Harbor Funds Form 1099-R 2013 Tax Guide

Important 2013 Tax Information for Shareholders

Harbor Funds has prepared this guide to assist you in reporting information about your Harbor Funds accounts when preparing your 2013 federal income tax returns.

Please visit <u>harborfunds.com/tax</u> for a shareholder tax FAQ, a table to assist you in calculating foreign tax credits, information related to mutual fund distributions and more.

Our Shareholder Services Representatives are also available to assist you by phone at **800-422-1050**, Monday through Friday, between the hours of 8:00 a.m. and 6:00 p.m. Eastern time.

Help with Tax Forms

Please call the Internal Revenue Service (IRS) at 800-829-1040, or consult with your tax adviser for further assistance.

Federal tax forms and publications can be downloaded from the IRS website. To view these documents visit <u>irs.gov/Forms-&-Pubs</u>.

Since states and cities have varying tax laws, consult your tax adviser about the specific tax laws in the state and city in which you reside or pay taxes.



Investors should carefully consider the investment objectives, risks, charges and expenses of any Harbor Funds before investing. To obtain a summary prospectus or prospectus for this and other information about any of the Harbor Funds, visit harborfunds.com or call 800-422-1050. Read it carefully before investing.

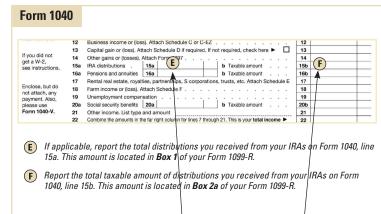
Opinions and recommendations in this guide should not be construed as specific tax, legal or investment advice.

Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.

Form 1040 - Lines 15a and 15b

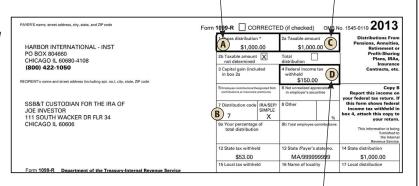
You should leave line 15a blank and report the total distribution (Box 1) on line 15b of Form 1040 except when any of the following conditions apply:

- 1. If you rolled over part or all of the distribution from one IRA to another IRA of the same type or a SEP or SIMPLE IRA to a traditional IRA, enter your total distribution (Box 1) on line 15a and the taxable amount (Box 2a) on line 15b of Form 1040.
- 2. If any of the following circumstances exist, enter the total distribution (Box 1) on line 15a and use Form 8606 to compute the amount to enter on line 15b:
 - You have received a distribution from an IRA (other than a Roth IRA) and you made nondeductible contributions to any of your traditional
 or SEP IRAs for 2013 or an earlier year.
 - You received a distribution from a Roth IRA (unless distribution code T or Q is shown on Form 1099-R in Box 7).
 - You converted part or all of a traditional, SEP, or SIMPLE IRA to a Roth IRA during the tax year.
 - You had a 2012 or 2013 IRA contribution returned to you, with the related earnings or less any loss by the due date of your tax return for that year.
 - You made excess contributions to your IRA for an earlier year and had them returned to you in 2013.
 - You recharacterized part or all of a contribution to a Roth IRA as a traditional IRA contribution (or vice versa).





- Box 1 reports the total amount of distributions from your IRA, including federal tax withheld on your behalf.
- Box 7 identifies the type of distribution received which is explained on the back of the form.
- Box 2a: Typically, this amount will be the same as reported on Box 1.
 Unless reporting a direct rollover, recharacterization, Roth IRA redemption or removal of an excess contribution.
- Box 4 reports the amount withheld from your redemption. If withholding is reported, copy B of your Form 1099-R must be attached with Form 1040.



Form 1040 - Line 62

You should add the amount of federal income tax withheld (**Box 4**) on Form 1099-R to federal income tax withheld amounts you may have from other sources and report the total on line 62 of Form 1040.

