

**IMPORTANT 2020 TAX INFORMATION
VIRTUS TOTAL RETURN FUND INC.**

January 2021

Dear Shareholder:

To assist you and your tax professional in filing your tax return, we are providing you with the following information. The table below indicates the tax character of distributions paid by the Fund for 2020. Please consult with your tax advisor for information related to your personal tax situation.

Date Paid	Ordinary Income	Return of Capital	Total Distributions	Reinvestment Price
February 21, 2020	\$0.005	\$0.108	\$0.113	\$11.314500
March 19, 2020	0.005	0.108	0.113	5.972591
April 20, 2020	0.005	0.108	0.113	8.027221
May 18, 2020	0.005	0.108	0.113	8.160000
June 18, 2020	0.003	0.077	0.080	8.443253
July 20, 2020	0.003	0.077	0.080	8.209339
August 20, 2020	0.003	0.077	0.080	8.144484
September 18, 2020	0.003	0.077	0.080	7.949971
October 20, 2020	0.003	0.077	0.080	7.952493
November 19, 2020	0.003	0.077	0.080	8.334149
December 18, 2020	0.080	0.000	0.080	8.721156
January 11, 2021*	0.080	0.000	0.080	8.606067
Totals	\$0.198	\$0.894	\$1.092	

*The distribution paid on January 11, 2021 is reportable in 2020.

Ordinary Income - For 2020, approximately 18.10% of the Fund's total distributions represent ordinary income (shown in Box 1a of your 1099-DIV). These distributions will be taxed as ordinary income whether received in cash or reinvested in stock. The percentage of each ordinary income dividend that is qualified dividend income is 91.73% (shown in Box 1b of your Form 1099-DIV) and is eligible for a reduced tax rate. The percentage of each ordinary income dividend that qualifies for the dividends received deduction allowed to certain corporate shareholders is 50.49%

Of the dividends paid in 2020, no portion was derived from earnings on obligations of the U.S. Government.

Long Term Capital Gains – For 2020, none of the Fund's total distributions represent Long Term Capital Gains (shown in Box 2a of your 1099-DIV).

Return of Capital – For 2020, approximately 81.90% of the Fund's total distributions represent a non-taxable return of capital (shown in Box 3 of your 1099-DIV). These distributions are a **tax-free** return of capital and **should not** be reported as income, whether received in cash or reinvested in stock. The distributions from return of capital will, however, reduce your cost basis in the shares.

If you have any questions, please visit the closed end fund section of our website at Virtus.com or contact Shareholder Services at 1-866-270-7788, Monday through Thursday 8:30 a.m. to 6:00 p.m. Eastern Time and Fridays until 5:00 p.m.

IRS Circular 230 Disclosure: Any information contained in this communication (including any attachments) is not intended to be used, and cannot be used, to avoid penalties imposed under the U.S. Internal Revenue Code.