

# Information on the taxes associated with 2014 equity and dividend distributions

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As you prepare your 2014 tax returns, you may have questions related to the equity distribution and how it impacts your return. Just like any distribution of stock and the subsequent sale of it, there are taxes associated with your shares. The scenarios below give you an idea of the forms you can expect to receive and more information on what's included on each form.

- **Received shares in 2014?** If you were eligible for the Days 30, 60, 90, 120 and disputed claims reserve distributions, you can expect the value of the shares allocated to you in 2014 to appear in Box 1 as "Wages", Box 3 as "Social Security wages" (up to the annual wage cap), and Box 5 as "Medicare wages" on your 2014 W-2. That's because your shares are considered wages for purposes of federal, state and local income taxes and FICA, and are subject to required withholding of taxes. The net shares actually received by you were the shares allocated to you less the shares withheld to pay these taxes.

If you receive your W-2 by mail, those have been mailed out by now. And, if you signed up for an online W-2, instructions for accessing the website are available on [Jetnet](#).

- **Sold shares in 2014?** The subsequent sale of all or any portion of your net shares is a taxable event that could trigger a gain or loss. The gain or loss, if any, is based on the difference between the proceeds from the sale of your shares and the cost basis. The cost basis represents the number of shares sold multiplied by the Fair Market Value (or the price per share at the time of distribution). You can find the Fair Market Value by visiting [Jetnet](#).

This sale transaction is not considered a part of your wages and will not be included in your W-2, but will be reported separately on a Form 1099-B. The gain/loss from the sale may be short- or long-term capital gain based on the amount of time the shares have been held.

If you sold your shares through Computershare, you will receive a 1099-B from them, if you haven't already. And, if you transferred your shares from Computershare to another broker and subsequently sold the shares, you will receive the 1099-B from your broker and should contact them directly with any questions.

If you sold through Computershare and have questions about the 1099-B form you received, or information or values on it, you should either reach out to a tax professional or Computershare by calling 1-888-843-6630 (ask an operator to connect you to Computershare).

- **Held shares during 2014?** If you held AAL shares (were an AAL shareholder) on dates American paid at least one of its two dividends, you'll receive a Form 1099-DIV from Computershare (these have already been mailed). Or, if you transferred your shares to another broker, you should receive the 1099-DIV from them. If you have questions about the form or the information on it, you should either reach out to a tax professional, Computershare by calling 1-888-843-6630 (ask an operator to connect you to Computershare) or your personal broker (if you transferred shares).
- **Received shares from a trust distribution in 2014?** If you received a distribution of shares from a workgroup trust, shares were sold to cover taxes associated with the distribution. This is different than a normal distribution from the company as those distributions involve a net issuance – that is, shares are withheld to cover taxes and you received the net amount. If you received a distribution from a workgroup trust in 2014, you will receive a separate 1099-B form from Computershare, if you haven't already. This form represents the sell-to-cover transaction(s).

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If you have any questions about forms you've received or expect to receive, please contact a tax professional, Computershare or your personal broker (if you transferred your shares).