This guide provides basic information about the 2017 tax forms you may receive this year.

This guide may assist you in preparing your tax return, but it is not intended to provide specific tax advice.

Given the scope and complexity of tax laws, please consult your tax or financial advisor who can provide advice based on your personal financial history and can best assist you in preparing your tax return.

Please do not hesitate to contact one of our representatives at (800) 492-8332 if you have any questions, concerns, or need additional clarification regarding your account.

Thank you for investing with the Buffalo Funds in 2017!
Tax Return Filing Deadline
The Federal Tax Return filing deadline for the 2017 tax year is April 17, 2018. Request for filing extensions are also due (if required).

2017 IRA & CESA Contributions
The deadline to make contributions into your Traditional IRA, Roth IRA, and Coverdell Education Savings Account (CESA) for the 2017 tax year coincide with the Federal Tax Return filing deadline of April 17, 2018.

Required Tax Form Mail Dates

<table>
<thead>
<tr>
<th>Form</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1099-Q, 1099-R, 592-B</td>
<td>January 31, 2018</td>
</tr>
<tr>
<td>1099-B, 1099-DIV, 1099-INT</td>
<td>February 15, 2018</td>
</tr>
<tr>
<td>1042-S</td>
<td>March 15, 2018</td>
</tr>
<tr>
<td>5498-ESA</td>
<td>April 30, 2018</td>
</tr>
<tr>
<td>5498</td>
<td>May 31, 2018</td>
</tr>
</tbody>
</table>

Duplicate Tax Form Requests
Please allow 5 -7 business days for the original tax forms to arrive to your address before requesting a duplicate copy. Please do not hesitate to contact one of our representatives if you have any questions, concerns, or need additional clarification regarding your account.
What does Form 1099-B report?
Form 1099-B reports redemptions or exchanges from a non-retirement or non-money market account. Gain/Loss information is also provided as a courtesy.

The section titled ‘Not Reported to the IRS’ may contain cost basis information for non-covered shares. This section may indicate the cost basis method for a transaction (See 1099-B instructions for further information).

What types of accounts receive a Form 1099-B?
Taxable accounts for individuals, trusts, estates, partnerships, S corporations, and certain other institutions. Retirement plan accounts will NOT receive this form.

How does cost basis information pertain to Form 1099-B reporting?
If you redeemed shares from a taxable account during 2017, this form may include cost basis information. Please note, cost information is required only for covered shares purchased on or after January 1, 2012 and only those shares are reported to the IRS. It is your responsibility to calculate and report basis information to the IRS for any non-covered shares (generally acquired prior to January 1, 2012).

How is basis reported?
Reporting may contain up to five holding periods based on the length of time the depleted shares were held and the basis reporting requirement of those shares. Reporting of basis information to the IRS depends upon the depleted share designation as Covered, Non-covered, or Unknown.

An IRS basis reporting requirement exists for Covered shares acquired after 1/1/2012. Basis for Non-covered shares may be available (and reported on Form 1099-B as a courtesy), but it is not reported to the IRS.

Holding period (Basis reporting requirement)
- Short-term (Covered)
- Long-term (Covered)
- Short-term (Non-covered)
- Long-term (Non-covered)
- Unknown (Non-covered)

Multiple Holding Periods
Each redemption or exchange transaction may contain shares with more than one holding period. In the example below, one redemption depleted shares from three separate holding periods on Form 1099-B:

<table>
<thead>
<tr>
<th>Date of Acquisition</th>
<th>Holding Period</th>
<th>Basis Reported to IRS?</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/5/2011</td>
<td>Long-Term</td>
<td>No, Non-covered</td>
</tr>
<tr>
<td>4/14/2012</td>
<td>Long-Term</td>
<td>Yes, Covered</td>
</tr>
<tr>
<td>8/6/2017</td>
<td>Short-Term</td>
<td>Yes, Covered</td>
</tr>
</tbody>
</table>
Common Field Descriptions

1a Description of property including share price and quantity sold
1b Date of acquisition of the fund shares that were sold; will be blank if shares acquired at different dates are included in the transaction or if Box 5 shows YES
1c Reports date shares sold
1d Reports net proceeds from sale
1e Reflects the cost or other basis of shares redeemed. If Box 5 shows YES, Box 1e may be blank
1g Shows the amount of non-deductible loss in a wash sale transaction
4 Reports backup withholding to include on your tax return as taxes withheld
5 If this box displays YES, the shares sold were non-covered (cost basis not reported to the IRS) and boxes 1b, 1e, and 1g may be blank
1099-DIV

What does Form 1099-DIV report?
Form 1099-DIV reports all tax reportable dividend, tax-exempt dividend, and capital gains earned from distributions (cash or reinvested) on non-retirement accounts.

What types of accounts receive a Form 1099-DIV?
Taxable accounts for individuals, trusts, estates, partnerships, S corporations, and certain other institutions. Retirement plan accounts will NOT receive this form.

I received a small capital gain or dividend distribution. Why haven’t I received a Form 1099-DIV?
Unless backup withholding applies, you will not receive Form 1099-DIV if the total amount of dividends and capital gains for an account is less than $10. However, even if you do not receive Form 1099-DIV, you must still report all of your taxable dividends and capital gains on your tax return.

What is a capital gain distribution?
A Fund capital gain distribution can occur when a fund buys and sells stocks and other securities within the fund’s portfolio. This activity may create a net capital gain for the fund. This capital gain distribution is taxable for non-retirement accounts.

How is a capital gain distribution different than a capital gain incurred when shares of my account are sold?
A shareholder capital gain distribution occurs when the shareholder sells shares for a gain in a taxable, non-retirement, non-money market account.

Do I have to report capital gains and dividends if they are reinvested into my non-retirement account?
Yes, capital gains and dividend distributions are considered income the year they are distributed, regardless of whether they are paid in cash or reinvested. The amount of the reinvested dividends and/or capital gains are then added to your account basis.
Common Field Descriptions

1a Total ordinary dividends (including amounts from Box 1b), and short-term capital gains
1b Qualified dividends that may be taxed at a reduced rate depending on your tax bracket
2a Total long-term capital gains
3 A return of your initial investment, also known as return of capital
4 Backup withholding to include on your tax return as taxes withheld
6 Foreign tax paid
10 Tax-exempt interest dividends
11 When applicable, reports tax-exempt interest AMT dividends
What does Form 1099-INT report?
Form 1099-INT reports bank deposit-type interest dividends on non-retirement accounts.

What types of accounts receive a Form 1099-INT?
Taxable accounts for individuals, trusts, estates, partnerships, S corporations, and certain other institutions. Retirement plan accounts will NOT receive this form.

Common Field Descriptions
1 Interest income
4 Backup withholding to include on your tax return as taxes withheld
592-B

What does Form 592-B report?
Form 592-B reports State of California backup withholding on redemptions and long-term capital gains.

What types of accounts receive a Form 592-B?
Accounts subject to federal backup withholding and also registered with a California residential address.

Common Field Descriptions
1. Income subject to backup withholding
3. Total backup withholding for the State of California

<table>
<thead>
<tr>
<th>Part III Type of Income Subject to Withholding. Check the applicable box(es).</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Payments to Independent Contractors</td>
</tr>
<tr>
<td>B Trust Distributions</td>
</tr>
<tr>
<td>C Rents or Royalties</td>
</tr>
<tr>
<td>D Distributions to Domestic (U.S.) Nonresident Partners/Members/Beneficiaries/S Corporation Shareholders</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Part IV Tax Withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Total income subject to withholding</td>
</tr>
</tbody>
</table>

Fund: | Fund-Acct. no.: |

TOTALS
What does Form 1099-R report?
Form 1099-R reports distributions from a Traditional IRA, Roth IRA, SEP IRA, SIMPLE IRA, and certain Qualified Plans. IRA trustee to trustee transfers are not reportable.

What types of accounts receive a Form 1099-R?
Individual retirement accounts (IRAs) or certain Qualified Plans accounts.

Common Field Descriptions
1 Gross distributions including rollovers, conversions to a Roth IRA, or recharacterized IRA contributions
2a Taxable amount for distributions from IRAs is generally not computed
4 Federal withholding
7 Codes to identify the type of distribution (See 1099-R instructions for code descriptions)
What does Form 5498 report?
Form 5498 reports IRA contributions, rollovers, conversions, and recharacterizations. Trustee to trustee transfers are not reported on this form. Form 5498 also reports the fair market value (FMV) of an IRA as of December 31, 2017, for purposes of determining Required Minimum Distribution (RMD) amounts for the following tax year.

What types of accounts receive a Form 5498?
Individual retirement accounts (IRAs)

Are reinvested capital gains and dividends reported on IRAs?
Capital gains and dividends reinvested into an IRA are not reportable; However, distributions paid in cash are reportable on Form 1099-R.

Why are the SEP and SIMPLE IRA contributions made in 2018 for the 2017 tax year not reported on Form 5498?
IRS rules require calendar year reporting of contributions made to a SEP or SIMPLE IRA. While your investor statement may provide a breakdown of the specific tax year of your SEP or SIMPLE IRA contributions, your 2017 Form 5498 is required to report those contributions were made during the calendar year of 2017, regardless of the tax year to which those contributions apply.

Maximum Contribution Limits
Taxpayers may contribute up to amounts shown below for the 2017 tax year. For shareholders that reached age 50 by December 31, 2017, “catch-Up” contribution amounts are provided. See IRS Publication 590-A for further eligibility requirements.

<table>
<thead>
<tr>
<th>IRA Type</th>
<th>Contribution Limit</th>
<th>“Catch-Up” Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional IRA</td>
<td>$5,500</td>
<td>$1,000</td>
</tr>
<tr>
<td>Roth IRA</td>
<td>$5,500</td>
<td>$1,000</td>
</tr>
<tr>
<td>SEP IRA</td>
<td>$54,000*</td>
<td>N/A</td>
</tr>
<tr>
<td>SIMPLE IRA</td>
<td>$12,500</td>
<td>$3,000</td>
</tr>
</tbody>
</table>

* The lesser of 25% of compensation of $54,000
Common Field Descriptions

1. Traditional IRA contributions made in 2017 and through April 17, 2018 for the 2017 tax year
2. Rollover contributions
3. Amount converted or reconverted to a Roth IRA from a Traditional, SEP, or SIMPLE IRA
4. Amount recharacterized from one IRA type to another
5. Fair market value as of 12/31/2017
6. Type of IRA
7. SEP IRA contributions made in 2017
8. SIMPLE IRA contributions made in 2017
9. Roth IRA contributions made in 2017 and through April 17, 2018 for the 2017 tax year
10. Will be checked if a Required Minimum Distribution is required for specified tax year

| Fund | Fund Acct. No. | Type of IRA | Code | (a) Amount of (other than amounts in boxes 7, 9, 10, and 13a) | (b) Rollover contributions | (c) Roth IRA conversion amount | (d) Recharacterized contributions | (e) Fair market value of account as of 12/31/17 | (f) SEP contributions | (g) SIMPLE contributions | (h) Roth IRA contributions | (i) If checked, required minimum distribution for 2018 | (j) Postponed contribution | (k) Code | (l) Code(s) | (m) FMV as of 12/31/17 of certain specified assets |
What does Form 1099-Q report?
Distributions from a Coverdell Education Savings Account (CESA). Trustee to trustee transfers are reportable on this form.

What types of accounts receive a Form 1099-Q?
CESAs

Common Field Descriptions
1 Gross distributions including rollovers and transfers
2 Only displays earnings made on excess contributions, otherwise not applicable for 2017
4 Reports if the distribution in Box 1 was a trustee to trustee transfer
What does Form 5498-ESA report?
Form 5498-ESA reports contributions, rollovers and transfers into a CESA.

What types of accounts receive a Form 5498-ESA?
CESAs

What is the maximum contribution limit?
Contributions up to $2000 are allowed for the 2017 tax year. See IRS Publication 970 for further eligibility requirements.

Common Field Descriptions
1 CESA contributions made in 2017 and through April 17, 2018 for the 2017 tax year
2 Rollovers and transfers made in 2017

<table>
<thead>
<tr>
<th>Fund-Acct. no.</th>
<th>(1) Coverdell ESA contributions</th>
<th>(2) Rollover contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>FUND:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summary</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**What does Form 1042-S report?**

Dividends and capital gains from taxable accounts, and distributions from IRA and Qualified Plan accounts paid to a non-U.S. citizen.

**What types of accounts receive a Form 1042-S?**

Form 1042-S is mailed to non-U.S. citizens who received Fund capital gain or dividend distributions on their taxable account, or liquidated assets from a retirement account.

**Common Field Descriptions**

1. Income code
2. Gross income paid
3. Chapter indicator (3 or 4)
   3a. Chapter 3 exemption code
   3b. Chapter 3 tax rate
4. Chapter 4 exemption code
   4b. Chapter 4 tax rate
5. Federal tax withheld
6. Total withholding credit
7. Recipient’s country code
8. Recipient’s governmental issued ID number (GIIN) if any

![Form 1042-S Image]
Backup Withholding

Generally, backup withholding applies on a taxable account when the Fund did not receive either a properly completed application or IRS Form W-9. Another reason is that the IRS may have instructed the Fund to withhold due to a TIN/Name mismatch on your account, or due to your failure to pay federal taxes. The backup withholding rate is equal to the fourth lowest rate of tax on individual taxpayers. For 2017, a 28% rate applies; Effective January 1, 2018, a 24% rate applies.

Section 3406(b) of the Internal Revenue Code requires backup withholding to occur upon certain payments being made to a mutual fund shareholder, including dividends, short-term and long-term capital gains, and redemptions/exchanges.

See IRS Publication 1281 for more information.

Capital Losses

Taxpayers who redeemed mutual fund shares at a capital loss during the year may be able to use those losses to offset other capital gains or, in some cases, ordinary income. The IRS has created several rules in order to discourage loss-oriented selling. Two of these rules, wash sales and long-term capital gain distributions, are detailed below.

Wash sales

If you purchase shares of a mutual fund, including reinvested dividends or capital gains, within 30 days before or after you redeemed shares of the same mutual fund for a loss, the redemption will be considered a “wash sale” and some or all of your capital loss will be deferred. The amount of your deferred loss increases the cost basis of the shares purchased which created the wash sale. When those shares are subsequently sold the deferred loss is then allowed. Please consult your tax advisor for more information about wash sale rules.

Long-term capital gain distributions

Capital gain distributions from a mutual fund are generally reported as long-term capital gain regardless of how long you owned shares in a fund. However, if you received a capital gain on shares owned for less than six months, and subsequently sold the shares at a loss, part or all of the loss on the sale of the shares that would normally be considered short-term based on the holding period may be recharacterized as long-term instead. The amount of the loss equal to or less than the capital gain distribution is the amount which will be recharacterized as long-term. The amount of the loss greater than the capital gain distribution remains short-term.
Conversions & Recharacterizations

Conversions
A conversion occurs when you move assets directly from a Traditional, SEP, or SIMPLE IRA into a Roth IRA. Conversions are reported based upon the calendar year in which they are received.

Recharacterization
There are two types of recharacterizations: Recharacterization of a Contribution, or Recharacterization of a Conversion.

Recharacterization of a Contribution occurs when the type of contribution is changed from one type (Traditional or Roth) to the other type, prior to the individual’s income tax return due date (including extensions).

Recharacterization of a Conversion occurs when an individual wants to undo a Conversion (Traditional to Roth). For Roth conversions that occurred in 2017, taxpayers will have until the tax return deadline with extensions (October 15, 2018) to undo the conversion.

New Section 13611 of the Act eliminates the ability under Code section 408A(d)(6) to recharacterize a conversion to a Roth IRA, effective for taxable years beginning 2018.

Dividends from U.S. Government Obligations
Some states do not tax their residents on mutual fund income received that is earned directly from U.S. Government obligations. Short-term capital gain distributions, although treated as ordinary income, are generally not eligible for state tax-exemption. A statement indicating the percentage of income your fund earned that was attributable directly to U.S. Government obligations may be included when you receive a Form 1099-DIV.

Dividends Received Deduction (DRD)
A dividend received by a corporation due to stock ownership in another corporation is included in its gross income. At year-end, that income is taxed to the corporation. When the income is paid out to shareholders in the form of a dividend, it is again taxed to the shareholder. When the dividend payment is made to a corporate shareholder and the distributee corporation subsequently pays these earnings out to its shareholders, triple taxation of the earnings can result. To help relieve this triple taxation, corporations are allowed a Dividends Received Deduction (DRD) for the dividends received from other domestic corporations and from certain foreign corporations.

A Regulated Investment Company (mutual fund) is not entitled to the DRD when computing its taxable income. Instead, because of a mutual fund’s conduit treatment, the corporate shareholders of a mutual fund are generally entitled to take the DRD with respect to the qualified ordinary income dividends paid by the mutual fund to such shareholders. It should be noted that capital gain distributions by a mutual fund do not qualify for the DRD, as these distributions are treated as long-term capital gains by the shareholders. DRD designation must be made within 60 days of fiscal year end, therefore the DRD is generally included as a footnote in the mutual fund’s financial statements.
**Excess Contributions**

**IRA**
You will receive Form 5498 that details the total amount of your contribution. If the excess contribution is removed, you will receive Form 1099-R detailing the amount of the excess contribution that was removed, including any earnings. Please consult [IRS Publication 590-A](https://www.irs.gov) for more information regarding IRS penalties associated with excess contributions.

**Coverdell Education Savings Account (CESA)**
For CESAs, you will receive Form 5498-ESA that details the total amount of your contribution. If the excess contribution is removed, you will receive Form 1099-Q detailing the amount of the excess contribution that was removed, including any earnings. See [IRS Publication 970](https://www.irs.gov) for more information regarding IRS penalties associated with excess contributions.

**Foreign Tax Credit**
To avoid double taxation, foreign sourced income already taxed by a foreign country may be passed through to your account as a foreign tax credit. If applicable, Box 6 of Form 1099-DIV will report the foreign tax credit amount, while Box 1a will be increased by that same amount as shown in Box 6. See [IRS Publication 514](https://www.irs.gov) for more information.

**Gift Tax Exclusion**
Gift tax is a tax on the transfer of property from an individual to another while receiving nothing, or less than full value, in return. The tax applies whether the donor intends the transfer to be a gift or not. For 2017 a gift of up to $14,000, and for 2018 a gift of up to $15,000 per donee per calendar year can be given without paying a gift tax. For example, a gift of $16,000 to a donee requires that tax is only paid on $2,000 for the 2017 tax year, or $1,000 for the 2018 tax year. See [IRS Publication 559](https://www.irs.gov) for more information.

**Qualified Charitable Distributions**
The Pension Protection Act provision allowing an income exclusion of up to $100,000 for qualified charitable distributions from IRAs, which were paid directly to certain charitable organizations after the IRA owner attained the age of 70 ½, was extended through December 31, 2014. Distributions from a SEP or SIMPLE IRA do not qualify for this type of designation. The PATH Act of 2015 permanently extended this provision for 2015 and future tax years. See [IRS Publication 526](https://www.irs.gov) for more information.

**Return of Capital**
On occasion, an income distribution may have a portion that is considered a return of capital. The return of capital portion of the original income distribution is not considered income. Therefore, it is returned to you by decreasing the basis in your account by the return of capital amount. If applicable, Box 3 of Form 1099-DIV will contain the return of capital amount.

**Schedule K-1**
A partnership that invests in a mutual fund is eligible to receive Forms 1099-B and 1099-DIV. The partnership is then required to provide Schedule K-1 to each underlying partner, reporting each partner’s share of the partnership’s income. The partnership is additionally required to file a copy of Schedule K-1 with the IRS. Schedule K-1 inquiries should be forwarded directly to the partnership.
Online Tools and Resources

- Resolve many tax issues online or by phone using the Let Us Help You page available on the IRS website.
- Use the Interactive Tax Assistant or Publication 17 “Your Federal Income Tax”, a comprehensive tax guide for individuals to locate information quickly.
- The IRS Tax Map allows taxpayers to search by topic or keyword for information.
- Visit Take Steps Now for Tax Filing Season page to access IRS information and reminders for this tax year.

IRS Forms and Publications
Access IRS Forms and Publications page to view publications.

IRS Services Guide
Check Publication 5136 for additional information on available services from the IRS.

Contact Your Local Office
Locate the closest Taxpayer Assistance Center to make an in-person appointment by visiting the Taxpayer Assistance Center Office Locator or by calling (844) 545-5640.