

COLORADO BONDSHARES TAX INFORMATION SUMMARY 2023

PLEASE RETAIN THE ENCLOSED STATEMENTS FOR YOUR RECORDS

If you held shares of Colorado BondShares with a Broker-Dealer or Financial Institution in 2023, your Colorado BondShares tax information will be reported to you by that firm.

This update provides information to help you report earnings from your Colorado BondShares investment for the calendar year 2023.

Federal tax treatment:

The exempt interest dividends you received from your Colorado BondShares Tax-Exempt investment are fully exempt from regular federal income tax. Although federally exempt interest dividends are not subject to regular federal taxation, these dividends must be reported on your 2023 federal income tax return. The amount of federally exempt interest dividends is reported on your **Form 1099-DIV, Box 12**.

State and local tax treatment:

Your dividends may be exempt from state and/or local taxes, depending on where you file your return. In addition to Colorado income (below) the table on the back of this sheet lists the percentage that was earned in other states. Depending on your state tax laws, this information may be used in determining the dividend amount that may be exempt from your state and/or local taxes.

The percentage of **Colorado** exempt-interest dividends earned in 2023: **91.50%**
(The State of Colorado excludes from income taxation only the interest from bonds issued by the State of Colorado or its political subdivisions.)

Alternative minimum tax treatment:

For shareholder's subject to the alternative minimum tax, a portion of fund's dividends may be taxable and are reported on **Form 1099-DIV, Box 13** "Specified private activity bond interest dividend."

Exempt-interest dividends subject to the Alternative Minimum Tax for 2023: **2.49%**

Distributions of capital gains and ordinary income:

Ordinary dividends are reported on: **Form 1099-DIV, Box 1a** and Capital Gain distributions are reported on **Form 1099-DIV, Box 2a**

Proceeds from Broker and Barter Exchange Transactions:

Proceed transactions are reported to you on **Form 1099-B**

Questions?

Because individual tax situations vary greatly, please consult a qualified tax advisor regarding the proper treatment of these income amounts for your individual situation. We cannot provide tax advice.

Colorado BondShares – A Tax Exempt Fund
800-572-0069 or 303-572-6990
Monday - Friday, 8 a.m. to 4 p.m. MT

PERCENTAGE OF EXEMPT-INTEREST DIVIDENDS EARNED BY STATE

Arizona	0.00%
California	0.12%
COLORADO	91.50%
Florida	0.00%
Georgia	0.00%
Indiana	0.03%
Kansas	0.00%
Michigan	0.00%
Missouri	0.01%
North Carolina	0.05%
Nebraska	0.00%
Ohio	0.00%
Oklahoma	0.03%
Oregon	0.36%
Puerto Rico	0.56%
South Carolina	0.13%
South Dakota	6.66%
Tennessee	0.07%
Texas	0.28%
Utah	0.06%
Washington	0.14%