



Deemed-Issuance Ratio for Internal Revenue Code (IRC) 817(h)

The Federal Housing Finance Agency (FHFA) [announced](#) the first deemed-issuance ratio (for the 2019 calendar year) in accordance with Internal Revenue Service (IRS) guidelines on the trading of the Uniform Mortgage-Backed Security on December 6, 2018. IRS [Revenue Procedure 2018-54](#) calls for FHFA to determine a deemed-issuance ratio for each calendar year based on the ratio of TBA-eligible securities issued by Fannie Mae and Freddie Mac during the 24-month period ending October 31 of the preceding year.

On November 30, 2020, FHFA [announced](#) the deemed-issuance ratio for the 2021 calendar year.

The IRS procedure provides that the ratio may be rounded as long as the rounded ratio is further from 50-50 than the actual observed data. Therefore, the deemed-issuance ratio for the 2021 calendar year is 60% Fannie Mae and 40% Freddie Mac.

FHFA plans to announce the ratio annually at least three weeks prior to the affected calendar year and will update this table accordingly.

Year	Enterprise	TBA-eligible securities issued during 24 months ending on October 31 of previous calendar year (billions)	Deemed-Issuance Ratio (percent)
2021	Fannie Mae	\$1,637.579	60
2021	Freddie Mac	\$1,232.936	40
2020	Fannie Mae	\$947.251	60
2020	Freddie Mac	\$686.309	40
2019	Fannie Mae	\$940.344	60
2019	Freddie Mac	\$650.411	40