

# 2017 Tax preparation guide for your Putnam 529 for America<sup>SM</sup> account

Important information about your 529 distributions as reported on Putnam Form 1099-Q.

## DISTRIBUTION GUIDELINES

### Your Putnam 529 for America plan distributions are not taxable if:

- You used the entire distribution to pay qualified higher education expenses, and you claimed no other federal education tax incentive.

**In this case, you do not have to report your 529 distributions for tax purposes.**

### Your Putnam 529 for America plan distributions may be taxable if:

- You did not use the distribution for qualified higher education expenses and did not roll it over into another 529 plan within 60 days. **In this case, the earnings portion of the distribution is subject to federal income tax and may be subject to an additional 10% federal tax.**
- You used the distribution to pay for qualified higher education expenses for which you also claimed the Hope or Lifetime Learning credit, or the distribution was due to the beneficiary's death or permanent disability, receipt of a scholarship or tuition waiver, or attendance at a U.S. military academy. **In this case, the earnings portion is subject to federal income tax, but is not subject to the additional 10% federal tax.**

## IMPORTANT RESOURCES

### Online information

Your Putnam tax forms and other useful tax information are available online at [putnam.com](http://putnam.com). If you do not have a password, call Putnam at 1-877-788-6265 to obtain one.

Putnam's website, as well as the online **Tax Center**, will provide important information you need to complete your taxes, including:

- Mutual fund information (including the funds that paid taxable dividends and capital gains), your cost basis information, and answers to frequently asked questions
- IRS publications
- History of your Putnam accounts, including your quarterly statements
- Fund prospectuses and shareholder reports

### Assistance by telephone

If you need additional assistance, call Putnam Investor Services directly at 1-877-788-6265, Monday through Friday, 8:30 a.m.–7:00 p.m. Eastern Time.

For Internal Revenue Service taxpayer assistance, call 1-800-TAX-1040 or visit the IRS website at [irs.gov](http://irs.gov).

Putnam is not responsible for the accuracy of your tax filing, and we suggest you consult your tax advisor to ensure that you are filing the most complete and accurate information. This information is general in nature and not intended as tax advice. Please consult your tax advisor with respect to your particular circumstances.

To ensure compliance with requirements imposed by the IRS, we inform you that any U.S. tax advice contained herein is not intended or written to be used, and cannot be used by any taxpayer, for the purpose of avoiding U.S. tax penalties.

## Where to use the information from your Putnam Form 1099-Q on your IRS tax forms.

# 1099-Q

2017 Payments From Qualified Education Programs  
(Under Sections 529 and 530)

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

Copy B for Recipient  
OMB No. 1545-1760

Client #1  
123 Main Street  
Sacramento CA 21586

**Putnam**  
INVESTMENTS  
P.O. Box 8383  
Boston, MA 02266-8383

**IMPORTANT TAX RETURN DOCUMENT**  
Recipient's name, address, and ZIP code

Recipient's tax identification number	XXX-XX-4567
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Qualified Tuition Program (Payer), Tax I.D. Number and Account Number	1 Gross Distribution	2 Earnings	3 Basis	4 Trustee-to-Trustee Transfer	5 Qualified Tuition Program Private or State	6 Checked if Recipient is not the Designated Beneficiary
	1	2				

### IF YOU ARE REPORTING A TAXABLE DISTRIBUTION — FORM 1040

- 1** When reporting taxable distributions, refer to IRS Form 1040 instructions, Form 5329 instructions, and Publication 970.

On the IRS Form 1040 in the “Income” section, enter the amount of the distribution that is taxable on the line labeled “Other Income.” To determine the amount of additional tax owed (if applicable), complete IRS Form 5329.

On the IRS Form 1040 in the “Other Taxes” section, enter the amount of additional tax due after completing Form 5329.

### IF YOU ARE REPORTING A LOSS — SCHEDULE A (1040)

- 2** If a final (total) distribution is made from your account, and you have not recovered your contributions, you may have a loss. Refer to IRS Publication 970 for how to determine if you are able to take the loss on your income tax return.

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