

PREPARING FOR TAX YEAR 2014

What you need to know as you begin filing this year's return

As tax season approaches, it's our goal – as part of our ongoing commitment to helping you plan for every facet of your financial life – to provide you with important information that will assist you in preparing your 2014 return.

In this piece, you'll find key points and updates regarding the reporting of certain securities held in your Raymond James account.

In addition to the data contained here, your Income Summary statement, a summation of your account's activity in 2014, is another key document intended to aid your tax preparation. Please keep in mind that the information included in your Income Summary statement is not being reported to the Internal Revenue Service (IRS), and that both your statement and this piece are intended for informational purposes only.

While both pieces offer valuable information, we strongly advise you to speak to a tax advisor regarding appropriate filing requirements based on your specific tax situation. The information we've provided here should not be used as tax advice; it is merely a reference tool and, as such, is general in nature. In addition, when preparing your tax return, if you should happen

to find conflicting information appearing in the Internal Revenue Code, the Treasury Regulations promulgated thereunder or other IRS publications, those authorities supersede anything provided by Raymond James.

COST BASIS

Cost basis for non-reportable accounts is provided by Raymond James for informational purposes only, when available. Cost basis may have been estimated by you, your advisor or may have been obtained from third-party sources. In these instances, Raymond James cannot guarantee its accuracy. However, keep in mind that Raymond James does not report this information to the IRS; therefore, should you request a change to your cost basis, an updated Income Summary statement is not necessary.

FORM LAYOUT CHANGES FOR 2014

The layout of your Income Summary statement has been updated in response to regulatory changes for tax year 2014. This statement mirrors our reportable 1099 tax form to assist you with your tax preparation. However, this statement is for informational purposes only and the content is not provided to the IRS.

SUMMARY INFORMATION

Your Income Summary statement includes several key sections: Dividends and Distributions, Sales Transactions, Miscellaneous Income, Interest Income and a supplemental information section for fees, expenses and expenditures, which includes the following:

- Other Receipts, such as deferred income, foreign tax paid on partnership distributions, return of principal distributions
- Expenses, including margin interest, dividends or interest paid short
- Opening Transactions/Securities Purchased
- Fees and Payments Received, such as organizational expenses, UIT income accrual, basis adjustments, tax-exempt investment expenses

Please consult with your tax advisor to determine whether any of these transactions are applicable to your tax situation.

PARTNERSHIP DISTRIBUTIONS

While this section reflects the dollar amounts you received on your limited partnership investments, your true taxable earnings are based on your percentage ownership of the partnership. Tax information is reported to you on a Schedule K-1, prepared and distributed by the partnership. Though partnerships have, by IRS regulation, until April 14, 2015, to issue a Schedule K-1, many issue them prior to that date. Please contact the partnership directly for its mailing deadlines and to address incorrect information or non-receipt of your Schedule K-1.

DELAYED INCOME SUMMARY STATEMENTS

Regulated investment companies (mutual funds), unit investment trusts (UITs), real estate investment trusts (REITs), HOLDRs, and royalty and grantor trusts all traditionally have late reporting and/or income reallocation (a practice in which companies adjust the tax characterization of income paid during a tax reporting period). We will potentially delay your statement if you hold these specific security types in an attempt to capture all late updates and avoid updated statements.

UPDATED INCOME SUMMARY STATEMENTS

Even after delaying statements, further reporting and income reallocation can still occur. In addition, changes made by mutual funds related to foreign withholding, tax-exempt payments subject to alternative minimum tax, and any portion of distributions derived from U.S. Treasury obligations may also result in updated statements. If additional information is received, as a client service, an updated Income Summary statement may be generated.

QUESTIONS

If you have any suggestions, questions or comments regarding the information we've provided here or in your statement, please contact your financial advisor or our Client Services department at 800.647.7378.

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