FRANKLIN TEMPLETON INVESTMENTS

INCOME FOR WHAT'S NEXT®

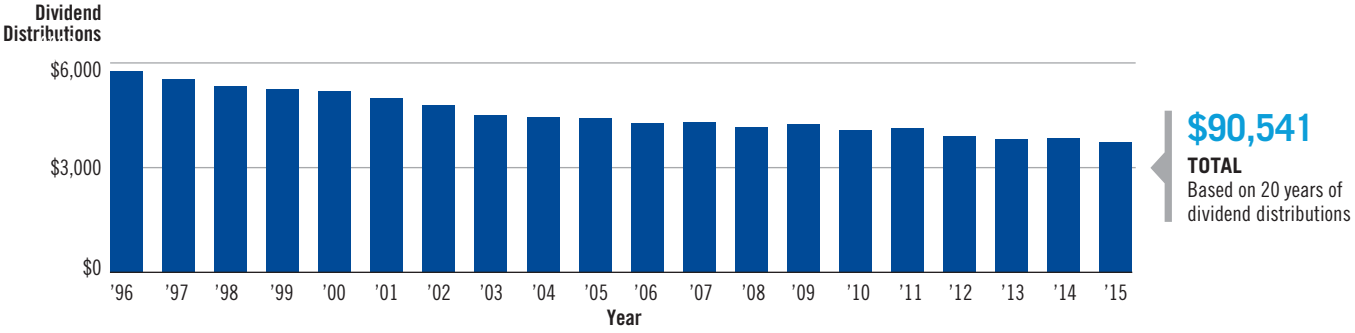
Franklin Federal Tax-Free Income Fund FKTIX

Translating savings into a regular "paycheck" in retirement can feel challenging. The challenge is making sure your distribution plan provides you with the retirement income that helps you achieve your goals and address your concerns while lasting as long as you do. Work with your financial advisor to determine your individual needs and write down a plan to address them. The hypothetical illustrations below show how this fund and the use of dividend distributions may fit as part of a well-diversified retirement income portfolio.

HYPOTHETICAL ILLUSTRATIONS: 20 YEARS OF TAX-FREE DIVIDENDS[1,2,3]

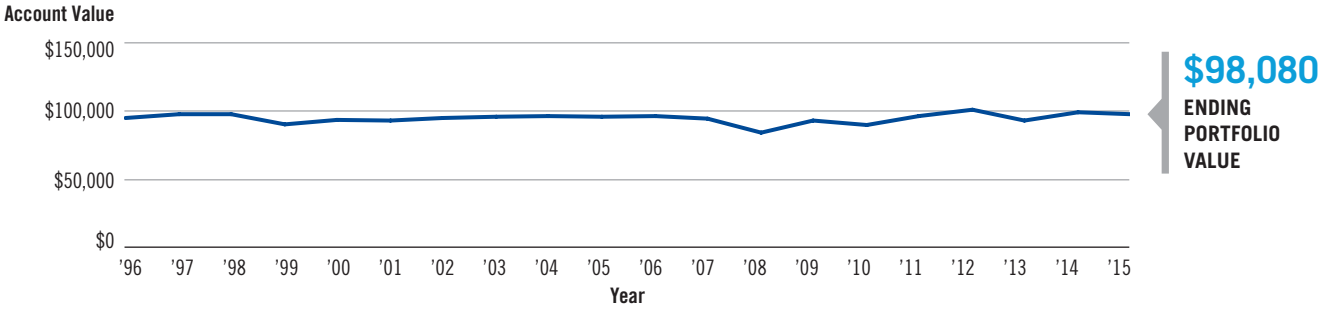
$100,000 Initial Investment (Class A with Sales Charge), Receive Dividends, Reinvest Capital Gains

Summary Illustration Based on Dividend Distributions (January 1, 1996–December 31, 2015)



Please note that the payment of dividends is never assured and may vary over time.

Hypothetical Account Value after $90,541 of Dividend Distributions

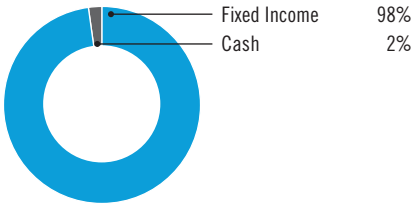


Although this hypothetical illustration represents a 20-year period, a retirement period could last more than 20–30 years. Investing in a Franklin Templeton fund does not guarantee one's retirement income needs will be met.

RetireMetrics Check

Standard Deviation (%)[4]	As of 3/31/16 3-Year	5-Year	10-Year
Franklin Federal Tax-Free Income Fund	**4.04**	**4.02**	**4.91**
Barclays Municipal Bond Index	3.38	3.34	4.37

Asset Allocation[5] (as of 3/31/16)



Performance data represents past performance, which does not guarantee future results. *Current performance may differ from figures shown. The fund's investment returns and principal values will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton Investments at (800) DIAL BEN/342-5236 or visit* ***franklintempleton.com*** *for the most recent month-end performance.*

Not FDIC Insured | May Lose Value | No Bank Guarantee

Average Annual Total Returns–Class A
Periods ended March 31, 2016

	1-Year	3-Year	5-Year	10-Year	Since Inception (10/7/83)
With Maximum 4.25% Initial Sales Charge[3]	-1.57%	1.88%	5.18%	4.24%	6.59%
Without Sales Charge	2.82%	3.36%	6.09%	4.69%	6.73%

Gross Expense Ratio–Class A	30-Day Standardized Yield–Class A[7] As of 3/31/16	Beta (3-Year)–Class A[8] As of 3/31/16
0.62%	1.46%	1.18

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To learn more about Franklin Federal Tax-Free Income Fund, please call your financial advisor.

FUND DESCRIPTION AND RISKS

The fund seeks to provide investors with as high a level of income exempt from federal income taxes as is consistent with prudent investment management and the preservation of shareholders' capital.

All investments involve risks, including possible loss of principal. Because municipal bonds are sensitive to interest rate movements, the fund's yield and share price will fluctuate with market conditions. Bond prices generally move in the opposite direction of interest rates. Thus, as prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. Puerto Rico municipal bonds have been impacted by recent adverse economic and market changes, which may cause the fund's share price to decline. Changes in the credit rating of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. The fund may invest a significant part of its assets in municipal securities that finance similar types of projects, such as utilities, hospitals, higher education and transportation. A change that affects one project would likely affect all similar projects, thereby increasing market risk.

Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, talk to your financial advisor, call us at (800) DIAL BEN/342-5236 or visit ***franklintempleton.com****. Please carefully read a prospectus before you invest or send money.*

1. Dividends are generally subject to state and local taxes, if any. For investors subject to the alternative minimum tax, a small portion of fund dividends may be taxable. Distributions of capital gains are generally taxable.

2. The investment illustration for the period ended 12/31/15 assumes reinvestment of all capital gains at net asset value. Class A figures reflect the current initial sales charge.

3. Prior to 7/1/94, these shares were offered at a lower initial sales charge. On 5/1/94, Class A shares implemented a Rule 12b-1 plan, which affects subsequent performance.

4. Statistical measurement of the range of a fund's total returns. In general, higher standard deviation means greater volatility. Based on monthly returns over the last 3-, 5- and 10-year periods. Source: © 2016 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Indexes are unmanaged and one cannot invest directly in an index.

5. Holdings are subject to change. For updated information, please call Franklin Templeton Investments at (800) DIAL BEN/342-5236 or visit **franklintempleton.com**.

6. This fund offers other share classes, subject to different fees and expenses that will affect their performance. The fund has a fee waiver associated with its investments in a Franklin Templeton money fund, contractually guaranteed though at least its current fiscal year end. Fund investment results reflect the fee waiver, to the extent applicable; without this reduction, the results would have been lower.

7. The 30-Day Standardized Yield reflects an estimated yield to maturity. It should be regarded as an estimate of the fund's rate of investment income, and it may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders.

8. Beta is a measure of a fund's volatility relative to an appropriate index based on its investment goal. A beta greater than 1.00 indicates volatility greater than the market's. Beta calculated using Barclays Municipal Bond Index as the benchmark. Based on monthly returns over the last three years.

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