

## IRS Information

The Internal Revenue Service (IRS) is a good resource for more information about mutual-fund taxation. You can visit their Web site at [www.irs.gov](http://www.irs.gov) to view or download information, or call 800-TAX-FORMS (800-829-3676) to order publications and tax forms to be mailed to you.

The following publications may be particularly helpful:

- Mutual Fund Distributions #564
- Individual Retirement Arrangements #590
- Foreign Tax Credit for Individuals #514

## How to Contact Us

If you need more information, please call one of our service associates at 800-927-2874. Our associates are available between 8:30 a.m. and 6 p.m. ET Monday through Friday. Or, please visit our website <http://www.credit-suisse.com/us/en>

## Frequently Asked Questions

**Q. What is the difference between short-term and long-term capital gains?**

A. Short-term capital gain (or loss) occurs when securities that have been held for one year or less are sold. Long-term capital gain (or loss) occurs when securities that have been held more than one year are sold. The long-term capital gains reported in Box 2a and the short-term capital gains included in Box 1a of your 1099-DIV are distributions of the gains realized by sales within your fund's portfolio. If you sold or exchanged mutual-fund shares, your sales are reported on a 1099-B. You must report the short and/or long-term capital gains (or losses) realized by these sales on a Schedule D.

**Q. Are short-term and long-term gains taxed at different rates?**

A. Yes, short-term gains are taxed at the investor's ordinary income tax rate, which can range from 10% to 35%. For investors in the 10% or 15% federal tax bracket, long-term capital gains are taxed at a rate of 5%. For all other tax brackets, long-term capital gains are taxed at a maximum rate of 15%.

**Q. Will I receive 1099-DIV information for every fund I own?**

A. Yes, unless your total distribution was less than \$10 or your fund did not pay distributions for 2006.

**Q. Am I still required to pay taxes on taxable distributions I reinvested?**

A. Yes, you are required to pay taxes on your taxable distributions whether you choose to receive them in cash or reinvest them in additional fund shares.



## TAX GUIDE FOR CREDIT SUISSE

# MUTUAL FUND

## IMPORTANT 2006 TAX INFORMATION

### SHAREHOLDERS

We have created this Tax Guide to help you complete your tax reporting for 2006. Our intention is to give you all the necessary information in a clear manner. However, tax laws are complex so we encourage you to consult a tax advisor for additional information and questions that apply to your particular situation.

SUMMARY OF CREDIT SUISSE TAX MAILINGS	
FORMS AND STATEMENTS	MAIL BY
1099-DIV	1/31/2007
1099-INT	1/31/2007
1099-B	1/31/2007
Average Cost Statement	1/31/2007
1099-R, 1099-Q	1/31/2007
5498, 5498-ESA	5/31/2007
Depending upon your individual situation, you will receive some or all of the tax forms listed above.	

**1099-DIV**—You will receive a 1099-DIV if you have a non-retirement account that received taxable distributions of \$10 or more.

**Box 1a** Ordinary Dividends—includes the total of your income distributions and short-term capital gains.

- Include this amount on line 9a of IRS Form 1040 or 1040A.
- If required, also report this amount on Schedule B (Form 1040) or Schedule 1 (Form 1040A).

**Box 1b** Qualified Dividends—represents the portion of your total ordinary dividends (Box 1a) that qualifies for the 5% or 15% dividend tax rates.

- Include this amount on line 9b of IRS form 1040 or 1040A.

**Box 2a** Total Capital Gain Distributions—represents the total long-term capital gain distributions on your account.

- Report this amount on Form 1040, line 13 or Form 1040A, line 10, then determine whether you need to complete Schedule D.

**Box 2b** Unrecap Section 1250 Gain—represents the portion of your total capital gain distribution (Box 2a) that is unrecaptured section 1250 gain from certain depreciable real property.

- Report this amount on Schedule D. Use IRS form 1040.

**Box 6** Foreign Tax Paid—Box 6 applies only to shareowners that have accounts in Credit Suisse funds that paid foreign taxes on your behalf.

**1099-B**—You will receive a 1099-B if you redeemed (or exchanged) shares from a non-money-market, non-retirement account in 2006. The 1099-B lists details of your transactions and reports gross proceeds from your sales. This information is used to calculate your gain or loss on redemptions of fund shares and must be reported on Schedule D of Form 1040.

## INCOME TAX FACTORS ARE NOT APPLICABLE FOR 2006

1099-INT—You will receive a 1099-INT if you received exempt-interest dividends in 2006. Amounts included here are not included in your 1099-DIV.

1099-R—You will be mailed a 1099-R if you received distributions (which do not include exchanges and transfers of assets) from a retirement account or recharacterized IRA assets in calendar year 2006 (Do not use for Coverdell Education Savings Accounts).

5498—If you made 2006 contributions to your IRA account, you will receive a 5498, which reports all IRA rollover and regular contributions (Do not use for Coverdell Education Savings Accounts).

5498-ESA—If you made 2006 contributions to a Coverdell education savings account, you will receive a 5498-ESA, which reports all Coverdell rollover and regular contributions.

1099-Q—You will be mailed a 1099-Q if you received distributions (which do not include exchanges and transfer of assets) from a Coverdell education savings account in calendar year 2006.

**Average Cost Statement\***—We will send you an Average Cost Statement if you redeemed (or exchanged) shares in your non-money-market, non-retirement account in 2006. This statement can help you calculate the gain or loss on these redemptions. Please see the back of your Average Cost Statement for detailed instructions.

Average cost is one of several IRS-accepted methods of calculating gains and losses on sales of mutual fund shares. On your Average Cost Statement, we use the Average Cost Single Category method of calculation, which is determined by dividing the total dollar amount invested (including reinvested distributions and exchanges) by the total number of shares in the account at the time of redemption.

\*Providing Average Cost Statements is a service we offer to shareholders. If you did not receive an Average Cost Statement, your account may not be eligible for this service.

### State Tax Information: Dividend Income Earned from Direct U.S. Government Obligations and Agency Obligations

The table below indicates the portion of each fund's interest income earned from Direct U.S. Government Obligations and Agency Obligations. Generally, these distributions are taxable at the federal level, but may or may not be at the state and local level.

For state income-tax purposes, in order to calculate exempt interest income from Direct U.S. Government Obligations and Agency Obligations, multiply the total ordinary dividends found in Box 1a of your 1099-DIV by the respective percentages shown on the table for Direct U.S. Government Obligations and for U.S. Government Agency Obligations (if applicable). Please consult with your tax advisor or check with your state tax office to determine how this income should be reported.

For those shareholders who may be required to pay an intangible or personal-property tax, the last column indicates the percentage of assets held in Direct U.S. Government Obligations as of December 31, 2006.

	DIRECT U.S. GOV'T OBLIGATIONS			% of Net Assets Invested in Direct U.S. Gov't Obligations as of 12/31/2006
	U.S. Treasury	(1) Other Directs	(2) Indirect U.S. Gov't Obligations	
<b>Bond Funds</b>				
<i>Fixed Income</i>	1.63%	2.24%	31.66%	0.00%
<i>Global Fixed Income</i>	0.84%	0.09%	3.41%	12.30%
<i>Short Duration Bond</i>	0.44%	0.70%	16.06%	0.16%
<b>Specialty Fund</b>				
<i>Commodity Return Strategy Fund</i>	0.01%	0.00%	0.36%	0.00%
<b>Money Market Fund</b>				
<i>Cash Reserve</i>	0.00%	0.24%	0.30%	0.99%

(1) Other Directs include Federal Farm Credit, FHLB, SLMA and other issues of U.S. Gov't Agencies.  
 (2) Indirect U.S. Gov't Obligations include FNMA, GNMA, FHLMC, SBA and other issues backed by U.S. Gov't Agencies.