

2025 Alternative minimum tax—Tax-preference dividends by fund

This tax update provides important information to help shareholders determine the portion of the tax-exempt interest dividends they received in 2025 from any of the Vanguard Municipal Bond Funds and Vanguard Tax-Managed Balanced Fund that is attributable to private activity bonds and considered a tax-preference item for Alternative Minimum Tax (AMT) purposes.

The table lists all the Vanguard funds that derived income from private activity bonds during 2025 and the percentage of tax-exempt interest dividends that is considered a tax-preference item for each of those funds.

Note that this tax-preference item is just one of several preference items that must be added back when computing the shareholder's AMT income.

VANGUARD FUND*	PERCENTAGE OF TAX-EXEMPT DIVIDENDS DERIVED FROM PRIVATE ACTIVITY BONDS
California Intermediate-Term Tax-Exempt	0.00%
California Long-Term Tax-Exempt	0.00%
California Municipal Money Market	14.68%
California Tax-Exempt Bond ETF	0.00%
Core Tax-Exempt Bond ETF	0.00%
High-Yield Tax-Exempt	17.51%
Intermediate-Term Tax-Exempt	0.00%
Intermediate-Term Tax-Exempt Bond ETF	0.00%
Limited-Term Tax-Exempt	0.00%
Long-Term Tax-Exempt	0.00%
Long-Term Tax-Exempt Bond ETF	0.00%
Massachusetts Tax-Exempt	0.00%
Municipal Money Market	12.45%
New Jersey Long-Term Tax-Exempt	0.00%
New York Long-Term Tax-Exempt	0.00%
New York Municipal Money Market	11.37%
New York Tax-Exempt Bond ETF	0.00%
Ohio Long-Term Tax-Exempt	0.00%
Pennsylvania Long-Term Tax-Exempt	0.00%
Short Duration Tax-Exempt Bond ETF	0.00%
Short-Term Tax-Exempt Bond ETF	0.00%
Tax-Exempt Bond Index	0.00%
Tax-Managed Balanced	0.00%
Ultra-Short-Term Tax-Exempt	0.00%

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

For more information, please contact Vanguard Financial Advisor Services™ at **800-997-2798** Monday through Friday from 8:30 a.m. to 7 p.m., Eastern time. 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. Advisors should consult an independent tax advisor regarding more complex tax situations. 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. Advisors also can find a broad array of general tax-preparation data and tools in the Tax center area of our website at **advisors.vanguard.com**.

For more information about Vanguard funds, visit advisors.vanguard.com or call 800-997-2798 to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.

With the exception of Vanguard Tax-Managed Balanced Fund, 100% of the income dividends paid by each of the funds listed above were tax-exempt interest dividends.

Vanguard's Municipal Money Market Funds: The fund is only available to retail investors (natural persons). 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. An investment in the fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor is not required to reimburse the fund for losses, and you should not expect that the sponsor will provide financial support to the fund at any time, including during periods of market stress.

All investments are subject to risk, including the possible loss of the money you invest. Investments in bond funds are subject to interest rate, credit, and inflation risk. Although the income from a municipal bond fund is exempt from federal tax, you may owe taxes on any capital gains realized through the fund's trading or through your own redemption of shares. For some investors, a portion of the fund's income may be subject to state and local taxes, as well as to the federal Alternative Minimum Tax. It is possible that the Tax-Managed Balanced Fund will not meet its objective of being tax-efficient.

Consider consulting a tax advisor concerning your individual situation.



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