



March 30, 2010

**BY E-MAIL AND REGULAR MAIL**

Mr. Stephen Schaeffer  
Office of Associate Chief Counsel (Procedure & Administration)  
CC:PA:LPD:PR (REG-101896-09)  
Courier's Desk  
Internal Revenue Service  
1111 Constitution Avenue NW  
Washington, DC 20224

**Re: Corporate Action Information Statements**

We wish to respond to a proposal that was made at the hearing on the proposed regulations for basis reporting: the proposal to require issuers of securities to furnish their action statements to one or more "clearing organizations," in lieu of providing the statements to the Internal Revenue Service (IRS) and the security holders (or their nominees). We object to this proposal, as a matter of law and policy.

As part of the basis reporting legislation, Congress required corporate issuers to file returns with the IRS that described any organizational action (such as a stock split) that affected the basis of a specified security, the quantitative effect of the action on the basis of that security, and other information to be prescribed. A corporate issuer also must provide a statement with the same information to the holders of the security. Congress permitted an issuer to avoid both these requirements by making the returns "publicly available."

The proposed regulations waive both the return filing and the information statement distribution if an issuer posts a statement with the required information on its public Web site and keeps the form accessible to the public. We support the proposed regulations, with their focus on making the information "publicly available." We also recommend that issuers be required to provide the information to anyone who requests it, if issuers do not post the information on their Web site.

We do not believe, however, the information should be selectively released to one or more clearing organizations. We believe the information should be provided to any person or organization who desires it, without advantage to any particular person or organization. We believe a level playing field approach is inherent in the requirement the information be "publicly available."

Several commentators on the proposed regulations have asserted that brokers may be burdened by the need to compile information on corporate actions, perhaps through multiple and ongoing Web searches. They assert these searches will be redundant and inefficient. We believe this assertion is misleading. We, and other information vendors, currently provide information on corporate actions to market participants, which relieves them of the obligation to collect and evaluate such information. For many years, we have delivered our services accurately and efficiently, and we do not believe the introduction of a government-created monopoly for information on corporate actions would be desirable.

We would be happy to discuss these issues further with you, or provide you with any information you believe desirable.

Best regards,

A handwritten signature in black ink, appearing to read 'Stevie D. Conlon', with a long, sweeping horizontal line extending to the right.

Stevie D. Conlon  
Senior Director & Tax Counsel  
Risk & Compliance: Securities Tax Solutions  
Wolters Kluwer Financial Services

cc: Eric San Juan, U.S. Department of the Treasury  
Jeanne F. Ross, U.S. Department of the Treasury