

1446 Announcements

DTCC'S 1446 ANNOUNCEMENTS DISSEMINATE DATA RECEIVED FROM PUBLICLY TRADED PARTNERSHIPS ("PTPS") ON QUALIFIED NOTICES.

ABOUT

DTCC's 1446 Announcements disseminates data from Qualified Notices received from publicly traded partnerships ("PTPs"). Regulations under Section 1446 of the U.S. Internal Revenue Code require PTPs to provide DTC with Qualified Notices that provide:

- The tax classification of distributions for 1042-S purposes,
- If the distribution is in excess of Cumulative Net Income ("CNI"), and
- The Posting Date of a Qualified Notice providing for an exception to withholding on PTP sales

WHO CAN USE THIS SERVICE

DTC Participants are currently receiving these announcements via ISO messaging and can view and download the announcements in CA Web:

BENEFITS

- 1446 Announcements simplify processing by sourcing data directly from PTPs and providing the information in the same manner as other corporate action information which allows the information to flow seamlessly into client's tax processing engines
- 1446 Announcements provide relevant data in fielded format available in CA Web and via ISO 2022 messaging
- Qualified Notices are made available for download with-in CA Web
- CA Web includes export functionality in Excel
- Eliminates the need for firms to source, review and interpret Qualified Notices
- Tax regulations require PTPs to provide qualified notices to DTC so clients can be confident that DTC's has a comprehensive offering
- Position capture for balancing position to DTC records

HOW THE SERVICE WORKS

Tax regulations require that PTPs send DTC qualified notices as a registered holder that is also a nominee. PTPs should send Qualified Notices to qualifiednotice@dtcc.com.

When DTC first announces a distribution from a PTP the distribution is coded with IRS Income Code 58 "publicly traded partnership distributions – undetermined."

When DTC receives the Qualified Notice from the PTP, the Announcement is updated to:

1. Reflect the IRS Income Code(s) as detailed on the Qualified Notice, and
2. If the Qualified Notice states that all, a portion, or none of the distribution is in Excess of CNI, then a 1446(f) Excess of Cumulative Net Income Announcement is created providing the amount of the distribution that is in excess of CNI.

Independent of the distribution, Qualified Notices may also provide for an exception to withholding requirements on a transfer and brokers may rely on the qualified notice for 92 days from the posting date. When DTC receives as Qualified Notice providing such an exception, a 92 Day Exemption Qualified Notice Announcement is created providing the Posting Date as provided on the Qualified Notice.

RELATED PRODUCTS AND SERVICES

- [Distributions](#)
- [US Tax](#)
- [1042-S Classification Announcements](#)

ESSENTIALS

- [ISO Messaging Specs](#)

TRAINING AND DOCUMENTATION

- [Corporate Actions Learning Center](#)
- [Global Tax Services Learning Center](#)
- [Distribution Guide](#)

FOR MORE INFORMATION

Client Support 1-888-382-2721