

Utah-specific taxation of municipal bond interests

Important tax information for 2024

For Utah residents, state laws require dividends from municipal bond funds that invest in bonds issued by most other states be reported as taxable income.

To help prepare 2024 state income tax returns, we're providing the percentage of federal tax-exempt interest income that's subject to individual income tax in Utah for each Vanguard fund that invests in municipal bonds.

Utah residents

Generally, interest from bonds issued by states that don't impose an income tax on Utah municipal bonds is 100% exempt from Utah state income tax.

To determine for 2024 what portion of the exempt-interest dividends reported in Box 12 of Form 1099-DIV is subject to Utah income tax and what portion is exempt, see the table below.

Percentage of federal tax-exempt interest taxable to Utah residents*

Core Tax-Exempt Bond ETF	73.68%
High-Yield Tax-Exempt Fund	78.13%
Intermediate-Term Tax-Exempt Bond ETF	77.30%
Intermediate-Term Tax-Exempt Fund	74.51%
Limited-Term Tax-Exempt Fund	80.20%
Long-Term Tax-Exempt Fund	75.48%
Municipal Money Market Fund	70.82%
Short Duration Tax-Exempt Bond ETF	77.12%
Short-Term Tax-Exempt Bond ETF	81.04%
Tax-Exempt Bond Index Fund	80.03%
Tax-Managed Balanced Fund	73.13%
Ultra-Short-Term Tax-Exempt Fund	78.31%

How to calculate your taxable and nontaxable amounts

1. For each fund, multiply the amount of exempt-interest dividends as reported in Box 12 on Form 1099-DIV by the percentage listed for the corresponding fund in the table to the left.
2. Report the resulting amount on the Utah income tax return as subject to tax.
3. Subtract that amount from the total exempt-interest dividends reported in Box 12 on Form 1099-DIV to determine the portion that's exempt from Utah income tax.

*This information applies to all share classes of a fund.

Contact the Utah State Tax Commission for more information about state-specific taxation rules. Although our representatives are qualified to provide information about Vanguard investment products and services, they cannot provide tax advice, and nothing herein should be considered tax advice. You should consult your own tax advisor regarding your specific situation, including if you're uncertain about the interpretation of a specific tax regulation. Although Vanguard aims to ensure the accuracy of the information contained in this supplement, we cannot guarantee that the information herein will not be subject to change or that a tax authority might disagree with the information herein or any tax position taken by a taxpayer in reliance upon the information in this supplement. You can also find a variety of general tax-related data and tools at investor.vanguard.com/taxes/ or advisors.vanguard.com/tax-center for advisors.