

# 2015: Important Information for Indiana Residents

## This information may assist you in preparing your Indiana state income tax return.

If during 2015 you were an Indiana resident and owned shares of a Fidelity municipal bond fund, then a portion of the interest dividends you received may be exempt from Indiana state income tax.

Interest from certain bonds, notes, and other evidences of indebtedness (commonly known as municipal bonds) issued by the state of Indiana or a political subdivision thereof or a U.S. territory or possession (e.g., Puerto Rico, Guam, Virgin Islands) or Washington, D.C., is exempt from Indiana state income tax. Interest from municipal bonds issued by a state or political subdivision other than Indiana ("Out-of-State Bonds") is exempt from Indiana state income tax if acquired prior to January 1, 2012, and is subject to Indiana state income tax if acquired on or after January 1, 2012. The Indiana Department of Revenue has indicated that, for mutual fund shareholders receiving exempt interest dividends attributable to underlying Out-of-State Bonds held by the mutual fund, the relevant acquisition date for purposes of determining eligibility for the exemption is the acquisition date by the shareholder of the mutual fund shares on which the dividend is received. Our understanding is that Indiana is in the process of amending Indiana Income Tax Information Bulletin #19 to reflect this approach. For your reference, the Tax Information Bulletin #19 may be found at <http://www.in.gov/dor/files/ib19.pdf>.

Under this approach, to determine the amount of an exempt interest dividend that is NOT exempt from Indiana state income tax, take the total amount of the exempt interest dividend received, multiply it by the percentage of the mutual fund shares on which you received the exempt interest dividend that were acquired on or after January 1, 2012, and then multiply that amount by the percentage of the exempt interest dividend that was attributable to Out-of-State Bonds, as shown on the Tax-Exempt Income from Fidelity Funds letter (or monthly letter). This is the portion of the exempt interest dividend that is NOT exempt from (i.e., is potentially subject to) Indiana state income tax. To determine the portion of the exempt interest dividend that is exempt from Indiana state income tax, subtract this amount from the total exempt interest dividend.

To find the 2015 interest dividend amount you received for each fund, refer to your 2015 1099 Tax Reporting Statement:

- For Fidelity brokerage accounts, in the Supplemental Information portion of your statement, find the Details of 1099-DIV Transactions, Total Ordinary Dividends and Distributions Detail, column 10, Exempt-Interest Dividends
- For Fidelity mutual fund accounts, see Form 1099-DIV Dividends and Distributions, column 10, Exempt-Interest Dividends

We suggest that you consult your tax advisor, who is most familiar with your circumstances and the laws of the state in which you reside, to determine how you should report this information on your state income tax return.

If you have any questions or need additional information, please visit our Web site at [Fidelity.com/tax](http://Fidelity.com/tax), or call our Tax-Reporting Line at **800-544-6666**. Fidelity Representatives are available 24 hours a day, 7 days a week.



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