

2017 Tax Information U.S. Government Obligations

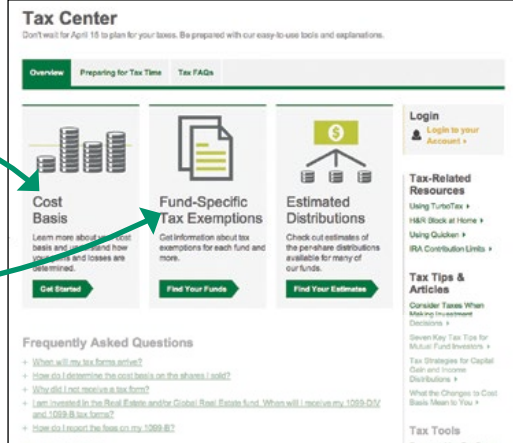
Tax questions?

Read this flier for:

- Details on Forms 1099-DIV and 1099-B
- Cost basis rules
- State tax-exempt income

Find more answers in our Tax Center at americancentury.com/taxes.

- Cost basis descriptions and examples
- Qualified dividend income
- Alternative Minimum Tax (AMT)
- Foreign tax income and credits



Cost basis: Three things you need to know

Cost basis comes into play when you sell or exchange shares. Generally, cost basis is the price you pay when you purchase your shares. When you sell or exchange shares, the difference in the purchase and sale prices determines if you have a capital gain or loss.

It's important to understand how the cost basis rules that began in 2012 affect your tax form.

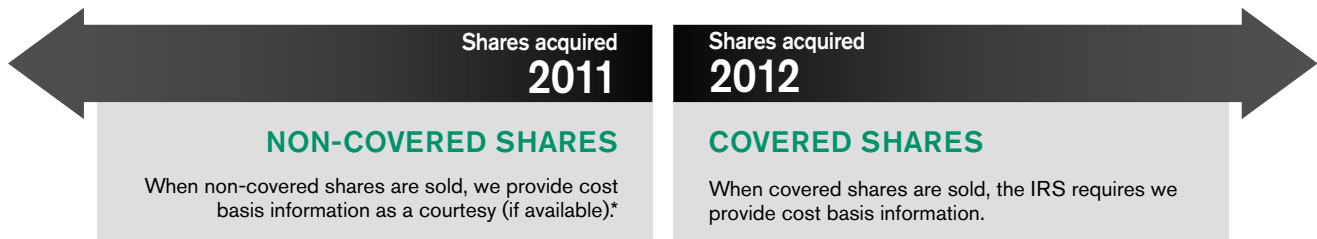
- 1. The rules apply only to redemptions on purchases made after January 1, 2012.** If you purchased shares after that date, they are considered "covered" shares. If you purchased shares before that date they are considered "non-covered." Information on covered shares is reported to the IRS.

Because of the difference between non-covered and covered, you may receive two cost basis figures for one redemption.

- 2. If you sold shares acquired before January 1, 2012,** we provided Average Cost information as a courtesy—if available. If no information is provided or if you plan to use a method other than Average Cost, you can find the information to calculate your cost basis by logging into your My Account page and reviewing your Transaction History.

- 3. If you sold shares acquired after January 1, 2012,** we applied a default of Average Cost or used the cost basis method you elected. Want a different method for future shares? Review your options online, then log in to change your election.

Go to americancentury.com and search **cost basis reporting** to review your cost basis options and examples of commonly used methods.



*If no cost basis is shown on your non-covered shares, you can calculate your cost basis using your transaction history found online.

Learn about Form 1099-DIV

This form lists reportable information for your taxable accounts. For more information about the amounts

reported in each column, review the descriptions found on the back of the tax form.

Per IRS rules, short-term capital gains and ordinary income are combined and reported in the same box as they are taxed at the same rate.

FORM 1099-DIV • DIVIDENDS AND DISTRIBUTIONS • 2017

(1a) Total ordinary dividends	(1b) Qualified dividends	(2a) Total capital gain distributions	(2b) Unrecap. sec. 1256 gain	(3a) Collectibles (28%) gain	(3b) Nonqualified distributions	(4) Federal income tax withheld	(6) Foreign tax paid ¹	(8) Cash liquidation distributions	(9) Noncash liquidation distributions	(10) Exempt-interest dividends	(11) Specified private activity bond interest dividends	(12) State tax withheld	(14) State tax withheld
9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	9,999,999,999.99	XXXXXXXXXXXXXXXXXX	XX	9,999,999,999.99

Form 1099-DIV * Please see instructions for additional details.

Reports a return of your original investment dollars and is non-taxable. Your cost basis should be reduced by the same amount. Refer to Form 1040.

Shows foreign tax paid. Refer to americancentury.com/taxes for details on claiming foreign income.

Determine any state tax-exempt income

The amount in column 1a of your Form 1099-DIV includes income from direct and indirect U.S. government obligations. This income may be tax exempt in your state. Because state laws vary, please consult your tax advisor or see your state's tax form instructions to determine which types of income are exempt.

Once determined, calculate how much of your income is exempt from state taxes. To do this, you'll need your Form 1099-DIV and information from the chart below.

Step 1 – Find your fund and the corresponding percentage.

Step 2 – Multiply the percentage by the figure in column 1a of your Form 1099-DIV.

Result – This is the amount that is exempt from state tax.

Fund name and percentage of income from direct U.S. government obligations

AC Alternatives® Disciplined Long Short	N/A	Global Real Estate	0%	One Choice® In Retirement Portfolio	12%
AC Alternatives® Emg Opps Total Return	6%	Global Small Cap	0%	One Choice® Portfolio Aggressive	5%
AC Alternatives® Equity Market Neutral	N/A	Government Bond	28%	One Choice® Portfolio Conservative	15%
AC Alternatives® Income	1%	Growth	0%	One Choice® Portfolio Moderate	9%
AC Alternatives® Long Short	0%	Heritage	N/A	One Choice® Portfolio Very Aggressive	0%
AC Alternatives® Market Neutral Value ¹	0%	High Income	0%	One Choice® Portfolio Very Conservative	22%
Adaptive All Cap	0%	High-Yield	0%	Prime Money Market*	4%
Adaptive Equity	0%	Income & Growth	0%	Real Estate	0%
All Cap Growth	N/A	Inflation-Adjusted Bond ³	83%	Select	0%
Balanced	5%	International Bond	N/A	Short Duration	12%
Capital Preservation ^{3, †}	100%	International Core Equity	0%	Short Duration Inflation Protection Bond ³	75%
Capital Value	0%	International Discovery	N/A	Short Duration Strategic Income	0%
Core Equity Plus	0%	International Growth	0%	Short-Term Government ³	44%
Core Plus	8%	International Opportunities	0%	Small Cap Growth	N/A
Disciplined Growth	0%	International Value	0%	Small Cap Value ¹	0%
Diversified Bond	19%	Large Company Value	0%	Small Company	0%
Emerging Markets	0%	Mid Cap Value ¹	0%	Strategic Allocation: Aggressive	3%
Emerging Markets Debt	0%	Multi-Asset Income	0%	Strategic Allocation: Conservative	10%
Emerging Markets Small Cap	0%	Multi-Asset Real Return	N/A	Strategic Allocation: Moderate	5%
Emerging Markets Value ²	0%	New Opportunities ²	0%	Strategic Income	1%
Equity Growth	0%	One Choice® 2020 Portfolio	11%	Sustainable Equity	0%
Equity Income ¹	0%	One Choice® 2025 Portfolio	10%	Ultra®	0%
Focused Dynamic Growth	N/A	One Choice® 2030 Portfolio	9%	U.S. Government Money Market ^{3, †}	88%
Focused International Growth	N/A	One Choice® 2035 Portfolio	7%	Utilities	0%
Ginnie Mae	0%	One Choice® 2040 Portfolio	6%	Value	0%
Global Allocation ²	N/A	One Choice® 2045 Portfolio	5%	Zero Coupon 2020 ³	93%
Global Bond	1%	One Choice® 2050 Portfolio	4%	Zero Coupon 2025 ³	92%
Global Gold	N/A	One Choice® 2055 Portfolio	4%		
Global Growth	0%	One Choice® 2060 Portfolio	3%		

¹ Funds may be closed to certain intermediaries. ² These funds have been liquidated and are no longer available for purchase. ³ If you are a resident of California, Connecticut or New York, please know that the assets of these funds were at least 50% invested in direct U.S. government obligations as of the end of each calendar quarter during 2017. These are the only funds that meet the minimum requirements for your state.

N/A – These funds did not make an income distribution in 2017.

Alternative mutual funds that hold a variety of non-traditional investments also often employ more complex trading strategies than traditional mutual funds. Each of these different alternative asset classes and investment strategies have unique risks making them more suitable for investors with an above average tolerance for risk.

The information is not intended as a personalized recommendation or fiduciary advice and should not be relied upon for, investment, accounting, legal or tax advice.

*** You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.**

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You should consider a fund's investment objectives, risks, and charges and expenses carefully before you invest. Each fund's prospectus or summary prospectus, which can be obtained at americancentury.com, contains this and other information about the fund, and should be read carefully before investing.