

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): February 3, 2021

CAPITAL SOUTHWEST CORPORATION
(Exact Name Of Registrant As Specified In Charter)

Texas
(State or Other Jurisdiction of Incorporation)

814-00061
(Commission File Number)

75-1072796
(IRS Employer Identification No.)

5400 Lyndon B. Johnson Freeway, Suite 1300
Dallas, Texas 75240
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (214) 238-5700

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$0.25 par value per share	CSWC	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On February 3, 2021, Capital Southwest Corporation (the "Company") issued a press release announcing the tax treatment of its 2020 dividends, a copy of which has been furnished as Exhibit 99.1 hereto and is incorporated by reference herein. Capital Southwest paid dividends totaling \$2.04 per share that are attributable to the tax year ended December 31, 2020, with 100.00% comprised of ordinary income. The ordinary income was further made up of 91.82% taxed as ordinary income and 8.18% taxed as qualified dividends.

The information set forth under this Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued by Capital Southwest Corporation on February 3, 2021

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 3, 2021

By: /s/ Bowen S. Diehl

Name: Bowen S. Diehl

Title: Chief Executive Officer and President



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Capital Southwest Announces Federal Tax Treatment of 2020 Dividends

Dallas, Texas - February 3, 2021 - Capital Southwest Corporation (“Capital Southwest,” “CSWC” or the “Company”) (Nasdaq: CSWC), an internally managed business development company focused on providing flexible financing solutions to support the acquisition and growth of middle market businesses, announced today the tax treatment of its 2020 dividends.

Federal Tax Treatment of 2020 Dividends

Capital Southwest paid dividends totaling \$2.04 per share that are attributable to the tax year ended December 31, 2020, with 100.00% of those dividends comprised of ordinary income. Further, the ordinary income was 91.82% taxed as ordinary income and 8.18% taxed as qualified dividends. Long-term capital gains and qualified dividends (subject to certain limitations) paid to non-corporate taxpayers (including individuals) qualify for favorable tax treatment under the Internal Revenue Code (“IRC”) and, for 2020, will generally be subject to a maximum 20% U.S. federal income tax rate (plus a 3.8% Medicare surtax, if applicable). The Company has posted information regarding the U.S. federal income tax characteristics of its dividends that are attributable to 2020 on its website (<http://www.capitalsouthwest.com/tax-information>).

The amounts shown in the table below represent the final classification of the Company’s 2020 distributions. This information supersedes any estimated information you may have received during the year. Calendar-year 2020 distributions are classified as follows:

Form 1099-DIV Reporting			Box 1a	Box 1a and Box 1b	Box 2a	Non-U.S. Shareholder	Non-U.S. Shareholder
Record Date	Payment Date	Distribution per Share	Ordinary Dividend Per Share (i)	Qualified Dividends Per Share (i), (ii)	Long-Term Capital Gain Per Share (iii)	% of Interest-Related and Short-Term Capital Gain (iv)	% of Distributions Exempt from U.S. Withholding Tax (v)
03/16/20	03/31/20	\$ 0.5100	\$ 0.4544	\$ 0.0556	\$ -	100.00%	100.00%
06/15/20	06/30/20	\$ 0.5100	\$ 0.4544	\$ 0.0556	\$ -	91.74%	91.74%
09/15/20	09/30/20	\$ 0.5100	\$ 0.4544	\$ 0.0556	\$ -	91.74%	91.74%
12/15/20	12/31/20	\$ 0.5100	\$ 0.5100	\$ -	\$ -	91.74%	91.74%
		\$ 2.0400	\$ 1.8732	\$ 0.1668	\$ -		

% of Total Dividend

Paid Per Share	100.000%	91.824%	8.176%	0.000%	93.802%	93.802%
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(i) Form 1099-DIV Box 1a includes the combined amounts of the columns "Ordinary Dividend Per Share" and "Qualified Dividends Per Share," contained within table above.

(ii) The portion of the dividend reported in Box 1a treated as Qualified Dividend is reported on Form 1099-DIV in Box 1b.

(iii) Net Capital Gain Dividend is reported on Form 1099-DIV in Box 2a.

(iv) The Company designates the above percentages of each of the total dividends by payment date as Interest-Related Dividend and Short-Term Capital Gain Dividend in accordance with IRC Sections 871(k) and 881(e).

(v) The percentages designate the portion of CSWC's dividends received by Non-U.S. Residents and Foreign Corporation Shareholders that constitute Interest-Related Dividends, Short-Term Capital Gains Dividends, and Net Capital Gain Dividends to total amount of the dividends derived which generally are exempt from United States withholding tax for these periods for Non-U.S. Residents and Foreign Corporation Shareholders.

Non-U.S. residents and foreign corporation shareholders ("Non-U.S. Shareholders") in a Regulated Investment Company ("RIC") such as Capital Southwest, are exempt from U.S. withholding tax on both "interest-related" dividends and short-term capital gains in accordance with the IRC sections 871(k) and 881(e). In addition, Non-U.S. Shareholders in a RIC are also exempt from U.S. withholding tax on long-term capital gains. Approximately 93.80% of Capital Southwest's 2020 dividends relate to interest, short-term capital gains and long-term capital gains. See the "Tax Treatment of 2020 Dividends for Non-U.S. Shareholders" posted on the Company's website for more details (<http://www.capitalsouthwest.com/tax-information>).

Dividends distributed to Non-U.S. Shareholders may have been withheld to pay U.S. federal income tax. Non-U.S. Shareholders should contact their tax advisor with any questions regarding this information, and its application to any claim for refund of taxes paid to the U.S. Internal Revenue Service.

About Capital Southwest

Capital Southwest Corporation (Nasdaq: CSWC) is a Dallas, Texas-based, internally managed business development company with approximately \$313 million in net assets as of December 31, 2020. Capital Southwest is a middle market lending firm focused on supporting the acquisition and growth of middle market businesses with \$5 million to \$25 million investments across the capital structure, including first lien, unitranche, second lien, subordinated debt and non-control equity co-investments. As a public company with a permanent capital base, Capital Southwest has the flexibility to be creative in its financing solutions and to invest to support the growth of its portfolio companies over long periods of time.

Forward-Looking Statements

This press release contains historical information and forward-looking statements with respect to the business and investments of Capital Southwest. Forward-looking statements are statements that are not historical statements and can often be identified by words such as "will," "believe," "expect" and similar expressions and variations or negatives of these words. These statements are based on management's current expectations, assumptions and beliefs. They are not guarantees of future results and are subject to numerous risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statement. These risks include risks related to: changes in the markets in which Capital Southwest invests; changes in the financial, capital, and lending markets; regulatory changes; tax treatment and general economic and business conditions; and uncertainties associated with the impact from the COVID-19 pandemic, including its impact on the global and U.S. capital markets and the global and U.S. economy, the length and duration of the COVID-19 outbreak in the United States as well as worldwide and the magnitude of the economic impact of that outbreak; the effect of the COVID-19 pandemic on our business prospects and the operational and financial performance of our portfolio companies, including our ability and their ability to achieve their respective objectives, and the effects of the disruptions caused by the COVID-19 pandemic on our ability to continue to effectively manage our business.

Readers should not place undue reliance on any forward-looking statements and are encouraged to review Capital Southwest's Annual Report on Form 10-K for the year ended March 31, 2020 and subsequent filings, including the "Risk Factors" sections therein, with the Securities and Exchange Commission for a more complete discussion of the risks and other factors that could affect any forward-looking statements. Except as required by the federal securities laws, Capital Southwest does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changing circumstances or any other reason after the date of this press release.

Investor Relations Contact:

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