



U.S. government obligations information

Important tax information for 2019

This tax update provides information to help you properly report your state and local tax liability on income distributions you received from your mutual fund investments in 2019.

On the reverse side, you'll find a list of Vanguard funds that earned a portion of their investment income from obligations of the U.S. government. (You can find U.S. government obligation information for Vanguard Institutional Funds online at advisors.vanguard.com and click the **Tax center** link at the top of the page). Direct U.S. government obligations and certain U.S. government agency obligations are generally exempt from taxation in most states.* To the right of each fund name, you'll find two columns:

- **Column 1. Percentage of the fund's total *income* derived from U.S. government obligations in 2019.**

Check with your state or local tax office or with your tax advisor to determine whether your state allows you to exclude some or all of the income you earn from mutual funds that invest in U.S. government obligations. If your state allows an exclusion, refer to this column for the percentage of income that may be excluded for each fund in which you're invested.**

- **Column 2. Percentage of the fund's *assets* invested in U.S. government obligations as of December 31, 2019.**

Certain states and municipalities require residents to pay intangible or personal property tax. If you're required to pay either of these taxes, refer to this column for the percentage that may be excluded from these taxes for each fund in which you're invested.

Questions?

Call us at 877-662-7447 Monday through Friday from 8 a.m. to 8 p.m., Eastern time. Our investment professionals can't provide tax advice; consult a qualified tax professional if your tax situation is complex or if you're uncertain about a specific IRS rule. You can also find a variety of general tax-preparation data and tools at investor.vanguard.com/taxes/.

*Investments in U.S. government obligations may include the following: Banks for Cooperatives, the Commodity Credit Corporation, the Federal Deposit Insurance Corporation, Federal Farm Credit Banks, the Federal Financing Bank, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks and the Federal Land Bank Association, the Federal Savings and Loan Insurance Corporation, the General Insurance Fund, the Government Services Administration (GSA Public Building Trust Participation Certificates), the Production Credit Association, the Student Loan Marketing Association, the Tennessee Valley Authority, the U.S. Postal Service, and the U.S. Treasury Department (bonds, notes, bills, certificates, and savings bonds). GNMA securities aren't U.S. government obligations.

**The percentages provided apply only to income distributions (dividends); they don't apply to capital gains distributions (whether long-term or short-term).

	Column 1	Column 2
Vanguard fund*	Percentage of income from U.S. government obligations	Percentage of assets invested in U.S. government obligations as of December 31, 2019
Alternative Strategies Fund	11.11%	7.99%
Balanced Index Fund	17.59	17.31
Capital Opportunity Fund	2.02	0.36
Commodity Strategy Fund**	93.70	74.68
Core Bond Fund	22.51	24.36
Emerging Markets Bond Fund	1.52	3.12
Explorer™ Fund	4.02	0.90
Explorer Value Fund	2.88	2.58
Extended Duration Treasury Index Fund**, †	99.98	99.99
Federal Money Market Fund**	73.24	73.36
Global Credit Bond Fund	3.08	3.13
Global ESG Select Stock Fund	2.13	1.04
Global Wellesley® Income Fund	1.65	1.66
Global Wellington™ Fund	1.97	1.81
GNMA Fund	2.62	0.84
High-Yield Corporate Fund	2.24	4.29
Inflation-Protected Securities Fund**, †	99.19	98.48
Intermediate-Term Bond Index Fund**	43.40	54.31
Intermediate-Term Investment-Grade Fund	5.77	6.52
Intermediate-Term Treasury Fund**, †	90.70	92.45
Intermediate-Term Treasury Index Fund**, †	99.92	99.88
International Core Stock Fund	2.85	1.56
LifeStrategy® Conservative Growth Fund	15.52	18.78
LifeStrategy Growth Fund	5.76	6.27
LifeStrategy Income Fund	19.69	24.79
LifeStrategy Moderate Growth Fund	10.79	12.55
Long-Term Bond Index Fund	31.82	41.94
Long-Term Investment-Grade Fund	4.48	6.72
Long-Term Treasury Fund**, †	95.22	93.45
Long-Term Treasury Index Fund**, †	99.90	99.97
Managed Payout Fund	2.46	12.12
Mortgage-Backed Securities Index Fund	1.78	2.67
Prime Money Market Fund	29.98	37.34
Selected Value Fund	2.18	2.52
Short-Term Bond Index Fund**	57.61	66.50
Short-Term Federal Fund	50.48	31.86
Short-Term Inflation-Protected Securities Index Fund**, †	99.43	99.31
Short-Term Investment-Grade Fund	7.88	6.13
Short-Term Treasury Fund**, †	93.39	94.61
Short-Term Treasury Index Fund**, †	99.83	99.69
STAR® Fund	3.27	2.30
Target Retirement 2015 Fund	24.68	28.91
Target Retirement 2020 Fund	17.24	20.33
Target Retirement 2025 Fund	10.78	12.34
Target Retirement 2030 Fund	8.84	10.05
Target Retirement 2035 Fund	6.86	7.74
Target Retirement 2040 Fund	4.87	5.40
Target Retirement 2045 Fund	3.17	3.29
Target Retirement 2050 Fund	3.08	3.28
Target Retirement 2055 Fund	3.04	3.28
Target Retirement 2060 Fund	3.02	3.31
Target Retirement 2065 Fund	2.83	3.28
Target Retirement Income Fund	26.64	33.00
Total Bond Market Index Fund	35.26	42.56
Total World Bond ETF	12.44	21.09
Treasury Money Market Fund**, †	97.79	94.75
U.S. Growth Fund	3.57	1.19
Ultra-Short-Term Bond Fund	4.42	6.26
Wellesley Income Fund	4.62	5.03
Wellington™ Fund	4.51	4.41

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

**This fund meets the threshold requirements for California, Connecticut, and New York, which require that 50% of the fund's assets at each quarter-end within the tax year consist of U.S. government obligations.

†This fund meets the requirements for a New Jersey "qualified investment fund."