



TCA Now Updates Cost Basis Information for Retirement Accounts

Over the next few weeks, TCA will begin updating cost basis data for positions within retirement accounts, provided the information is available through the CBRS/DTCC files, where the assets transfer electronically via ACATs. While this information is not reported to the IRS, it will provide the investor with more complete gain/loss information.

Previously, TCA updated cost basis data only for taxable account positions. This cost basis information is reported to the account owner and IRS on Form 1099-B annually.

TCA has worked with CBRS/DTCC over the past few months to begin receiving cost basis data for retirement accounts and upload the data. Thus, you may begin to see cost basis information for positions in retirement accounts that transferred electronically to TCA over the past several months.

NOTE: TCA will only update cost basis information received from CBRS/DTCC files for retirement accounts on a going forward basis – this will not be retroactively updated.

For Statements, you have the ability to suppress unrealized gain/loss information for non-taxable accounts. Therefore, if you have suppressed the cost basis previously, this information will continue to be suppressed on statements.

Liberty does not have the ability to suppress cost basis information. However, Liberty suppresses the calculation of unrealized gain/loss for a particular trade lot if the cost basis for that particular lot is zero. If we have not received cost basis for a position that transferred in, the cost basis and unrealized gain/loss for that lot will display as:n/a. This lot will continue to display as n/a with the changes noted above as we will not retroactively populate cost basis information. However, if we received the cost basis information electronically, then we will update this information and the investor will see a more accurate reflection of the increased value of his or her account.

Please let your relationship manager know if you have any questions regarding this new feature.