

MARKET BULLETIN

REF: Y4976

Title	US Federal Income Tax Return Lloyd's Dollar Trust Funds (LDTF) return Details of US investments held outside of the LDTF (SPTF) RIESCO return
Purpose	To advise managing agents of a change in process for reporting information regarding the LDTF SPTF and RIESCO percentages to Tax Operations
Type	Scheduled
From	Christine Allcott, Senior Manager, Tax Department Finance +44 (0)1634 392433 Christine.Allcott@lloyds.com
Date	04 March 2016
Deadline	30 March 2016
Related links	

This bulletin is to advise Managing Agents of a new simplified method to return information regarding US dollar investment income to be included in the US first level tax (US FLT) return.

The Lloyd's Dollar Trust Fund (LDTF) return and a return of US securities held outside the LDTF (SPTF) will no longer need to be completed and returned to the tax operations team. Instead, the information on form 114, included in the fourth quarter QMA, will be utilised to calculate the investment income to be included as US connected investment income in the US FLT return filed on behalf of members of Lloyd's. Some additional information will be required regarding US source investments and RIESCO percentages, but we hope that overall the changed process reduces administration for managing agents.

Lloyd's act as a Qualified Intermediary (QI) on behalf of the Lloyd's market which enables syndicates to receive US source premiums trust fund (PTF) investment income and US source premium without the deduction of withholding tax by the payors of such income. In order to discharge Lloyd's QI obligations, Tax Operations must ensure that all US source income is included in the US FLT return and that, if necessary, US withholding tax is applied

at the correct rates based on the relevant member's treaty status. In the absence of the LDTF and SPTF returns, Lloyd's will be seeking additional information from managing agents to ensure that all US source income has been identified and that it has been correctly included as either LDTF or SPTF income. Lloyd's would like to liaise directly with each managing agent to facilitate this process. In order to enable us to do so, we would be grateful if you would complete the attached form identifying two individuals with whom we may liaise regarding the syndicate's PTF accounts.

In addition, please ensure that if any Forms 1042-S, 8805 and/or Forms 1065, Schedule K-1 are received in connection with syndicate investment income, these forms are forwarded to Lorraine Neal (see below) detailing the account to which the information relates and, if such account is held in a currency other than US dollars, that this fact is also identified. Lloyd's will endeavour to obtain the relevant documents from the custodians, but ultimately it is the agent's responsibility to ensure that Lloyd's has all of the necessary information to file an accurate US FLT return.

If you have any queries in connection with the above, please contact Lorraine Neal on + 44 (0)1634 392376 or e-mail Lloyds-tax-operations@lloyds.com.

US Federal Income Tax Return – LDTF SPTF and RIESCO return

Please complete and return to Tax Operations (Lloyds-Tax-Operations@lloyds.com) by 30 March 2016.

If you have any queries please contact Lorraine Neal on +44 (0)1634 392376.

Syndicate Number

Please provide contact details for two individuals with whom Tax Operations may liaise with regarding the Syndicate's PTF accounts.

1.	Name, correspondence address and contact details (including telephone number and email address)	
2.	Name, correspondence address and contact details (including telephone number and email address)	