

U.S. Income Tax Return for Regulated Investment Companies

2005

Department of the Treasury
Internal Revenue Service

For calendar year 2005 or tax year beginning _____, 2005, and ending _____, 20_____
▶ See separate instructions.

| | | | | |
|--------------------------------------|-----------------------------|--|---|--|
| A Year of RIC status election | Please type or print | Name of fund | C Employer identification number | |
| | | Number, street, and room or suite no. (If a P.O. box, see instructions.) | | D Total assets (see instructions) |
| | | City or town, state, and ZIP code | | |

E Check applicable boxes: (1) Final return (2) Name change (3) Address change (4) Amended return

F Check if the fund is a personal holding company (attach Sch. PH) or if the fund is not in compliance with Regs. sec. 1.852-6 for this tax year ▶

Part I—Investment Company Taxable Income (see instructions)

| | | | |
|---|---|------------------------|------------|
| Income | 1 Dividends | 1 | |
| | 2 Interest | 2 | |
| | 3 Net foreign currency gain or (loss) from section 988 transactions (attach schedule) | 3 | |
| | 4 Payments with respect to securities loans | 4 | |
| | 5 Excess of net short-term capital gain over net long-term capital loss from Schedule D (Form 1120), line 12 (attach Schedule D (Form 1120)) | 5 | |
| | 6 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797) | 6 | |
| | 7 Other income (see instructions—attach schedule) | 7 | |
| | 8 Total income. Add lines 1 through 7. ▶ | 8 | |
| Deductions (see instructions) | 9 Compensation of officers (Schedule E, line 2) | 9 | |
| | 10 Salaries and wages (less employment credits) | 10 | |
| | 11 Rents | 11 | |
| | 12 Taxes and licenses | 12 | |
| | 13 Interest | 13 | |
| | 14 Depreciation (attach Form 4562) | 14 | |
| | 15 Advertising | 15 | |
| | 16 Registration fees | 16 | |
| | 17 Insurance | 17 | |
| | 18 Accounting and legal services | 18 | |
| | 19 Management and investment advisory fees | 19 | |
| | 20 Transfer agency, shareholder servicing, and custodian fees and expenses | 20 | |
| | 21 Reports to shareholders | 21 | |
| | 22 Other deductions (see instructions—attach schedule) | 22 | |
| | 23 Total deductions. Add lines 9 through 22. ▶ | 23 | |
| | 24 Taxable income before deduction for dividends paid. Subtract line 23 from line 8 | 24 | |
| | 25 Less: Deduction for dividends paid (Schedule A, line 6a) | 25 | |
| Tax and Payments | 26 Investment company taxable income. Subtract line 25 from line 24 | 26 | |
| | 27 Total tax (Schedule J, line 8) | 27 | |
| | 28 Payments: a 2004 overpayment credited to 2005 | 28a | |
| | b 2005 estimated tax payments | 28b | |
| | c Less 2005 refund applied for on Form 4466 | 28c () d Bal ▶ | 28d |
| | e Tax deposited with Form 7004 | 28e | |
| | f Credit for tax paid on undistributed capital gains (attach Form 2439) | 28f | |
| | g Credit for Federal tax paid on fuels (attach Form 4136) | 28g | |
| | 29 Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ <input type="checkbox"/> | 29 | |
| | 30 Tax due. If line 28h is smaller than the total of lines 27 and 29, enter amount owed. | 30 | |
| 31 Overpayment. If line 28h is larger than the total of lines 27 and 29, enter amount overpaid | 31 | | |
| 32 Enter amount of line 31 you want: Credited to 2006 estimated tax ▶ Refunded ▶ | 32 | | |

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

| | | | |
|----------------------|------|------------------------|--|
| Signature of officer | Date | Title | May the IRS discuss this return with the preparer shown below (see instructions)? <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Preparer's signature | Date | Preparer's SSN or PTIN | |

| | | | |
|---------------------------------|--|-----|---------------|
| Paid Preparer's Use Only | Firm's name (or yours if self-employed), address, and ZIP code | EIN | Phone no. () |
| | Check if self-employed <input type="checkbox"/> | | |

Part II—Tax on Undistributed Net Capital Gain Not Designated Under Section 852(b)(3)(D)

| | | | | |
|---|--|---|--|--|
| 1 | Net capital gain from Schedule D (Form 1120), line 13 (attach Schedule D (Form 1120)) | 1 | | |
| 2 | Less: Capital gain dividends from Schedule A, line 6b | 2 | | |
| 3 | Amount subject to tax. Subtract line 2 from line 1 | 3 | | |
| 4 | Capital gains tax. Multiply line 3 by 35% (.35). Enter tax here and on line 3b, Schedule J | 4 | | |

Schedule A Deduction for Dividends Paid (Do not include exempt-interest dividends or capital gain dividends reported on Form 2438, line 9b; see instructions).

| | (a) Ordinary dividends | (b) Capital gain dividends |
|----|-------------------------------|----------------------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | Deduction for dividends paid: | |
| 6a | | |
| 6b | | |

1 Dividends paid (other than dividends paid after the end of the tax year). Do not include dividends deemed paid in the preceding tax year under section 852(b)(7) or 855(a), or deficiency dividends as defined in section 860

2 Dividends paid in the 12-month period following the close of the tax year that the fund elects to treat as paid during the tax year under section 855(a)

3 Dividends declared in October, November, or December and deemed paid on December 31 under section 852(b)(7)

4 Consent dividends (section 565) (attach Forms 972 and 973)

5 Foreign tax paid deduction (section 853(b)(1)(B)), if applicable

6 Deduction for dividends paid:

a **Ordinary dividends.** Add lines 1 through 5 of column (a). Enter here and on line 25, Part I

b **Capital gain dividends.** Add lines 1 through 4 of column (b). Enter here and on line 2, Part II, above

Schedule B Information Required With Respect to Income From Tax-Exempt Obligations

1 Did the fund qualify under section 852(b)(5) to pay exempt-interest dividends for 2005? Yes No
If "Yes," complete lines 2 through 5. If "No," go to Schedule E. (see instructions)

| | | | | |
|---|--|---|--|--|
| 2 | Amount of interest excludible from gross income under section 103(a) | 2 | | |
| 3 | Amounts disallowed as deductions under sections 265 and 171(a)(2) | 3 | | |
| 4 | Net income from tax-exempt obligations. Subtract line 3 from line 2 | 4 | | |
| 5 | Amount of line 4 designated as exempt-interest dividends | 5 | | |

Schedule E Compensation of Officers (see instructions for line 9, Part I)

Note: Complete Schedule E only if total receipts (line 8, Part I, plus net capital gain from line 1, Part II, and line 9a, Form 2438) are \$500,000 or more.

| (a) Name of officer | (b) Social security number | (c) Percent of time devoted to business | (d) Percent of fund stock owned | (e) Amount of compensation |
|---------------------|--|---|---------------------------------|----------------------------|
| 1 | | % | % | |
| 2 | Total compensation of officers. Enter here and on line 9, Part I | | | 2 |

Schedule J Tax Computation (see instructions)

1 Check if the fund is a member of a controlled group (see sections 1561 and 1563) . . .

Important: Members of a controlled group, see instructions.

2a If the box on line 1 is checked, enter the fund's share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):
(1) \$ _____ (2) \$ _____ (3) \$ _____

b Enter the fund's share of:
(1) Additional 5% tax (not more than \$11,750). \$ _____
(2) Additional 3% tax (not more than \$100,000) \$ _____

| | | | |
|----|---|--|--|
| 3a | Tax on investment company taxable income | | |
| 3b | Capital gains tax. Enter amount from line 4, Part II, above | | |
| 3c | Alternative minimum tax (attach Form 4626) | | |
| 3d | Income tax. Add lines 3a through 3c | | |
| 4a | Foreign tax credit (attach Form 1118) | | |
| 4b | Credits from: <input type="checkbox"/> Form 8834 <input type="checkbox"/> Form 8907, line 23. | | |
| 4c | c General business credit. Check box(es) and indicate which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) ▶ _____ | | |
| 4d | d Credits from: <input type="checkbox"/> Form 8827 <input type="checkbox"/> Form 8912 | | |
| 4e | Total credits. Add lines 4a through 4d | | |
| 5 | Subtract line 4e from line 3d. | | |
| 6 | Personal holding company tax (attach Schedule PH (Form 1120)) | | |
| 7 | Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Other (attach schedule) | | |
| 8 | Total tax. Add lines 5 through 7. Enter here and on line 27, Part I | | |

Schedule K **Other Information** (see instructions) **Yes No**

- 1 Check method of accounting:
 - a Cash
 - b Accrual
 - c Other (specify) ▶

- 2 At the end of the tax year, did the RIC own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)

If "Yes," attach a schedule showing (a) name and identification number, (b) percentage owned, and (c) taxable income or (loss) before a net operating loss (NOL) and special deductions of such corporation for the tax year ending with or within your tax year.

- 3 Is the RIC a subsidiary in a parent-subsidary controlled group?

If "Yes," enter the employer identification number and the name of the parent corporation ▶

- 4 At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the RIC's voting stock? (For rules of attribution, see section 267(c).)

If "Yes," attach a schedule showing name and identification number. (Do not include any information already entered in 3 above.) Enter percentage owned ▶

- 5 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of:
 - a The total voting power of all classes of stock of the fund entitled to vote **or**
 - b The total value of all classes of stock of the fund?

If "Yes," enter:

 - (1) Percentage owned ▶
 - (2) Owner's country ▶

The fund may have to file Form 5472. Enter number of Forms 5472 attached ▶

- 6 During this tax year, did the fund pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the fund's current and accumulated earnings and profits? (see sections 301 and 316)

If "Yes," file Form 5452.

- 7 Check this box if the fund issued publicly offered debt instruments with original issue discount ▶

If checked, the fund may have to file Form 8281.

- 8 Enter the amount of tax-exempt interest received or accrued during the tax year. ▶ \$ _____

- 9 If this return is being filed for a series fund (as defined in section 851(g)(2)), enter
 - a The name of the regulated investment company in which the fund is a series ▶
 - b The date the regulated investment company was incorporated or organized ▶

- 10 **Section 853 election.** Check this box if the fund meets the requirements of section 853(a) and section 901(k) **and** elects to pass through the deduction or credit for foreign taxes it paid to its shareholders. See the instructions for additional details and requirements. ▶

- 11 **Regulations section 1.852-11 election.** Check this box if, for purposes of computing taxable income, the fund elects under Regulations section 1.852-11(f)(1) to defer all or part of its post-October capital loss or post-October currency loss for this tax year ▶

If the election is made, enter the amounts deferred:

 - a Post-October capital loss ▶
 - b Post-October currency loss ▶

Note: If the corporation, at any time during the tax year, had assets or operated a business in a foreign country or U.S. possession, it may be required to attach **Schedule N (Form 1120), Foreign Operations of U.S. Corporations**, to this return. See Schedule N for more details.

Schedule L Balance Sheets per Books

| | Beginning of tax year | | End of tax year | |
|---|-----------------------|-----|-----------------|-----|
| | (a) | (b) | (c) | (d) |
| Assets | | | | |
| 1 Cash | | | | |
| 2a Trade notes and accounts receivable | | | | |
| b Less allowance for bad debts | () | | () | |
| 3 U.S. government obligations | | | | |
| 4 Tax-exempt securities (see instructions) | | | | |
| 5 Other current assets (attach schedule) | | | | |
| 6 Loans to shareholders | | | | |
| 7 Mortgage and real estate loans | | | | |
| 8 Other investments (attach schedule) | | | | |
| 9a Buildings and other fixed depreciable assets | | | | |
| b Less accumulated depreciation | () | | () | |
| 10 Land (net of any amortization) | | | | |
| 11a Intangible assets (amortizable only) | | | | |
| b Less accumulated amortization | () | | () | |
| 12 Other assets (attach schedule) | | | | |
| 13 Total assets | | | | |
| Liabilities and Shareholders' Equity | | | | |
| 14 Accounts payable | | | | |
| 15 Mortgages, notes, bonds payable in less than 1 year | | | | |
| 16 Other current liabilities (attach schedule) | | | | |
| 17 Loans from shareholders | | | | |
| 18 Mortgages, notes, bonds payable in 1 year or more | | | | |
| 19 Other liabilities (attach schedule) | | | | |
| 20 Capital stock | | | | |
| 21 Additional paid-in capital | | | | |
| 22 Retained earnings—Appropriated (attach schedule) | | | | |
| 23 Retained earnings—Unappropriated | | | | |
| 24 Adjustments to shareholders' equity (attach schedule) | | | | |
| 25 Less cost of treasury stock | | () | | () |
| 26 Total liabilities and shareholders' equity | | | | |

Note: The fund is not required to complete Schedules M-1 and M-2 if the total assets on Schedule L, line 13, column (d), are less than \$25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (see instructions)

| | | | |
|--|--|---|--|
| 1 Net income (loss) per books | | 7 Income recorded on books this year not included on this return (itemize): | |
| 2 Federal income tax (less built-in gains tax) | | Tax-exempt interest . . . \$ | |
| 3 Excess of capital losses over capital gains | | | |
| 4 Income subject to tax not recorded on books this year (itemize): | | 8 Deductions on this return not charged against book income this year (itemize): | |
| | | a Depreciation \$ | |
| 5 Expenses recorded on books this year not deducted on this return (itemize): | | b Deduction for dividends paid (line 25, Part I) . . . \$ | |
| a Depreciation \$ | | | |
| b Expenses allocable to tax-exempt interest income \$ | | 9 Net capital gain from Form 2438, line 9a | |
| c Section 4982 tax . . . \$ | | 10 If the fund did not file Form 2438, enter the net capital gain from Schedule D (Form 1120), line 13. Otherwise, enter -0- | |
| d Travel and entertainment \$ | | 11 Add lines 7 through 10 | |
| | | 12 Investment company taxable income (line 26, Part I)—line 6 less line 11 | |
| 6 Add lines 1 through 5 | | | |

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, line 23)

| | | | |
|---|--|--|--|
| 1 Balance at beginning of year | | 5 Distributions: | |
| 2 Net income (loss) per books | | a Cash | |
| 3 Other increases (itemize): | | b Stock | |
| | | c Property | |
| | | 6 Other decreases (itemize): | |
| | | | |
| 4 Add lines 1, 2, and 3 | | 7 Add lines 5 and 6 | |
| | | 8 Balance at end of year (line 4 less line 7) | |