Frequently Asked Tax Questions
for Stock Plan Participants

Fidelity is committed to help make it easy for you to find the information you need to understand and report your tax obligations. We’ve compiled a list of frequently asked questions to help answer the most common questions for this tax season.

Q: When will I receive my tax forms from Fidelity?
A: Fidelity makes most tax forms viewable on the Web once they are prepared for mailing from mid-January through mid-February. You can find the mailing schedule on Fidelity’s website. View your tax forms at Fidelity.com/taxforms. Or you can log in to your account at Fidelity.com, navigate to Accounts & Trade, and select Tax Information.

Q: What resources are available to me as a Fidelity customer?
A: One benefit of being a Fidelity customer is access to some of the most comprehensive tax information and resources available in the industry.

As a stock plan participant, you have access to two main sources of information:

1. Tax information specific to your stock plans can be found on Fidelity Stock Plan Services online Resource Center and can be accessed through Fidelity.com/spstaxcentral.

2. Fidelity’s website, Fidelity.com/tax. Here you will find a wealth of information, such as:
   • Tax articles
   • Tax-planning tools and calculators
   • Fidelity’s tax forms, mailing schedule, and much more
Q: What is new for this tax season?
A: In general, 2016 brought no major tax changes to consider. For additional information, please review the content at “What’s New for Tax Season.”

Fidelity has created guides that will help you determine your tax reporting requirements specifically for your stock plan(s). New versions will be posted in late January at Fidelity.com/spstaxcentral.

Note that your tax forms are usually mailed shortly after they post online. To access them online, log in to your Fidelity.com account and navigate to Accounts & Trade > Tax Information. Your Form W-2 should be provided by your employer. IRS Form 1040 (the full 1040, not the 1040EZ or the 1040A), Schedule D: Capital Gains and Losses, and Form 8949 are available online at www.irs.gov by calling 1-800-TAXFORM (829-3676), or by visiting your local IRS office. It is important to note that mailing dates are subject to change.

Q: What is cost basis, and where do I find it?
A: Cost basis is determined under rules set forth under the Internal Revenue Code, as interpreted by the U.S. Treasury and the Internal Revenue Service. In general, cost basis is usually equal to what you paid for your shares (generally, the purchase price) plus or minus certain adjustments. You must calculate cost basis to determine the amount of reportable capital gain or loss generated by the sale of your securities. Cost basis and capital gains and losses are reported on Form 8949 and Schedule D. Fidelity provides estimated cost basis, gain/loss, and holding period information to customers as a courtesy service; however, such information may not reflect all adjustments that may be necessary for tax reporting purposes. Remember to distinguish and report both the capital gain/loss amount on your Form 8949 and Schedule D and the ordinary compensation income amount on your 1040 for these transactions.

Your Form 1099-B Tax Reporting Statement will no longer report adjusted Cost Basis. For adjusted Cost Basis, please refer to the Stock Plan Services Supplemental Form. Consult your tax advisor regarding what portion of the gain, if any, may be taxed as ordinary compensation income and how to reflect such ordinary income treatment on your tax forms. To learn more, watch this short video on Cost Basis.

Q: My employer’s W-2 doesn’t show the taxes I paid when I exercised and/or when my grant vested. How do I know how much I paid?
A: Your W-2 from your employer should include any tax withholding paid in connection with exercises or grant vesting in the totals of the taxes paid for the year. If it doesn’t, you can find specific information on the taxes you paid for any exercises or vesting from your confirmations or statements.

Q: Why did I get a 1099-B and Supplemental Form? I already had taxes withheld when I exercised.
A: Your employer reports compensation paid to you on Form W-2 (for nonemployees, on Form 1099-MISC). If Fidelity receives Ordinary Income from your employer, this amount will be reflected on the Stock Plan Supplemental Form. We report proceeds from the sale of stocks, mutual funds, bonds, and notes on Form 1099-B. You need all this information for your taxes, as it is your responsibility to report gains or losses from stock sales on Form 8949 and Schedule D.
Q: Am I able to have my tax refund deposited into my Fidelity account(s)?

A: You may be able to direct deposit your IRS or state tax refund into your Fidelity account(s). For more information, visit Fidelity’s website at Fidelity.com/tax-information/direct-deposit.

Q: How does Fidelity interact with third-party tax-preparation software?

A: Information from the following Fidelity nonretirement account tax forms can be automatically imported into your third-party tax-preparation software:

- 1099-DIV Dividends and Distributions
- 1099-MISC Miscellaneous Income
- 1099-INT Interest Income
- 1099-OID Original Issue Discount
- 1099-B Proceeds from Broker and Barter Exchange Transactions

Please note that if you received a Stock Plan Supplemental Form, this information will not be imported into your third-party tax-preparation software. Please reference Fidelity’s Stock Plan Guides at Fidelity.com/spstaxcentral for more information.

Still have questions? Call 800.544.9354 to speak with an experienced Fidelity Stock Plan Services representative.

Tax laws are complex and are subject to change. State and local taxes also may apply, and the rules governing such taxes may vary from federal income tax rules. Your actual income tax consequences depend on your individual circumstances. Therefore, you should always consult a qualified tax advisor regarding your own particular tax situation.

Portions of the content are provided under arrangement with myStockOptions.com, an independent source of online stock plan education and tools. Content may not be reproduced without express permission from myStockPlan.com, Inc., or Fidelity Investments.

Recordkeeping and administrative services for your company’s equity compensation plans are provided by your company and its service providers.

Fidelity Brokerage Services LLC, Member NYSE, SIPC

© 2017 FMR LLC. All rights reserved.