

# Harbor Funds Form 1099-R 2018 Tax Guide

## Important 2018 Tax Information for Shareholders

Harbor Funds has prepared this guide to assist you in reporting information about your Harbor Funds accounts when preparing your 2018 federal income tax returns.

Please visit [harborfunds.com/tax](http://harborfunds.com/tax) 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 note that the IRS has redesigned Form 1040 for tax year 2018. For information about changes to the tax law for 2018 or other developments affecting Form 1040 or its instructions, go to [irs.gov/Form1040](http://irs.gov/Form1040), 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 [irs.gov/Forms-&Pubs](http://irs.gov/Forms-&Pubs).

*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.*



**Harbor Funds®**

**Investors should carefully consider the investment objectives, risks, charges and expenses of a Harbor fund before investing. A summary prospectus or prospectus for this and other information is available at [harborfunds.com](http://harborfunds.com) or by calling 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.*

**Form 1040 – Lines 4a and 4b**

You should leave line 4a blank and report the total distribution (**1099-R Box 1**) on line 4b of Form 1040 except when any of the following conditions apply:

- 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 (**1099-R Box 1**) on line 4a and the taxable amount (**1099-R Box 2a**) on line 4b of Form 1040.
- If any of the following circumstances exist, enter the total distribution (**1099-R Box 1**) on line 4a and use Form 8606 to compute the amount to enter on line 4b:
  - You received a distribution from an IRA (other than a Roth IRA) and you made non-deductible contributions to any of your Traditional or SEP IRAs for 2018 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.
  - A 2017 or 2018 IRA contribution was 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 2018.
  - You recharacterized part or all of a contribution to a Roth IRA as a Traditional IRA contribution (or vice versa).
- If the distribution is a qualified charitable distribution (QCD), enter the total distribution on line 4a. If the total amount distributed is a QCD, enter -0- on line 4b. A QCD is a distribution made directly by the trustee of your IRA (other than an ongoing SEP or SIMPLE IRA) to an organization eligible to receive tax-deductible contributions (with certain exceptions). For additional information please see instructions to Form 1040 and Publication 590-A and 590-B for details.

**Form 1040**

Form 1040 (2018)		Page <b>2</b>	
1	Wages, salaries, tips, etc. Attach Form(s) W-2	1	
2a	Tax-exempt interest	2a	
2b	Taxable interest	2b	
3a	Qualified dividends	3a	
3b	Ordinary dividends	3b	
4a	IRAs, pensions, and annuities	4a	
4b	Taxable amount	4b	
5a	Social security benefits	5a	
5b	Taxable amount	5b	
6	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22	6	
7	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise,	7	

*If applicable, report the total distributions you received from your IRAs on Form 1040, line 4a. This amount is located in **Box 1** of your Form 1099-R.*

*Report the total taxable amount of distributions you received from your IRAs on Form 1040, line 4b. This amount is located in **Box 2a** of your Form 1099-R.*

**Form 1099-R**

**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. This reflects the portion of distribution that is generally taxable unless **Box 2b** is checked.

**Box 4** reports the federal income tax amount withheld from your distribution. If an amount other than zero is reported, attach copy B to your tax return.

FAVER'S name, street address, city, state, and ZIP code		Form <b>1099-R</b> <input type="checkbox"/> CORRECTED (if checked) OMB No. 1545-0119		<b>2018</b>	
HARBOR INTERNATIONAL - INST PO BOX 804660 CHICAGO IL 60680-4108 (800) 422-1060		1 Gross Distribution \$1,000.00	2a Taxable amount \$1,000.00	Distributions From Pensions, Annuities Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, etc.	
RECIPIENT'S name and street address (including apt. no. I, city, state, ZIP code)		2b Taxable amount not determined <input type="checkbox"/>	Total distribution <input type="checkbox"/>	Copy B Report this income on your federal tax return. If this form shows federal income tax withheld in box 4, attach this copy to your return.	
JOSEPH INVESTOR 111 SOUTH WACKER DRIVE FLR 34 CHICAGO IL 60606		3 Capital gain (included in box 2a)	4 Federal income tax withheld \$150.00	This information is being furnished to the Internal Revenue Service	
5 Employee contributions/Designated Roth contributions or insurance premiums		7 Distribution code(s)	8 Other		
6 Net unrealized appreciation in employer's securities		9a Your percentage of total distribution	9b Total employee contributions		
12 State tax withheld \$53.00		13 State/Payer's state no. MAXXXXXXXX	14 State distribution \$1,000.00		
Form 1099-R Department of the Treasury-Internal Revenue Service		15 Local tax withheld	16 Name of locality	17 Local distribution	

**Form 1040 – Line 16**

You should add the amount of federal income tax withheld on Form **1099-R Box 4** to federal income tax withheld from other sources and report the total on line 16 of Form 1040.

**Form 1040**

14	Other taxes. Attach Schedule 4	14	
15	Total tax. Add lines 13 and 14	15	
16	Federal income tax withheld from Forms W-2 and 1099	16	
17	Refundable credits: a EIC (see inst.) b Sch. 6812 c Form 8863	17	
18	Add any amount from Schedule 5	18	

*Report the total federal income tax withheld from your distributions on Form 1040, line 16. This amount is located in **Box 4** of your Form 1099-R.*