



**IMPORTANT TAX INFORMATION**  
**For Calvert Tax Free and Municipal Funds**  
**PLEASE READ CAREFULLY**

**January 2010**

Taxpayers are **required to report tax-exempt income on IRS Form 1040**, but this is generally not included in taxable income. The federal tax exemption does not mean your dividend income is exempt from state or local taxes. **Most state and local taxing authorities require this income to be reported**, but will exempt the portion earned in that state. The percentage of exempt interest dividends earned by each Fund for each state is on the reverse side of this letter for your convenience.

Most of the dividends paid constitute exempt interest dividends that are generally exempt from federal income tax. This tax-exempt income is reported to you on Form 1099-INT, box 8. Some of the funds derived a small portion of their gross income from taxable investments. If the **taxable** portion of income for your account was greater than \$10.00, you will also receive Form 1099-DIV.

**Calvert Tax Free Bond Fund** paid long-term capital gains in 2009. If the total of your taxable dividend income and the long-term gain is greater than \$10.00, you will receive a 1099-DIV.

**Alternative Minimum Tax (AMT)**

All **Taxpayers are required to report tax-exempt income on IRS Form 1040**, but this will not be included in taxable income unless: 1) you are required to include these dividends in computing your taxable Social Security benefits; and/or 2) you are subject to the Alternative Minimum Tax (IRS Form 6251). In general, only some corporations and investors filing jointly who derive at least \$79,950 (\$46,700 for single filers) of their income from certain tax preference items, including private activity bonds, will have to compute an Alternative Minimum Tax. If you are filing Form 6251, the portion of your exempt interest dividends that is subject to AMT is shown on **Form 1099-INT, box 9**.

## SOURCE OF 2009 EXEMPT INTEREST DIVIDENDS

STATE	Calvert Tax-Free Reserves Money Market	Calvert Tax-Free Reserves Limited Term	Calvert Tax-Free Bond Fund	Calvert National Municipal Intermediate
AL	3.25%	2.16%	1.68%	7.87%
AK	0.54%	0.00%	0.00%	0.00%
AZ	1.73%	0.00%	0.02%	0.00%
AR	0.00%	0.00%	0.33%	2.04%
CA	4.29%	4.42%	5.31%	1.32%
CO	2.55%	0.00%	1.67%	2.06%
CT	0.64%	0.00%	1.42%	5.84%
DE	0.00%	0.00%	0.00%	0.00%
DC	2.61%	0.00%	0.17%	0.00%
FL	2.87%	9.66%	13.65%	9.90%
GA	1.63%	1.45%	1.40%	1.27%
GU	0.00%	0.00%	0.91%	0.00%
HI	1.68%	0.00%	0.60%	1.05%
ID	0.00%	0.00%	0.00%	0.00%
IL	3.10%	8.89%	3.01%	2.78%
IN	7.31%	1.32%	1.25%	0.08%
IA	2.99%	4.13%	0.59%	0.02%
KS	0.02%	0.00%	0.95%	0.29%
KY	2.11%	0.00%	2.58%	2.38%
LA	1.41%	0.41%	1.81%	2.90%
ME	0.32%	0.00%	0.00%	0.00%
MD	3.51%	0.15%	0.50%	0.46%
MA	0.45%	7.10%	1.25%	2.38%
MI	1.23%	0.00%	0.90%	0.00%
MN	0.55%	0.97%	0.25%	0.00%
MS	2.49%	0.00%	0.68%	2.15%
MO	1.31%	7.68%	0.52%	0.92%
MT	0.00%	0.00%	0.00%	0.00%
NE	0.00%	0.00%	0.00%	0.00%
NV	0.15%	0.00%	1.15%	0.00%
NH	0.33%	0.00%	0.00%	0.00%
NJ	0.23%	2.19%	5.39%	7.40%
NM	0.54%	0.00%	1.58%	0.00%
NY	4.45%	9.14%	0.55%	2.89%
NC	1.16%	0.00%	1.11%	1.74%
ND	0.75%	8.77%	1.92%	0.00%
OH	3.33%	2.37%	3.55%	1.51%
OK	4.39%	0.00%	0.59%	3.41%
OR	0.00%	0.00%	0.00%	0.00%
PA	5.26%	1.64%	1.47%	5.21%
PR	2.39%	4.05%	4.63%	2.44%
RI	0.06%	0.00%	0.58%	0.00%
SC	3.90%	0.01%	1.10%	4.77%
SD	0.12%	0.00%	0.00%	0.00%
TN	1.95%	0.94%	0.04%	0.00%
TX	5.02%	22.47%	15.87%	16.20%
UT	0.66%	0.00%	0.00%	0.00%
VT	2.58%	0.06%	8.70%	0.96%
VI	0.00%	0.00%	1.58%	0.00%
VA	2.15%	0.00%	2.79%	5.77%
WA	2.82%	0.00%	4.11%	1.96%
WV	0.48%	0.00%	0.00%	0.00%
WI	7.70%	0.00%	1.83%	0.00%
WY	0.65%	0.00%	0.00%	0.00%

**State Specific Funds Source of 2009 Exempt Interest Dividends**

Vermont Municipal 70.34% VT, 21.11% PR, 5.82% GU, 2.73% VI