

**Report of Organizational Actions
Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Active Assets California Tax-Free Trust		2 Issuer's employer identification number (EIN) 13-3622792	
3 Name of contact for additional information Michael Conklin	4 Telephone No. of contact 312-706-4706	5 Email address of contact msiptax.req@morganstanley.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact c/o Morgan Stanley Tax, 440 S. LaSalle Street, 39th Floor		7 City, town, or post office, state, and Zip code of contact Chicago, IL, 60605	
8 Date of action See Item 14 Below	9 Classification and description COMMON STOCK DIVIDENDS		
10 CUSIP number 00507L101	11 Serial number(s) N/A	12 Ticker symbol AACXX	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ The Issuer paid monthly distributions to common stock shareholders during calendar year 2016. All or part of such distributions constitute a non-taxable return of capital.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

The quantitative effect of the distributions reported as a return of capital on a per share basis are set forth in the table below

Record Date	Payment Date	Distribution Per Share	Return of Capital	Record Date	Payment Date	Distribution Per Share	Return of Capital
01/28/2016	01/28/2016	0.000008493	0.000000000	08/30/2016	08/30/2016	0.000008491	0.000003452
02/26/2016	02/26/2016	0.000007945	0.000000000	09/29/2016	09/29/2016	0.000005518	0.000002243
03/30/2016	03/30/2016	0.000008493	0.000000000				
04/28/2016	04/28/2016	0.000008219	0.000000000				
05/27/2016	05/27/2016	0.000008493	0.000000000				
06/29/2016	06/29/2016	0.000008219	0.000000000				
07/28/2016	07/28/2016	0.000008493	0.000003453				
08/10/2016	08/11/2016	0.000497500	0.000202263				

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Issuer's current and accumulated earnings were compared to distributions paid during the fiscal year ended June 30, 2016. The non-taxable return of capital represents the amount of distributions paid during the taxable fiscal year ended June 30, 2016 in excess of issuer's current and accumulated earnings and profits under IRC Section 316.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Internal Revenue Code Section 301(c)(2) and Section 316

Blank lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ Not applicable.

Blank lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable year is fiscal year ending June 30, 2016

Blank lines for providing other information necessary for the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 8/20/18

Print your name ▶ Michael Conklin Title ▶ Assistant Treasurer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.