



Frequently Asked Questions

The main page of the Tax Help Center states I can view tax documents online. How do I do that?

You may view your 2009 tax documents online by accessing your account(s) via our website. Go to www.usfunds.com and select "Access My Account." Once you have accessed your account, you may select "View Statements" under the "Statements" heading at the top of the page. Please note that you will need to have established a User ID and Password prior to viewing your accounts.

IRS Forms 1099-DIV, 1099-INT, 1099-B & 1099-R tax documents will be available for viewing in mid to late February 2010. Form 5498 tax documents will be available for viewing in late May 2010.

I owned shares in the Global Resources, Holmes Growth, China Region, Eastern European and Global Emerging Markets Funds in 2009, but I did not receive a 1099-DIV. Did they pay any dividends or capital gains?

No, the above-referenced funds did not pay any dividends or capital gains for 2009.

Why did I not receive an IRS form 1099-R?

Form 1099-R is generated only when you take a distribution from your IRA account. This includes Required Minimum Distributions (RMDs) for shareholders over the age of 70½. Federal legislation in December of 2008 waived the RMD requirement for 2009; therefore, if you elected to defer your RMD for 2009, no 1099-R was generated for your account.

I own U.S. Global Investor Funds in my IRA or other retirement plans. Why don't I receive an IRS Form 1099-DIV for each of those funds too?

Form 1099-DIV documents distributions of taxable income and capital gains. Fund distributions paid to an IRA or other retirement plans are not taxable provided they remain in the retirement plan account. Therefore, you do not receive Form 1099-DIV for such accounts. If you withdraw distributions or principal from your IRA or other retirement plan, you will receive a different document from U.S. Global Investors, Form 1099-R.

I received my 1099-DIV and the amount listed in box 1a does not match my year end statement.

The IRS requires reporting of dividends and net short-term capital gains in box 1a. We reported them separately on the year end statement for informational purposes.

I received my IRS Form 1099-DIV and it shows qualified dividends in box 1b. What are "qualified dividends"?

Qualified dividends may be eligible for a reduced tax rate and are reported in box 1b, "Qualified Dividends." Please see IRS Form 1040 or 1040A for instructions to determine this amount.

I have a corporate account with U.S. Global Investors. Will I receive a 1099-DIV?

Since corporate accounts may have varying fiscal year ends, no 1099's are generated. The corporation will need to calculate its possible tax liability based upon the dividends and capital gains according to its fiscal year end. This information can be obtained from the corporation's annual statement.

This information does not constitute tax advice and is provided for informational purposes only. Please consult your tax advisor, financial advisor or local taxing authority for more information.



Why did I receive an IRS Form 1099-B?

Form 1099-B from U.S. Global Investors reports proceeds from the redemption or exchange of mutual funds shares. If shares were sold in your account to meet short-term trading fees or minimum balance charges, as described in the funds' prospectus, those transactions are shown on this form.

How do I determine my gains or losses from IRS Form 1099-B?

U.S. Global Investors is not required to determine cost basis, but as a courtesy we are offering this information on certain accounts. Not all accounts will have the necessary information needed to provide average cost basis. Please consult with your tax advisor or financial advisor to help determine your basis. Please contact an Investor Representative at 800-USFUNDS (800-873-8637) to request account transaction statements. Research fees may apply.

Is the average cost basis and gain (loss) information on IRS Form 1099-B being reported to the IRS?

The average cost basis and gain (loss) information listed on Form 1099-B is not being reported to the IRS.

What method is used to calculate the cost basis information on IRS Form 1099-B?

The dollar amount basis of your redeemed shares is calculated by the Average Cost Single Category accounting method. The basis of stocks, bonds and mutual fund shares includes acquisition cost, commissions and fees paid, as well as other adjustments. Please consult with your tax advisor or financial advisor to determine the most tax advantageous method for you.

Why does the symbol "@" show up under the average cost basis and gain (loss) box on IRS Form 1099-B?

A redemption noted with a "@" means the cost basis information for this account is not available. This is due to one of the following: (1) There was a transfer processed on your account. (2) Your account was established prior to our Average Cost period. (3) An adjustment affecting prior years was processed. (4) This is not provided at the shareholder's request. (5) It is not provided at the option of the fund.

U.S. Global Investors is not required to determine cost basis. We are offering this information as a courtesy on certain accounts. Not all accounts will have the necessary information needed to provide average cost basis. Please consult with your tax advisor or financial advisor to help determine your basis.

Why did I receive a 1099-INT on my Tax Free and Near-Term Tax Free Funds?

Form 1099-INT is generated for all non-retirement accounts to which tax-exempt interest was paid. You will also receive a 1099-DIV for the taxable portion of these two funds.

I presently hold the U.S. Global Investors Near-Term Tax Free Fund and Tax Free Fund. Are these two funds subject to the Alternative Minimum Tax (AMT)?

None of the tax-exempt income from either the Near-Term Tax Free Fund or the Tax Free Fund is subject to the AMT.

This information does not constitute tax advice and is provided for informational purposes only. Please consult your tax advisor, financial advisor or local taxing authority for more information.