



Investment  
Management

# 2018 Supplementary Tax Information

The enclosed information may be useful in the preparation of your federal, state, and/or city tax returns.

- U.S. Government Obligations Information
- Percentage of Income Earned by State and U.S. Territory
- Percentage of Income Subject to the Federal Alternative Minimum Tax (AMT)

## U.S. Government Obligations Information

In most states, fund dividends derived from U.S. government obligations are generally exempt from state income taxes. The percentage shown below is the portion of the dividend income paid by certain funds that qualifies for this exemption. To calculate the amount of income earned from U.S. government obligations, multiply the percentage by the ordinary dividends (excluding any short-term capital gain distributions) you received from the fund during the 2018 calendar year. Shareholders in CA, CT and NY should note that only the funds denoted with an asterisk (\*) meet the minimum investment requirements of these states to permit the "pass-through" of exempt income. Funds not shown had 0% dividend income derived from U.S. government obligations.

Fund Name	U.S. Government Obligation %
Schwab Treasury Inflation Protected Securities Index Fund*	99.94%
Schwab Intermediate-Term Bond Fund	35.20%
Schwab U.S. Aggregate Bond Index Fund	31.73%
Schwab Short-Term Bond Index Fund*	56.97%
Schwab MarketTrack Growth Portfolio™	5.49%
Schwab MarketTrack Balanced Portfolio™	12.62%
Schwab MarketTrack Conservative Portfolio™	18.37%
Schwab Balanced Fund	13.03%
Schwab Target 2010 Fund	21.51%
Schwab Target 2015 Fund	21.59%
Schwab Target 2020 Fund	18.44%
Schwab Target 2025 Fund	12.78%
Schwab Target 2030 Fund	8.47%
Schwab Target 2035 Fund	6.04%
Schwab Target 2040 Fund	4.01%
Schwab Target 2045 Fund	2.51%
Schwab Target 2050 Fund	1.73%
Schwab Target 2055 Fund	1.12%
Schwab Target 2060 Fund	0.64%
Schwab Target 2010 Index Fund	25.66%
Schwab Target 2015 Index Fund	23.88%
Schwab Target 2020 Index Fund	21.04%
Schwab Target 2025 Index Fund	14.52%

Fund Name	U.S. Government Obligation %
Schwab Target 2030 Index Fund	10.22%
Schwab Target 2035 Index Fund	7.41%
Schwab Target 2040 Index Fund	5.27%
Schwab Target 2045 Index Fund	3.72%
Schwab Target 2050 Index Fund	2.70%
Schwab Target 2055 Index Fund	1.83%
Schwab Target 2060 Index Fund	1.47%
Schwab Advisor Cash Reserves® <sup>1,2</sup>	0.01%
Schwab Cash Reserves	0.01%
Schwab GNMA Fund <sup>3</sup>	7.78%
Schwab Government Money Fund <sup>1</sup>	25.32%
Schwab Retirement Government Money Fund*	69.74%
Schwab Treasury Obligations Money Fund <sup>1</sup>	17.31%
Schwab U.S. Treasury Money Fund <sup>®1</sup>	100.00%
Schwab Value Advantage Money Fund <sup>®1</sup>	0.01%
Schwab Variable Share Price Money Fund	0.01%
Schwab Monthly Income Fund – Moderate Payout	19.43%
Schwab Monthly Income Fund – Enhanced Payout	24.12%
Schwab Monthly Income Fund – Maximum Payout	28.14%
Schwab U.S. TIPS ETF*	99.95%
Schwab Short-Term U.S. Treasury ETF*	99.92%
Schwab Intermediate-Term U.S. Treasury ETF*	99.94%
Schwab U.S. Aggregate Bond ETF	30.63%

<sup>1</sup> Percentages apply to all share classes.

<sup>2</sup> The Fund liquidated on October 31, 2018.

<sup>3</sup> The Fund liquidated on November 15, 2018.

**Investors should consider carefully information contained in a fund's prospectus, or if available, the summary prospectus, including investment objectives, risks, charges and expenses. You can view and download a prospectus by visiting [www.schwabfunds.com](http://www.schwabfunds.com). Please read the prospectus carefully before investing.**

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