



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-9000

GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

July 16, 2008

APM 08-11

MEMORANDUM FOR: All Participants in Ginnie Mae Programs
FROM: Michael J. Frenz, Executive Vice President
SUBJECT: Changes to WHFIT Tax Reporting Requirements

This announcement addresses changes to the widely held fixed investment trust (“WHFIT”) reporting process. Currently, Issuers are to report WHFIT data for January-June no later than July 10, 2008, per the requirement in All Participants Memorandum (“APM”) 07-16 dated December 17, 2007. Thereafter, the reporting schedule will change to a quarterly reporting schedule. Consequently, WHFIT reporting will not be integrated into the Reporting and Feedback System (“RFS”).

Changes to the Current WHFIT Tax Reporting Process

Ginnie Mae has changed the reporting frequency from the current monthly reporting to a quarterly reporting schedule per the table below. The WHFIT tax reporting process will remain a separate reporting process and will not be integrated into RFS.

Based on the new quarterly reporting schedule, the next WHFIT data submission (July, August, September) is due on October 10, 2008. In October, Issuers must submit tax data using the updated WHFIT layout found in Appendix VI-18 of the Ginnie Mae MBS Guide, which replaces the supplemental file layout in APM 07-16. It is important to note that the Market Discount Fraction data field has been expanded from nine to ten characters. This change is reflected in the updated WHFIT layout. In accordance with the new quarterly reporting schedule below, WHFIT data is to be submitted no later than the 10th calendar day of the month following the close of the quarter, with corrections due by the 15th of the month (see the quarterly submission calendar below).

Reporting Months	Quarterly Report Due
January, February, March	Due April 10, corrections by the 15th
April, May, June	Due July 10, corrections by the 15th
July, August, September	Due October 10, corrections by the 15th
October, November, December	Due January 10, corrections by the 15th

Changes to RFS Reporting of OID and MDF

The RFS file layout dated January 18, 2008, includes two WHFIT data elements: 1) Original Issue Discount (“OID”); and 2) Market Discount Fraction (“MDF”). The accelerated timeline requires Issuers to submit monthly reporting data by the second business day of the month. Ginnie Mae has received input from Issuers expressing concern in meeting this reporting requirement.

Therefore, Ginnie Mae will not require the collection of OID and MDF on the RFS reporting layout. (The RFS reporting layout will remain the same except for these two fields, which will become fillers).

For additional background information, please see APM 07-16, "*Collection and Dissemination of Tax Information Reported to Ginnie Mae by Issuers*," dated December 17, 2007, where Ginnie Mae announced new requirements based on IRS regulation changes for WHFITs. APM 08-02, "*Reporting and Feedback System and GinnieNET System Updates*," dated January 18, 2008, provides additional information on the RFS implementation timeline.

If you have any questions regarding this announcement, please submit your questions online to the RFS Help Desk.