

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

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Avenue Income Credit Strategies Fund		2 Issuer's employer identification number (EIN) 80-0660749	
3 Name of contact for additional information Avenue Capital Group	4 Telephone No. of contact 212-878-3500	5 Email address of contact investorrelations@avenuecapital.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 399 Park Avenue - 6th Floor		7 City, town, or post office, state, and Zip code of contact New York, NY 10022	
8 Date of action See Attachment		9 Classification and description Regulated Investment Company Shares - Non-Taxable Distribution	
10 CUSIP number 05358E106	11 Serial number(s) N/A	12 Ticker symbol ACP	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 ▶ **Avenue Income Credit Strategies Fund has a policy to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code. As provided therein in any fiscal year in which the Fund so qualifies and distributes at least 90% of its taxable income, the Fund (but not its shareholders) will be relieved of Federal income tax on the income distributed. As of 10/31/16, Avenue Income Credit Strategies Fund qualified as a regulated investment company in accordance with Subchapter M of the Internal Revenue Code. As of 10/31/16, Avenue Income Credit Strategies Fund had one class of stock for which distributions of property were made that resulted in an adjustment to the basis of that stock in the hands of its respective shareholders. Distributions of property in the form of dividends treated as a return of capital were made on the following 2016 payment dates: February 29, March 31, April 29, May 31, June 30, July 29, August 31, September 30, and October 31. The 2016 dates upon which shareholders of record were measured were as follows: February 11, March 11, April 11, May 12, June 13, July 11, August 11, September 12, and October 13. As of October 31, 2016, there were 13,074,072 shares of common stock outstanding.**

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 attached schedule.**

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 ▶ **The calculation for the return of capital portion of dividends made to common stock shareholders of Avenue Income Credit Strategies Fund during 2016 represents the total distributions made to common shareholders less the amount attributed to ordinary income and capital gains.**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
Pursuant to IRC § 301(c)(1), the portion of a distribution which is a dividend (as defined in IRC § 316), is includable in gross income.
Pursuant to IRC § 301(c)(2), the portion of a distribution which is not a dividend, shall be applied against and reduce the adjusted basis of the stock.

18 Can any resulting loss be recognized? ▶ Not Applicable

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The organizational action is reportable with respect to the taxable year ended October 31, 2016.

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 ▶ Stephen M. Atkins Date ▶ 11/30/17
 Print your name ▶ Stephen M. Atkins Title ▶ 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.			

Send Form 9937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Avenue Income Credit Strategies Fund
EIN 80-0660749
Fiscal Year Ended October 31, 2016
Supplemental Attachment to Form 8937

Cusip	Ticker	Record Date	Ex-Dividend Date	Payable Date	Total Distribution Per Share	Non-Taxable Return of Capital Per Share	Taxable Distribution Per Share
05358E106	ACP	02/11/2016	02/09/2016	02/29/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	03/11/2016	03/09/2016	03/31/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	04/11/2016	04/07/2016	04/29/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	05/12/2016	05/10/2016	05/31/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	06/13/2016	06/09/2016	06/30/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	07/11/2016	07/07/2016	07/29/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	08/11/2016	08/09/2016	08/31/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	09/12/2016	09/08/2016	09/30/2016	0.120000000	0.014876320	0.105123680
05358E106	ACP	10/13/2016	10/11/2016	10/31/2016	0.120000000	0.014876320	0.105123680