

Realty Income Inc: Withholding Tax Adjustment

08 November 2021

Realty Income Inc. (USA, 2724193, GEIS Midcap) has declared a REIT distribution to its shareholders. In the transaction, Realty Income shareholders will receive 1 share of Orion Office REIT Inc for every 10 shares of Realty Income held. Pursuant to section 4.14.4 of the FTSE Russell Corporate Actions and Events Guide and in order to account for the withholding tax liability associated with this spin-off, FTSE proposes the following treatment effective on 15 November 2021.

FTSE Russell intends to apply a compensatory negative dividend adjustment at the close on November 12, 2021, in order to reflect the value of the taxable portion of the distribution in the net-of-tax indexes, calculated using the FTSE Russell maximum withholding tax rate for USA (30%). The negative dividend will be based on the reference price and will be confirmed via the one day trackers sent at market close on November 12, 2021. Clients should note that this treatment will be applied to all total return indexes, and not just the net-of-tax indexes.

Calculation of the total return adjustment below:

Tax liability: November 12 Close Price of Orion * 30.00% = USD (tax liability)

A negative dividend of USD (tax liability)/(1-.30) will be applied to the FTSE Russell Standard Total Return Indexes in order to reflect this tax adjustment.

For further information please contact FTSE Russell Client Services at info@ftserussell.com or call:

Australia	+1800 653 680
Hong Kong	+852 2164 3333
Japan	+81 3 4563 6346
London	+44 (0) 20 7866 1810
New York	+1866 551 0617

Alternatively please visit our website at www.ftserussell.com

[Terms of Use](#) | Copyright © 2021 FTSE Russell