

**PIMCO Open-End Mutual Funds**  
**PIMCO Closed-End Funds**

## PIMCO SHAREHOLDERS

Dear Shareholder:

This booklet contains tax information to help you file your 2014 tax returns, including important information about PIMCO open-end mutual funds and closed-end funds ("PIMCO funds"), and detailed schedules applicable to certain PIMCO funds you may hold.

In the booklet, you'll find:

- Tax form summary (p. 2)
- Dividend and Capital Gain Distributions Q&A (p. 2)
- Overview of the cost basis regulation (p. 3)
- Percentage of income derived from U.S. government obligations for certain PIMCO funds in 2014 (p. 4-6)
- Percentage of dividends paid during 2014 that qualify for corporate dividends-received deductions (applies to corporate shareholders only) (p. 4-6)
- Percentage of foreign source income in 2014 for certain PIMCO funds, including the percentage of foreign source income that constitutes "qualified foreign dividends" (p. 6)

And for certain PIMCO municipal bond and tax-managed funds:

- Percentage of income that was federally taxable in 2014 (p. 7)
- Percentage of tax-exempt income that is subject to the federal alternative minimum tax (AMT) in 2014 (p. 7)
- Tax-exempt interest income earned state-by-state in 2014 (Open-End Mutual Funds p. 8-9 & Closed-End Funds p.10-11)

**Please note that not all forms and schedules apply to all PIMCO funds or fund shareholders. If applicable, the tax information is separated by PIMCO Open-End Mutual Funds and PIMCO Closed-End Funds.**

Please call us at the applicable number provided below if you have questions or need assistance. You can also visit the Tax Center page of our website, [pimco.com/investments/tax](http://pimco.com/investments/tax). The page includes additional information that may be helpful to you, such as 2014 Qualified Dividend Rates and 2014 distribution dates.

	Telephone Number	Transfer Agent
<b>PIMCO Open-End Mutual Funds:</b>	888.87.PIMCO (888.877.4626)	Boston Financial Data Services, Inc. (BFDS)
<b>PIMCO Closed-End Funds:</b>	844.33.PIMCO (844.337.4626)	American Stock Transfer & Trust Company, LLC (AST)

**PIMCO Open-End Mutual Funds only.** PIMCO has teamed with up TurboTax® and H&R Block® to help provide fast, accurate and secure access to your tax data using your PIMCO Funds Account Access login credentials. To establish login credentials used to access TurboTax® and H&R Block® software, visit PIMCO Account Access:

- **Retail investors** (A, B & C shares) - [pimco.com/myaccountaccess](http://pimco.com/myaccountaccess)
- **Institutional investors** (institutional shares only) - [pimco.com/institutionalaccountaccess](http://pimco.com/institutionalaccountaccess)

As PIMCO does not provide legal or tax advice, please consult a tax professional and/or legal counsel with any specific tax questions.

Sincerely,



**Erik C. Brown**

Vice President, Assistant Treasurer

# PIMCO Tax Form Summary

Tax Form	Description
1099-DIV	Reports dividend and capital gain distributions from your PIMCO funds, excluding retirement plan accounts. Tax-exempt income dividends paid by certain PIMCO municipal and tax managed funds are reported in Box 10 of your 1099-DIV. Any private activity bond interest, which may be subject to the alternative minimum tax (AMT), is in Box 11.
1099-B	Reports redemption proceeds of any non-money market funds in your non-retirement account. Your cost or other basis for shares that were sold and fall under the IRS's cost basis regulations is included on this form in Box 1e (explained on p. 3). This information is required to be reported to the IRS by PIMCO. If your shares have been transferred to PIMCO or have been converted, we may not be able to provide this cost basis information to you.
1099-R	Reports any distributions (including rollovers, recharacterizations and conversions) taken from a retirement plan, such as an IRA, or any qualified retirement plan, such as a pension, profit sharing, 401(k) plan or tax-deferred annuity.

## Dividend and Capital Gain Distributions Q&A

### Q: What are distributions and why are they paid?

**A:** Fund distributions are earnings from the fund's operations. The law requires that all profits be passed on to the fund's investors in order for the fund to qualify for special tax rules afforded to funds that benefit the shareholder.

### Q: What is a capital gain distribution?

**A:** When a fund sells portfolio securities at a profit, the sale creates a capital gain. Two types of capital gains are realized by PIMCO funds – short-term and long-term. Net short-term capital gains are distributed to shareholders as income dividends and are taxed at ordinary income tax rates. For 2014, long-term capital gain distributions are taxed at a maximum effective rate of 23.8% (20% maximum long-term capital gain rate plus 3.8% Medicare tax).

### Q: How is a fund affected if there is no required distribution?

**A:** If a distribution is not required, there are no tax consequences to shareholders or to the fund. The fund's net asset value (NAV) and its investment performance will remain the same. If the fund has not made a taxable distribution, shareholders will not be required to pay taxes and will not receive a Form 1099-DIV for that fund.

### Q: How is distribution eligibility determined for PIMCO funds?

**A:** The timing of a distribution, and the determination of shareholder eligibility to receive it, is based on the record date, ex-dividend date, reinvestment date and payable date which are typically defined as follows:

- **Record Date:** Purchases through this day are eligible to receive the distribution. Shares redeemed on this day are not eligible to receive the distribution.
- **Ex-Dividend Date:** The date on which the distribution amount per share is deducted from the fund's NAV per share.
- **Reinvestment Date:** The date on which the distribution proceeds will be reinvested, if so elected, in additional PIMCO fund shares. Shares will settle on the payable date.
- **Payable Date:** The fund pays shareholders their proportional amount of any distribution on this date. For PIMCO funds, the payable date for distributions paid in cash, if so elected, is normally the same business day as the ex-dividend date, except for those funds with daily income distributions. PIMCO fund shares purchased with reinvested distributions are usually credited on the reinvestment date.

# Cost Basis Regulation

## What are the cost basis requirements?

When you sell or exchange shares of a fund, you may have a capital gain or loss to report to the IRS. To calculate the gain or loss from shares sold, you must know the “cost basis” of your shares (the original price paid for the shares you own, subject to certain adjustments, such as certain fees and charges, and any subsequent returns of capital).

A rule went into effect on January 1, 2012, requiring funds to report cost basis information to shareholders and to the IRS for “covered shares,” or those shares purchased on or after January 1, 2012. When filing your tax return, you will be required to use the cost basis reported in Box 1e of Form 1099-B to calculate and report the gains and losses from your covered shares to the IRS. Please note that retirement accounts are excluded from the cost basis requirements.

Shares acquired prior to January 1, 2012, or “non-covered shares,” are exempt from the reporting requirements. However, cost basis information, if available, will be provided for informational purposes only on Form 1099-B. Any non-covered shares can be identified by looking at Box 5 on your Form 1099-B. Because funds are NOT required to report the cost basis of non-covered shares to the IRS, you may use any acceptable cost basis method to calculate and report gains or losses on non-covered shares when filing your tax return.

## What are the different cost basis methods?

Below is a complete list of the cost basis methods available:

**ACST (Average Cost):** Values the cost of covered shares in an account by averaging the effect of all covered transactions in the account. The average cost is calculated by taking the cumulative dollar cost of the covered shares owned and dividing it by the number of covered shares in the account. Non-covered shares are calculated separately from covered shares and are not reported to the IRS.

**FIFO (First In, First Out):** Depletes shares beginning with the earliest acquisition date.

**LIFO (Last In, First Out):** Depletes shares beginning with the latest acquisition date.

**HIFO (High Cost, First Out):** Depletes shares beginning with shares purchased at the highest cost.

**LOFO (Low Cost, First Out):** Depletes shares beginning with shares purchased at the lowest cost.

**LGUT (Loss/Gain Utilization):** Evaluates losses and gains and then selects lots based on that gain/loss in conjunction with a holding period.

**SLID (Specific Lot Identification):** You will need to designate specific shares to redeem at the time you place your redemption request. A secondary accounting method must also be selected and will only be activated if the lots chosen are no longer available.

Your cost basis election method will be applied to all future transactions and will also be applied to new fund shares purchased for all of your accounts unless you revoke or change your election. Once covered shares are sold, the cost basis method used is irrevocable. If you update your election now, your new method will be used on future redemptions but cannot be applied to redemptions previously processed.

## Cost Basis for Corporate Accounts

The cost basis regulation removes the Form 1099-B reporting exemption for sales of “covered shares,” or those acquired on or after January 1, 2012 by S Corporations. C Corporations retain their exempt status. For those entities that are S Corporations, the above cost basis reporting information is applicable.

For more information about the cost basis requirements, we encourage you to speak with your financial advisor or a tax professional. For general information about cost basis and the recent regulations, visit [pimco.com/investments/cost-basis](https://www.pimco.com/investments/cost-basis).

## 2014 Income from U.S. Government Obligations

Certain PIMCO funds may have earned a portion of their income from U.S. government securities. All or part of the interest on these securities may be exempt from state and/or local taxation. Please consult a tax professional as laws in various jurisdictions may differ.

The table below reflects the percentage of ordinary dividends derived from U.S. government securities as well as the percentage of assets invested in U.S. government securities at the close of each calendar quarter.

For the benefit of our corporate shareholders, we have also included the percentage of dividends that qualify for the corporate dividends-received deduction, assuming holding period requirements have been met.

Please use the contact information provided on page one, if you have questions or need assistance. You can also visit the Tax Center page of our website, [pimco.com/investments/tax](http://pimco.com/investments/tax).

PIMCO Open-End Mutual Funds: PIMCO Funds	Percentage of Income Derived from U.S. Government Securities	Percentage of Assets Invested in U.S. Government Securities as of:				Corporate Dividends Received Deduction
		3/31/14	6/30/14	9/30/14	12/31/14	
PIMCO All Asset All Authority Fund	14.30%	10.99%	11.63%	13.83%	12.28%	0.79%
PIMCO All Asset Fund	10.40%	12.13%	12.63%	16.08%	15.58%	0.54%
PIMCO California Intermediate Municipal Bond Fund	—	—	—	—	—	—
PIMCO California Municipal Bond Fund	—	—	—	—	—	—
PIMCO California Short Duration Municipal Income Fund	—	—	—	—	—	—
PIMCO CommoditiesPLUS® Short Strategy Fund *	—	27.84%	20.74%	19.38%	—	—
PIMCO CommoditiesPLUS® Strategy Fund	0.76%	31.97%	22.70%	13.75%	10.10%	—
PIMCO CommodityRealReturn Strategy Fund®	8.51%	47.34%	38.29%	42.48%	42.44%	3.12%
PIMCO Convertible Fund	1.19%	1.70%	3.25%	4.81%	1.83%	8.79%
PIMCO Credit Absolute Return Fund	1.90%	20.10%	13.16%	6.18%	9.47%	1.20%
PIMCO Diversified Income Fund	0.03%	0.52%	1.13%	1.38%	0.64%	0.49%
PIMCO EM Fundamental IndexPLUS® AR Strategy Fund	17.34%	7.42%	4.40%	6.01%	8.07%	17.01%
PIMCO Emerging Local Bond Fund	2.75%	0.44%	0.38%	0.55%	0.31%	—
PIMCO Emerging Markets Bond Fund	0.11%	1.19%	1.23%	0.94%	0.72%	—
PIMCO Emerging Markets Corporate Bond Fund	—	0.10%	0.15%	0.37%	0.71%	—
PIMCO Emerging Markets Currency Fund	0.02%	0.27%	0.06%	0.56%	0.27%	—
PIMCO Emerging Markets Full Spectrum Bond Fund	1.59%	0.95%	0.74%	0.69%	0.69%	—
PIMCO EMG Intl Low Volatility RAFI®-PLUS AR Fund	4.58%	6.06%	11.11%	7.54%	10.68%	0.01%
PIMCO Extended Duration Fund	90.46%	91.83%	89.95%	81.87%	91.21%	—
PIMCO Floating Income Fund	0.11%	0.62%	1.37%	1.31%	1.22%	0.77%
PIMCO Foreign Bond Fund (U.S. Dollar-Hedged)	1.81%	0.75%	0.57%	0.55%	0.82%	0.01%
PIMCO Foreign Bond Fund (Unhedged)	3.14%	1.14%	1.10%	1.50%	1.39%	0.27%
PIMCO Fundamental Advantage Absolute Return Strategy Fund	4.49%	7.41%	5.96%	6.28%	8.00%	0.24%
PIMCO Fundamental IndexPLUS® AR Fund	2.68%	10.05%	9.00%	4.86%	11.21%	0.01%
PIMCO Global Advantage® Strategy Bond Fund	7.25%	3.07%	3.36%	2.90%	2.21%	—
PIMCO Global Bond Fund (U.S. Dollar-Hedged)	7.46%	2.90%	2.50%	1.94%	1.78%	0.04%
PIMCO Global Bond Fund (Unhedged)	6.43%	3.33%	3.53%	2.94%	3.14%	0.07%
PIMCO Global Multi-Asset Fund	6.65%	7.40%	10.29%	11.12%	14.95%	20.69%
PIMCO GNMA Fund	3.83%	2.27%	3.22%	1.76%	1.60%	—
PIMCO Government Money Market Fund	20.46%	15.84%	20.48%	9.94%	4.73%	—
PIMCO High Yield Fund	0.07%	0.57%	0.12%	0.18%	0.21%	0.51%
PIMCO High Yield Municipal Bond Fund	—	—	0.04%	0.05%	—	—
PIMCO High Yield Spectrum Fund	—	—	—	0.01%	—	0.15%
PIMCO Income Fund	1.26%	4.01%	1.04%	1.16%	3.46%	0.03%
PIMCO Inflation Response Multi-Asset Fund	6.48%	30.79%	14.18%	25.37%	21.88%	0.10%
PIMCO International Fundamental IndexPLUS® AR Strategy Fund	5.31%	8.53%	0.71%	3.63%	6.08%	0.37%
PIMCO International StocksPLUS® AR Strategy Fund (U.S. Dollar-Hedged)	9.63%	1.89%	1.43%	2.66%	2.49%	—
PIMCO International StocksPLUS® AR Strategy Fund (Unhedged)	11.47%	8.12%	11.72%	8.08%	10.52%	—
PIMCO Intl Low Volatility RAFI®-PLUS AR Fund	7.78%	7.13%	1.94%	5.24%	6.87%	0.01%

\* This Fund was liquidated on November 14, 2014.

2014 Income from U.S. Government Obligations (continued)

PIMCO Open-End Mutual Funds: PIMCO Funds	Percentage of Income Derived from U.S. Government Securities	Percentage of Assets Invested in U.S. Government Securities as of:				Corporate Dividends Received Deduction
		3/31/14	6/30/14	9/30/14	12/31/14	
PIMCO Investment Grade Corporate Bond Fund	7.94%	18.09%	14.30%	12.36%	7.76%	0.88%
PIMCO Long Duration Total Return Fund	20.50%	35.38%	36.47%	32.73%	33.17%	0.53%
PIMCO Long-Term Credit Fund	10.75%	20.06%	19.66%	18.94%	19.55%	1.15%
PIMCO Long-Term U.S. Government Fund	85.68%	84.27%	81.09%	91.60%	89.85%	—
PIMCO Low Duration Fund	9.95%	16.92%	7.48%	7.95%	6.51%	0.21%
PIMCO Low Duration Fund II	5.12%	13.21%	7.44%	0.09%	11.13%	0.37%
PIMCO Low Duration Fund III	2.14%	8.38%	0.63%	0.20%	6.17%	0.05%
PIMCO Low Volatility RAFI®-PLUS AR Fund	1.21%	12.74%	1.27%	11.81%	14.92%	0.02%
PIMCO Moderate Duration Fund	5.93%	6.77%	4.13%	4.22%	9.62%	0.38%
PIMCO Money Market Fund	18.67%	15.74%	20.64%	8.45%	10.27%	—
PIMCO Mortgage-Backed Securities Fund	4.22%	3.14%	2.91%	2.83%	3.07%	—
PIMCO Mortgage Opportunities Fund	5.31%	18.09%	13.83%	7.31%	6.29%	—
PIMCO Municipal Bond Fund	—	0.05%	0.05%	0.05%	0.05%	—
PIMCO National Intermediate Municipal Bond Fund	—	0.24%	0.22%	—	—	—
PIMCO New York Municipal Bond Fund	—	—	—	—	—	—
PIMCO Real Income 2019 Fund® *	99.52%	99.30%	98.56%	99.25%	—	—
PIMCO Real Income 2029 Fund® *	98.64%	98.56%	98.50%	99.58%	—	—
PIMCO Real Return Asset Fund	95.73%	69.83%	58.53%	62.44%	58.05%	—
PIMCO Real Return Fund	74.66%	69.06%	60.52%	54.03%	54.48%	0.26%
PIMCO RealEstateRealReturn Strategy Fund	8.32%	70.82%	63.61%	54.37%	72.10%	—
PIMCO RealRetirement® 2015 Fund **	21.89%	25.98%	27.49%	27.75%	24.53%	0.37%
PIMCO RealPath™ 2020 Fund ***	21.49%	25.56%	26.60%	27.10%	23.78%	0.32%
PIMCO RealPath™ 2025 Fund ***	13.83%	25.10%	23.76%	24.33%	21.95%	0.28%
PIMCO RealPath™ 2030 Fund ***	10.84%	23.53%	22.71%	23.64%	22.46%	0.39%
PIMCO RealPath™ 2035 Fund ***	8.51%	20.46%	19.69%	20.16%	20.30%	0.41%
PIMCO RealPath™ 2040 Fund ***	7.15%	20.80%	20.51%	21.45%	21.23%	0.48%
PIMCO RealPath™ 2045 Fund ***	7.36%	20.57%	19.85%	21.04%	21.71%	0.51%
PIMCO RealPath™ 2050 Fund ***	6.77%	20.29%	18.93%	19.47%	20.46%	0.59%
PIMCO RealPath™ Income Fund ***	20.10%	21.60%	22.80%	23.05%	24.20%	0.37%
PIMCO Senior Floating Rate Fund	—	—	0.11%	0.13%	0.08%	—
PIMCO Short Asset Investment Fund	2.13%	0.88%	0.21%	0.29%	—	—
PIMCO Short Duration Municipal Income Fund	—	—	—	—	—	—
PIMCO Short-Term Fund	0.29%	2.03%	1.07%	0.23%	0.30%	0.01%
PIMCO Small Cap StocksPLUS® AR Strategy Fund	11.03%	7.00%	10.77%	4.82%	10.43%	0.58%
PIMCO Small Company Fundamental IndexPLUS® AR Strategy Fund	8.03%	4.54%	3.63%	8.21%	5.97%	0.46%
PIMCO StocksPLUS® Fund	1.09%	0.12%	0.17%	0.16%	5.46%	0.73%
PIMCO StocksPLUS® Absolute Return Fund	11.33%	6.95%	11.31%	5.03%	11.33%	0.86%
PIMCO StocksPLUS® AR Short Strategy Fund	23.56%	10.32%	13.38%	7.31%	9.00%	5.87%
PIMCO StocksPLUS® Long Duration Fund	12.35%	24.48%	27.41%	24.74%	29.50%	—
PIMCO Tax Managed Real Return Fund	0.06%	2.01%	1.84%	2.53%	3.42%	—
PIMCO Total Return Fund	15.32%	25.81%	10.76%	11.86%	11.69%	0.18%
PIMCO Total Return Fund II	16.58%	36.66%	15.55%	14.68%	20.64%	1.03%
PIMCO Total Return Fund III	17.61%	27.34%	7.32%	9.83%	12.29%	1.20%
PIMCO Total Return Fund IV	20.31%	26.67%	7.31%	6.67%	13.24%	—
PIMCO TRENDS Managed Futures Strategy Fund	2.43%	0.84%	0.86%	1.48%	2.89%	—
PIMCO Unconstrained Bond Fund	7.30%	5.01%	2.74%	1.45%	6.43%	0.42%
PIMCO Unconstrained Tax Managed Bond Fund	3.33%	2.92%	6.01%	3.52%	3.49%	—
PIMCO Worldwide Fundamental Advantage AR Strategy Fund	49.28%	4.24%	2.50%	1.80%	11.38%	0.78%
PIMCO Worldwide Long/Short Fundamental Strategy Fund	—	—	—	—	—	—

\* This Fund was liquidated on November 14, 2014.

\*\* Assets in this Fund transferred to the PIMCO RealPath™ Income Fund on January 16, 2015.

\*\*\* Effective January 16, 2015, the PIMCO RealRetirement® Series changed its name to the PIMCO RealPath™ Series.

## 2014 Income from U.S. Government Obligations (continued)

PIMCO Open-End Mutual Funds: PIMCO Equity Series	Percentage of Income Derived from U.S. Government Securities	Percentage of Assets Invested in U.S. Government Securities as of:				Corporate Dividends Received Deduction
		3/31/14	6/30/14	9/30/14	12/31/14	
PIMCO Balanced Income Fund	–	–	–	–	–	–
PIMCO Dividend and Income Builder Fund	–	0.02%	0.02%	0.01%	–	44.24%
PIMCO Emerging Multi-Asset Fund	0.82%	0.46%	1.39%	0.77%	0.15%	–
PIMCO Global Dividend Fund ****	–	0.09%	–	–	–	28.04%
PIMCO EqS® Emerging Markets Fund	0.17%	0.27%	0.06%	0.30%	0.16%	–
PIMCO EqS® Long/Short Fund	0.02%	0.44%	10.67%	0.09%	4.55%	100.00%
PIMCO EqS Pathfinder Fund®	0.01%	0.07%	0.01%	0.20%	0.42%	21.10%
PIMCO International Dividend Fund	–	–	–	–	–	–
PIMCO U.S. Dividend Fund	–	–	–	–	–	–

  

PIMCO Closed-End Funds	Percentage of Income Derived from U.S. Government Securities	Percentage of Assets Invested in U.S. Government Securities as of:				Corporate Dividends Received Deduction
		3/31/14	6/30/14	9/30/14	12/31/14	
PCM Fund, Inc. (PCM)	0.01%	4.67%	2.78%	2.53%	2.43%	0.01%
PIMCO California Municipal Income Fund (PCQ)	–	3.83%	2.56%	4.41%	3.65%	–
PIMCO California Municipal Income Fund II (PCK)	0.01%	3.28%	2.17%	1.88%	2.33%	–
PIMCO California Municipal Income Fund III (PZC)	0.01%	5.88%	4.23%	1.92%	2.39%	–
PIMCO Corporate & Income Opportunity Fund (PTY)	–	–	0.17%	0.54%	1.21%	4.12%
PIMCO Corporate & Income Strategy Fund (PCN)	–	0.06%	0.00%	0.16%	5.21%	1.76%
PIMCO Dynamic Credit Income Fund (PCI)	0.02%	1.06%	2.09%	2.07%	2.07%	1.40%
PIMCO Dynamic Income Fund (PDI)	0.05%	2.92%	3.93%	3.97%	3.94%	0.83%
PIMCO Global StocksPlus & Income Fund (PGP)	0.11%	3.30%	12.94%	14.72%	23.27%	0.48%
PIMCO High Income Fund (PHK)	–	0.07%	0.02%	0.16%	1.39%	0.41%
PIMCO Income Opportunity Fund (PKO)	0.02%	1.74%	2.03%	2.39%	2.33%	3.31%
PIMCO Income Strategy Fund (PFL)	0.04%	8.07%	0.05%	0.18%	0.93%	2.32%
PIMCO Income Strategy Fund II (PFN)	0.05%	10.89%	0.03%	0.41%	0.65%	2.95%
PIMCO Municipal Income Fund (PMF)	0.01%	1.20%	1.36%	2.13%	1.00%	–
PIMCO Municipal Income Fund II (PML)	0.02%	2.65%	3.08%	3.04%	1.63%	–
PIMCO Municipal Income Fund III (PMX)	0.02%	3.81%	1.03%	2.38%	2.14%	–
PIMCO New York Municipal Income Fund (PNF)	0.07%	4.04%	2.43%	3.04%	1.87%	–
PIMCO New York Municipal Income Fund II (PNI)	0.03%	2.95%	2.40%	2.41%	1.37%	–
PIMCO New York Municipal Income Fund III (PYN)	0.02%	3.89%	5.09%	0.82%	0.81%	–
PIMCO Strategic Income Fund, Inc. (RCS)	0.73%	17.26%	13.83%	10.72%	13.17%	0.01%

\*\*\*\* Effective January 2, 2015, PIMCO EqS® Dividend Fund changed its name to PIMCO Global Dividend Fund.

## 2014 Foreign Tax Credit Information

Below is a summary of the percent of foreign source income earned and the percent of qualified foreign dividends deemed paid by PIMCO EqS Pathfinder Fund® and PIMCO EqS® Emerging Markets Fund. For 2014, these two funds represent the funds for which PIMCO elects to pass through foreign taxes paid to shareholders. If a fund is not listed below, PIMCO does not elect to pass through foreign taxes paid to shareholders this year.

Your share of the foreign taxes paid can be used as a tax credit or a deduction from income on your personal tax return. Please consult a tax professional to determine whether you qualify for the foreign tax credit or deduction.

If you choose to claim the foreign tax credit, you may be required to file Form 1116, *Foreign Tax Credit*, with your federal income tax return if your credit exceeds a de minimis threshold. Your share of "Foreign Taxes Paid" is included in Box 6 of your Form 1099-DIV. The information below can help you compute your foreign tax credit.

Please use the contact information provided on page one, if you have questions or need assistance. You can also visit the Tax Center page of our website, [pimco.com/investments/tax](http://pimco.com/investments/tax).

PIMCO Open-End Mutual Funds: PIMCO Equity Series	% of Foreign Source Income	% of Qualified Foreign Dividends
PIMCO EqS Pathfinder Fund®	69.06%	71.15%
PIMCO EqS® Emerging Markets Fund	97.14%	60.34%

## 2014 Municipal Bond Fund Information

This section contains additional tax-related information for shareholders of one or more of the below PIMCO municipal bond and tax-managed funds for 2014.

At least 50% of the value of a fund's assets must consist of federally tax-exempt obligations at the close of each quarter of a fund's tax year in order for a fund to pass through the tax-exempt character of its income to shareholders. For all funds that qualified in 2014, the charts below and on pages 8 through 11 provide (1) the blended percentage of each fund's dividends paid in 2014 that were taxable, (2) the percentage of each fund's 2014 income that was derived from private activity bonds and subject to the alternative minimum tax (AMT), and (3) the breakdown of each fund's tax-exempt interest income by state.

Note that any capital gains distributed by the funds during 2014 are taxable. Short-term capital gains are reported in Box 1a of Form 1099-DIV as ordinary dividends and long-term capital gains are reported in Box 2a.

We suggest that you consult a tax professional or call your state's tax inquiry center to determine how this information may apply to your particular tax situation.

Please use the contact information provided on page one, if you have questions or need assistance. You can also visit the Tax Center page of our website, [pimco.com/investments/tax](http://pimco.com/investments/tax).

<b>PIMCO Open-End Mutual Funds: PIMCO Funds</b>	<b>Taxable income</b>	<b>Tax-exempt income</b>	<b>Tax-exempt income subject to the AMT</b>
PIMCO California Intermediate Municipal Bond Fund	2.90%	97.10%	0.26%
PIMCO California Municipal Bond Fund	3.49%	96.51%	–
PIMCO California Short Duration Municipal Income Fund	8.53%	91.47%	–
PIMCO High Yield Municipal Bond Fund	5.42%	94.58%	8.75%
PIMCO Municipal Bond Fund	3.13%	96.87%	2.90%
PIMCO National Intermediate Municipal Bond Fund	3.92%	96.08%	2.46%
PIMCO New York Municipal Bond Fund	2.06%	97.94%	4.68%
PIMCO Short Duration Municipal Income Fund	7.73%	92.27%	–
PIMCO Tax Managed Real Return Fund	2.01%	97.99%	–
PIMCO Unconstrained Tax Managed Bond Fund	40.36%	59.64%	3.27%
<b>PIMCO Closed-End Funds</b>	<b>Taxable income</b>	<b>Tax-exempt income</b>	<b>Tax-exempt income subject to the AMT</b>
PIMCO California Municipal Income Fund (PCQ)	1.50%	98.50%	–
PIMCO California Municipal Income Fund II (PCK)	3.97%	96.03%	–
PIMCO California Municipal Income Fund III (PZC)	1.12%	98.88%	–
PIMCO Municipal Income Fund (PMF)	2.57%	97.43%	–
PIMCO Municipal Income Fund II (PML)	1.56%	98.44%	–
PIMCO Municipal Income Fund III (PMX)	1.09%	98.91%	–
PIMCO New York Municipal Income Fund (PNF)	0.50%	99.50%	–
PIMCO New York Municipal Income Fund II (PNI)	1.55%	98.45%	–
PIMCO New York Municipal Income Fund III (PYN)	0.55%	99.45%	–

PIMCO Open-End Municipal Bond Funds 2014 Tax Reporting Information – State and Territory Detail

PIMCO Open-End MUTUAL FUNDS: PIMCO Funds	California Intermediate Municipal Bond Fund		California Municipal Bond Fund		California Short Duration Municipal Income Fund		High Yield Municipal Bond Fund		Municipal Bond Fund	
	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT
Alabama	–	–	–	–	–	–	5.53%	–	4.13%	–
Alaska	–	–	–	–	–	–	–	–	–	–
Arizona	–	–	–	–	–	–	3.20%	–	1.02%	–
Arkansas	–	–	–	–	–	–	–	–	–	–
California	99.74%	–	100.00%	–	99.01%	–	8.12%	3.81%	17.59%	7.62%
Colorado	0.71%	–	–	–	–	–	3.58%	–	6.47%	–
Connecticut	–	–	–	–	–	–	0.34%	–	0.10%	–
District of Columbia	–	–	–	–	–	–	–	–	1.62%	–
Delaware	–	–	–	–	–	–	0.18%	–	–	–
Florida	–	–	–	–	–	–	5.33%	8.41%	6.28%	–
Georgia	–	–	–	–	–	–	0.52%	–	3.86%	–
Guam	–	–	–	–	–	–	0.11%	–	–	–
Hawaii	–	–	–	–	–	–	–	–	–	–
Idaho	–	–	–	–	–	–	0.41%	–	–	–
Illinois	–	–	–	–	–	–	3.37%	25.36%	3.19%	–
Indiana	–	–	–	–	–	–	2.86%	1.22%	0.62%	–
Iowa	–	–	–	–	–	–	1.77%	–	–	–
Kansas	–	–	–	–	–	–	0.08%	100.00%	0.29%	–
Kentucky	–	–	–	–	–	–	–	–	–	–
Louisiana	–	–	–	–	–	–	1.29%	–	0.19%	–
Maine	–	–	–	–	–	–	1.71%	100.00%	–	–
Maryland	–	–	–	–	–	–	0.86%	–	2.53%	–
Massachusetts	–	–	–	–	–	–	0.32%	–	1.85%	–
Michigan	–	–	–	–	–	–	2.75%	–	0.13%	100.00%
Minnesota	–	–	–	–	–	–	0.88%	–	–	–
Mississippi	–	–	–	–	–	–	–	–	–	–
Missouri	–	–	–	–	–	–	0.88%	–	–	–
Montana	–	–	–	–	–	–	0.28%	–	0.60%	–
Nebraska	–	–	–	–	–	–	1.44%	–	2.26%	–
Nevada	–	–	–	–	–	–	–	–	–	–
New Hampshire	–	–	–	–	–	–	–	–	0.20%	–
New Jersey	0.26%	100.00%	–	–	–	–	7.31%	0.06%	3.24%	31.70%
New Mexico	–	–	–	–	–	–	0.21%	–	0.63%	–
New York	–	–	–	–	0.57%	–	5.17%	18.18%	15.02%	–
North Carolina	–	–	–	–	–	–	0.68%	6.23%	2.44%	–
Northern Mariana Isl	–	–	–	–	–	–	–	–	–	–
North Dakota	–	–	–	–	–	–	–	–	–	–
Ohio	–	–	–	–	–	–	16.55%	–	5.95%	–
Oklahoma	–	–	–	–	–	–	–	–	–	–
Oregon	–	–	–	–	–	–	0.07%	–	0.44%	–
Pennsylvania	–	–	–	–	–	–	3.49%	15.31%	2.85%	–
Puerto Rico	–	–	–	–	–	–	–	–	–	–
Rhode Island	–	–	–	–	–	–	2.10%	–	0.69%	–
South Carolina	–	–	–	–	–	–	0.60%	–	0.72%	–
South Dakota	–	–	–	–	–	–	–	–	–	–
Tennessee	–	–	–	–	–	–	0.52%	–	1.37%	–
Texas	–	–	–	–	–	–	14.60%	22.54%	11.25%	3.54%
Utah	–	–	–	–	0.42%	–	1.19%	–	0.01%	–
Virgin Islands	–	–	–	–	–	–	–	–	–	–
Vermont	–	–	–	–	–	–	0.52%	100.00%	–	–
Virginia	–	–	–	–	–	–	0.04%	–	0.95%	–
Washington	–	–	–	–	–	–	0.49%	–	1.48%	–
West Virginia	–	–	–	–	–	–	0.25%	–	–	–
Wisconsin	–	–	–	–	–	–	0.40%	–	0.03%	–
Wyoming	–	–	–	–	–	–	–	–	–	–



PIMCO Open-End Municipal Bond Funds 2014 Tax Reporting Information – State and Territory Detail (continued)

PIMCO Open-End Mutual Funds: PIMCO Funds	National Intermediate Municipal Bond Fund		New York Municipal Bond Fund		Short Duration Municipal Income Fund		Tax Managed Real Return Fund		Unconstrained Tax Managed Bond Fund	
	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT
Alabama	–	–	–	–	0.60%	–	–	–	–	–
Alaska	–	–	–	–	–	–	–	–	1.98%	–
Arizona	0.16%	–	–	–	0.65%	–	1.40%	–	1.28%	–
Arkansas	–	–	–	–	–	–	–	–	–	–
California	2.97%	–	0.16%	–	14.52%	–	9.15%	–	12.06%	–
Colorado	0.64%	–	–	–	0.16%	–	–	–	13.26%	21.10%
Connecticut	–	–	–	–	0.22%	–	–	–	–	–
District of Columbia	0.67%	–	–	–	0.04%	–	–	–	–	–
Delaware	–	–	–	–	–	–	–	–	–	–
Florida	2.33%	–	–	–	4.23%	–	4.62%	–	7.91%	–
Georgia	–	–	–	–	6.78%	–	1.72%	–	1.30%	–
Guam	1.12%	–	–	–	–	–	–	–	–	–
Hawaii	–	–	–	–	0.24%	–	–	–	–	–
Idaho	–	–	–	–	–	–	–	–	–	–
Illinois	–	–	–	–	3.68%	–	2.06%	–	2.42%	–
Indiana	0.18%	–	–	–	–	–	4.35%	–	3.27%	–
Iowa	–	–	–	–	–	–	0.56%	–	1.43%	–
Kansas	–	–	–	–	–	–	–	–	0.17%	–
Kentucky	–	–	–	–	0.18%	–	–	–	–	–
Louisiana	1.52%	–	–	–	–	–	0.79%	–	–	–
Maine	–	–	–	–	–	–	–	–	–	–
Maryland	–	–	–	–	0.78%	–	–	–	0.18%	–
Massachusetts	3.63%	–	–	–	1.92%	–	7.34%	–	1.75%	–
Michigan	0.19%	–	–	–	4.79%	–	1.88%	–	1.72%	–
Minnesota	0.14%	–	–	–	2.31%	–	–	–	0.68%	–
Mississippi	–	–	–	–	–	–	0.76%	–	–	–
Missouri	–	–	–	–	0.32%	–	0.68%	–	–	–
Montana	1.87%	–	–	–	–	–	–	–	–	–
Nebraska	2.25%	–	–	–	0.06%	–	2.38%	–	0.16%	–
Nevada	–	–	–	–	2.77%	–	0.20%	–	–	–
New Hampshire	0.17%	–	–	–	0.45%	–	–	–	0.01%	–
New Jersey	5.10%	48.26%	–	–	2.30%	–	6.03%	–	5.54%	–
New Mexico	3.12%	–	–	–	1.06%	–	1.25%	–	–	–
New York	10.93%	–	99.84%	4.68%	13.40%	–	18.75%	–	18.32%	–
North Carolina	6.68%	–	–	–	2.38%	–	2.76%	–	0.65%	–
Northern Mariana Isl	–	–	–	–	–	–	–	–	–	–
North Dakota	–	–	–	–	–	–	–	–	–	–
Ohio	11.95%	–	–	–	9.78%	–	10.58%	–	10.23%	–
Oklahoma	0.13%	–	–	–	–	–	–	–	0.70%	–
Oregon	2.18%	–	–	–	1.50%	–	0.46%	–	0.20%	–
Pennsylvania	7.87%	–	–	–	5.87%	–	2.07%	–	0.42%	–
Puerto Rico	–	–	–	–	–	–	–	–	–	–
Rhode Island	–	–	–	–	–	–	–	–	–	–
South Carolina	–	–	–	–	0.29%	–	0.43%	–	0.01%	–
South Dakota	–	–	–	–	–	–	–	–	–	–
Tennessee	4.74%	–	–	–	4.50%	–	1.97%	–	0.97%	–
Texas	22.13%	–	–	–	8.98%	–	8.51%	–	8.81%	5.34%
Utah	–	–	–	–	0.03%	–	–	–	–	–
Virgin Islands	–	–	–	–	–	–	–	–	–	–
Vermont	–	–	–	–	–	–	–	–	–	–
Virginia	5.08%	–	–	–	1.08%	–	4.85%	–	0.15%	–
Washington	0.69%	–	–	–	2.28%	–	3.96%	–	3.07%	–
West Virginia	–	–	–	–	1.45%	–	–	–	0.08%	–
Wisconsin	1.56%	–	–	–	0.40%	–	0.49%	–	1.27%	–
Wyoming	–	–	–	–	–	–	–	–	–	–

PIMCO Closed-End Municipal Bond Funds 2014 Tax Reporting Information – State and Territory Detail

PIMCO Closed-End Funds	PIMCO California Municipal Income Fund (PCQ)		PIMCO California Municipal Income Fund II (PCK)		PIMCO California Municipal Income Fund III (PZC)		PIMCO Municipal Income Fund (PMF)		PIMCO Municipal Income Fund II (PML)	
	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT
Alabama	–	–	–	–	–	–	2.28%	–	1.98%	–
Alaska	–	–	–	–	–	–	0.72%	–	–	–
Arizona	–	–	0.14%	–	–	–	2.22%	–	4.19%	–
Arkansas	–	–	–	–	–	–	0.34%	–	–	–
California	96.42%	–	95.40%	–	97.09%	–	16.40%	–	7.91%	–
Colorado	–	–	–	–	–	–	0.66%	–	0.80%	–
Connecticut	–	–	–	–	–	–	1.33%	–	0.15%	–
District of Columbia	–	–	–	–	–	–	0.92%	–	–	–
Delaware	–	–	–	–	–	–	–	–	–	–
Florida	–	–	–	–	–	–	1.80%	–	2.62%	–
Georgia	–	–	–	–	–	–	0.45%	–	0.22%	–
Guam	–	–	–	–	–	–	–	–	–	–
Hawaii	–	–	–	–	–	–	–	–	–	–
Idaho	–	–	–	–	–	–	–	–	–	–
Illinois	–	–	–	–	–	–	1.14%	–	47.15%	–
Indiana	–	–	–	–	1.69%	–	1.59%	–	0.29%	–
Iowa	2.30%	–	–	–	–	–	1.92%	–	1.44%	–
Kansas	–	–	–	–	–	–	0.34%	–	0.07%	–
Kentucky	–	–	–	–	–	–	0.23%	–	0.06%	–
Louisiana	–	–	–	–	–	–	1.10%	–	0.44%	–
Maine	–	–	–	–	–	–	–	–	–	–
Maryland	–	–	–	–	–	–	0.46%	–	0.45%	–
Massachusetts	–	–	–	–	–	–	0.51%	–	0.58%	–
Michigan	–	–	–	–	–	–	0.78%	–	0.35%	–
Minnesota	–	–	–	–	–	–	0.44%	–	0.20%	–
Mississippi	–	–	–	–	–	–	–	–	–	–
Missouri	–	–	–	–	–	–	0.28%	–	0.53%	–
Montana	–	–	–	–	–	–	–	–	–	–
Nebraska	–	–	–	–	–	–	–	–	–	–
Nevada	–	–	–	–	–	–	3.66%	–	0.45%	–
New Hampshire	–	–	–	–	–	–	–	–	0.12%	–
New Jersey	–	–	0.93%	–	0.31%	–	8.73%	–	2.58%	–
New Mexico	–	–	–	–	–	–	1.37%	–	0.12%	–
New York	–	–	0.69%	–	0.91%	–	11.26%	–	6.42%	–
North Carolina	–	–	–	–	–	–	–	–	0.03%	–
Northern Mariana Isl	–	–	–	–	–	–	–	–	–	–
North Dakota	–	–	–	–	–	–	–	–	0.25%	–
Ohio	–	–	–	–	–	–	3.87%	–	3.59%	–
Oklahoma	–	–	–	–	–	–	–	–	–	–
Oregon	–	–	–	–	–	–	0.53%	–	0.11%	–
Pennsylvania	–	–	–	–	–	–	5.32%	–	3.21%	–
Puerto Rico	–	–	–	–	–	–	–	–	–	–
Rhode Island	–	–	2.84%	–	–	–	5.43%	–	3.48%	–
South Carolina	–	–	–	–	–	–	2.78%	–	0.78%	–
South Dakota	–	–	–	–	–	–	–	–	–	–
Tennessee	–	–	–	–	–	–	2.07%	–	0.66%	–
Texas	1.28%	–	–	–	–	–	10.71%	–	7.48%	–
Utah	–	–	–	–	–	–	1.33%	–	–	–
Virgin Islands	–	–	–	–	–	–	–	–	–	–
Vermont	–	–	–	–	–	–	–	–	–	–
Virginia	–	–	–	–	–	–	1.84%	–	–	–
Washington	–	–	–	–	–	–	4.74%	–	0.94%	–
West Virginia	–	–	–	–	–	–	0.33%	–	0.28%	–
Wisconsin	–	–	–	–	–	–	0.12%	–	0.07%	–
Wyoming	–	–	–	–	–	–	–	–	–	–

PIMCO Closed-End Municipal Bond Funds 2014 Tax Reporting Information – State and Territory Detail (continued)

PIMCO Closed-End Funds	PIMCO Municipal Income Fund III (PMX)		PIMCO New York Municipal Income Fund (PNF)		PIMCO New York Municipal Income Fund II (PNI)		PIMCO New York Municipal Income Fund III (PYN)	
	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT	% of Income	% Subject to AMT
Alabama	11.52%	–	–	–	–	–	–	–
Alaska	–	–	–	–	–	–	–	–
Arizona	5.92%	–	–	–	–	–	–	–
Arkansas	–	–	–	–	–	–	–	–
California	19.33%	–	–	–	–	–	–	–
Colorado	0.59%	–	–	–	–	–	–	–
Connecticut	0.34%	–	–	–	–	–	–	–
District of Columbia	1.77%	–	–	–	–	–	0.31%	–
Delaware	–	–	–	–	–	–	–	–
Florida	4.39%	–	–	–	–	–	–	–
Georgia	0.39%	–	–	–	0.54%	–	–	–
Guam	–	–	–	–	–	–	–	–
Hawaii	0.29%	–	–	–	–	–	–	–
Idaho	–	–	–	–	–	–	–	–
Illinois	1.96%	–	–	–	–	–	–	–
Indiana	1.04%	–	–	–	–	–	–	–
Iowa	0.71%	–	–	–	–	–	–	–
Kansas	–	–	–	–	–	–	–	–
Kentucky	0.45%	–	–	–	–	–	–	–
Louisiana	1.39%	–	–	–	0.54%	–	–	–
Maine	–	–	–	–	–	–	–	–
Maryland	0.77%	–	–	–	–	–	–	–
Massachusetts	1.30%	–	–	–	–	–	–	–
Michigan	0.95%	–	–	–	–	–	–	–
Minnesota	–	–	–	–	–	–	–	–
Mississippi	–	–	–	–	–	–	–	–
Missouri	0.16%	–	–	–	–	–	–	–
Montana	–	–	–	–	–	–	–	–
Nebraska	–	–	–	–	–	–	–	–
Nevada	–	–	–	–	–	–	–	–
New Hampshire	0.43%	–	–	–	–	–	–	–
New Jersey	4.64%	–	–	–	–	–	–	–
New Mexico	0.21%	–	–	–	–	–	–	–
New York	11.54%	–	97.07%	–	93.33%	–	95.66%	–
North Carolina	1.22%	–	–	–	–	–	–	–
Northern Mariana Isl	–	–	–	–	–	–	–	–
North Dakota	–	–	–	–	–	–	–	–
Ohio	6.56%	–	2.93%	–	4.98%	–	3.27%	–
Oklahoma	–	–	–	–	–	–	–	–
Oregon	–	–	–	–	–	–	–	–
Pennsylvania	4.08%	–	–	–	–	–	–	–
Puerto Rico	–	–	–	–	–	–	–	–
Rhode Island	–	–	–	–	–	–	–	–
South Carolina	4.38%	–	–	–	–	–	–	–
South Dakota	–	–	–	–	–	–	–	–
Tennessee	0.50%	–	–	–	–	–	–	–
Texas	11.46%	–	–	–	–	–	–	–
Utah	–	–	–	–	–	–	–	–
Virgin Islands	–	–	–	–	0.61%	–	0.76%	–
Vermont	–	–	–	–	–	–	–	–
Virginia	–	–	–	–	–	–	–	–
Washington	0.35%	–	–	–	–	–	–	–
West Virginia	0.32%	–	–	–	–	–	–	–
Wisconsin	1.04%	–	–	–	–	–	–	–
Wyoming	–	–	–	–	–	–	–	–

*Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. This and other information is contained in the fund's prospectus and summary prospectus, if available, which may be obtained by contacting your financial advisor or PIMCO representative or by visiting [pimco.com/investments](http://pimco.com/investments). Please read them carefully before you invest or send money.*

Closed-end funds, unlike open-end funds, are not continuously offered. After the initial public offering, shares are sold on the open market through a stock exchange. Closed-end funds may be leveraged and carry various risks depending upon the underlying assets owned by a fund. Investment policies, management fees and other matters of interest to prospective investors may be found in each closed-end fund annual and semi-annual report. For additional information, please contact your investment professional.

PIMCO does not provide legal or tax advice. Please consult your tax advisor and/or legal counsel for specific tax questions and concerns.

**A word about risk:** All investments contain risk and may lose value. Investing in the **bond market** is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk. The value of most bonds and bond strategies are impacted by changes in interest rates. Bonds and bond strategies with longer durations tend to be more sensitive and volatile than those with shorter durations; bond prices generally fall as interest rates rise, and the current low interest rate environment increases this risk. Current reductions in bond counterparty capacity may contribute to decreased market liquidity and increased price volatility. Bond investments may be worth more or less than the original cost when redeemed. Equities may decline in value due to both real and perceived general market, economic and industry conditions.

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