

Edward Jones[®]

Upcoming change to your Edward Jones Guided Solutions[®] Account tax lot identification and cost basis methods

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We're writing to inform you of an upcoming change to how groupings of shares, or tax lots, purchased in a Guided Solutions taxable account will be recognized for tax reporting when sell trades occur. Tax lot identification (ID) methods are used to determine which tax lots are sold when you have made multiple purchases of the same security.

What's changing? Currently, our default tax lot ID method is first-in, first-out for all securities. This means the first group of securities purchased is the first sold, and the default cost basis method is the average cost for mutual funds and the original lot cost for all other securities.

In the coming months, we will be switching to an enhanced, tax-aware, tax-lot ID method and changing the default cost basis method for mutual funds to original lot cost.

How does this change benefit you? For each sell trade, we will automatically attempt to realize losses over gains, while accounting for the time from the purchase to the sale, or holding period, which should work to minimize the taxable impact. (This change will be reflected on trades placed in taxable accounts during 2022 and going forward. You will see this for the first time on your 2022 1099-B tax form.)

No action is required because of this change. If you have questions, please contact your financial advisor.

Edward Jones, its employees and financial advisors do not provide tax advice. Please consult a qualified tax professional regarding your situation.