax season, which will delay tax forms being finalized. We process finalized information as soon as possible and produce your tax form once we receive all finalized information from issuers of all securities in your account.

Types of securities that may cause delayed reporting:

- **Stocks, mutual funds, REITs and foreign securities:** Issuers of these securities sometimes file extensions of time to report to the IRS beyond Feb. 15, so you may not receive your *Figures Are Final* form until late February.
- **CMOs/REMICs, royalty trusts, UITs, HOLDR and mortgage trusts:** Issuers of these securities have until March 15 to provide information to brokerage firms, so you may not receive your *Figures Are Final* form until late March.

Your form will indicate the securities for which we do not have final figures. Consider providing the form to your tax professional as soon as you receive it; he or she may be able to begin working on your tax return. We will send you a *Figures Are Final* form as soon as we receive final information from the issuer.

What if I receive a *Revised Final Figures* form?

Provide the form to your tax professional immediately. If you have already filed your tax return, consult with your tax professional about whether to file an amended return.

Why would my figures be revised?

Edward Jones strives to minimize the need for revisions to your tax forms, but there are times when we are required to send you a *Revised Final Figures* version of your form. The reason for the revision will be listed on the cover letter sent with your revised form.

- **Issuer Revisions:** Issuers of your securities may send us revised information after we have issued your *Figures Are Final* form. When this happens, we send those revisions to you in a *Revised Final Figures* form.
- **Cost Basis Revisions:** Adjustments to cost basis sometimes require us to issue you a *Revised Final Figures* form. These may occur when we receive revised information from your prior firm, if your branch team updates unknown cost basis on your behalf or if a cost basis calculation is revised.

Why didn't I receive a 1099?

The IRS does not require tax forms to be issued for every account at Edward Jones.

- **Income less than \$10:** We do not issue tax forms if your taxable brokerage account received less than \$10 of reportable income or you took a distribution of less than \$10 from your IRA. However, in each case, you may be required to report the income to the IRS. Contact your branch team if you would like a copy of your form(s) for your records.
- **C Corp and tax-exempt accounts:** We do not issue Consolidated 1099 Tax Statements for accounts held by C corporations or tax-exempt entities. Contact your branch team for a copy of a Year-end Tax Summary containing the details your accountant may need.

Why do the figures on my 1099 differ from those on my statements?

Issuers of your securities may reclassify the type or timing of the income paid to you throughout the year. As a result, amounts seen on your monthly statements may not match entry-for-entry with your tax forms. This does not affect the actual amount of money you received from your securities. You can find more details in the *Summary of Investment Income* supplemental section of your Consolidated 1099 Tax Statement.

- **Mutual funds:** Dividends from blended funds may be reported on your monthly statement as *partially* qualified. Mutual fund companies then provide us the breakdown of the income at year-end, and we report parts of the payment in different places on your tax forms, as required.
- **Stocks:** Payments originally reported on your monthly statement as dividends may be reclassified by the company, in part or whole, to a nontaxable return of capital. For example, your tax form may show a \$100 payment broken into an \$80 qualified dividend and a \$20 return of capital.
- **Tax year revisions:** Income paid to your account during one calendar year is sometimes reportable in a different tax year. Your form may include income from December of the prior year if the issuer deferred it to this tax year. Similarly, your form may include income from January of the following year if the issuer determined it is reportable in this tax year.

Will I receive Form 5498? And if so, when?

Form 5498 is provided if you made a contribution to an IRA, rolled over an IRA, recharacterized contributions, converted to a Roth IRA, or if the IRA owner passed away during the prior tax year.

Form 5498 is mailed in May and is not needed to file your tax return. Your monthly statements provide the contribution details needed for preparation of your tax return. The IRS allows until May 31 to issue Form 5498 to capture contributions made to traditional and Roth IRAs until the individual tax filing deadline, generally April 15. Once you receive Form 5498, you may want to provide a copy to your tax professional for his or her records.

Note: For SEP and SIMPLE IRAs, Form 5498 reports contributions deposited to the account during the calendar year (Jan. 1-Dec. 31).

COST BASIS

Form 1099-B provides cost basis for securities you sold. However, if we are missing cost basis information, the form will indicate that the cost basis for that sale is unknown. The cost basis may be unknown for several reasons, and you can help us update your cost basis by providing some information:

- **Certificate deposited:** If you deposited shares by delivering us a certificate, tell your branch team the cost basis of the shares so we can update our system.
- **Transferred:** If you transferred shares in from a prior firm, we may not have received cost basis from that firm. Contact your prior firm to have them send us the cost basis.
- **Gifted:** The cost basis of gifted shares may depend on the original owner's cost basis. Obtain the original owner's cost basis information and provide it to your branch team.
- **Inherited:** We may know the shares were inherited but not the date of death or the type of adjustment to make for inheritance. Contact your branch team to determine what information to provide.

What to know if you provide updated cost basis

During tax season, if your branch team updates cost basis for a security you sold, a new current-year tax form will be generated unless you instruct otherwise. If you do not want a new form to be produced, we still recommend that you provide the cost basis to your financial advisor. This will help ensure your tax forms will have cost basis information in the future.

Note: Updates to cost basis information may also cause a revised Consolidated 1099 Tax Statement to be generated if the security was sold in any of the previous three tax years.

Fixed-income Information

Cost basis reporting regulations require Edward Jones to perform calculations and adjust cost basis for certain fixed-income securities as designated by the IRS. We provide supplemental information detailing these adjustments in our Consolidated 1099 Tax Statement if you hold securities requiring adjustments. For more details, see the *Fixed-income Supplemental Information* section of your tax statement.

LIMITED PARTNERSHIPS AND ROYALTY TRUSTS

Additional documentation for limited partnerships and royalty trusts is provided by the issuing organizations. Edward Jones has no control over when it becomes available.

- **Limited partnerships:** Partnerships are generally required to file tax returns and provide a **Schedule K-1** directly to their limited partners by March 15. The websites www.taxpackagesupport.com and www.partnerdatalink.com provide contact information and online access to K-1 forms for various limited partnerships.
- **Royalty trusts:** Royalty trusts issue **royalty trust booklets** containing information that may be needed to file your tax return. These may be issued as late as April. The website www.mytaxhandbook.com provides web links for many royalty trusts.

CORRECTIONS

Address corrections: If the address on your tax form is incorrect, contact your financial advisor to make sure the address we have on file is updated.

Tax identification number corrections: We use the tax identification number on file with us as of Dec. 31 of the tax year when reporting to the IRS and on your tax forms. If the name or SSN/Tax ID on your form is incorrect, please contact your financial advisor to make sure the name or number we have on file is updated. The correct name and number will appear on all future tax forms. We can correct a name or tax identification number on a current year tax form **only** if the name or number used was incorrect due to our error.

VIEW, SHARE AND DOWNLOAD YOUR FORMS ELECTRONICALLY

Online Access provides you with a convenient and secure way to access and manage tax forms during tax season. If you haven't signed up, visit edwardjones.com/access to sign up today and enjoy these benefits:

- **E-delivery:** Receive an email notification when your tax form(s) is/are ready, and retrieve it immediately instead of waiting for it in the mail.
- **Share tax forms:** Provide your tax professional with secure electronic access to your tax forms, eliminating the need to deliver or mail your forms. Tax form sharing does not enable your tax preparer to access your account online.
- **Tax software import:** Import your tax information conveniently and accurately into Turbo Tax® and Tax Form Dropoff. In addition, Excel and CSV-formatted downloads are available.

FURTHER QUESTIONS?

For tax preparation assistance:

Contact a tax professional or the IRS at 800-829-1040.

For investment assistance and account questions:

Contact your Edward Jones financial advisor.

For questions about Edward Jones tax forms:

Call the Edward Jones Tax Hotline at 1-800-282-0829.

Mid-January to April 15: Mon - Fri: 7 a.m. - 7 p.m. Central time

Saturday: 8 a.m. - 2 p.m. Central time

April 16 to mid-October: Mon - Fri: 8 a.m. - 6 p.m. Central time

From mid-January to April 17, you can access our automated system to check the status of your tax form at any time, day or night.

Edward Jones Tax Hotline associates are available to answer questions about the tax forms we produce. We do not provide tax advice or tax preparation assistance but will be happy to help you understand your forms.

To use our online tax resources:

Visit www.edwardjones.com/taxcenter.

For assistance with Turbo Tax or other tax preparation software:

Contact the software provider for assistance.

Edward Jones, its employees and financial advisors cannot provide tax or legal advice. You should consult your attorney or qualified tax advisor regarding your situation. To use our online tax resources, visit www.edwardjones.com/taxcenter.

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