NOVASTAR FINANCIAL INC Form 8-K February 06, 2007 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

February 6, 2007

Date of Report (Date of earliest event reported)

NOVASTAR FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation or organization)

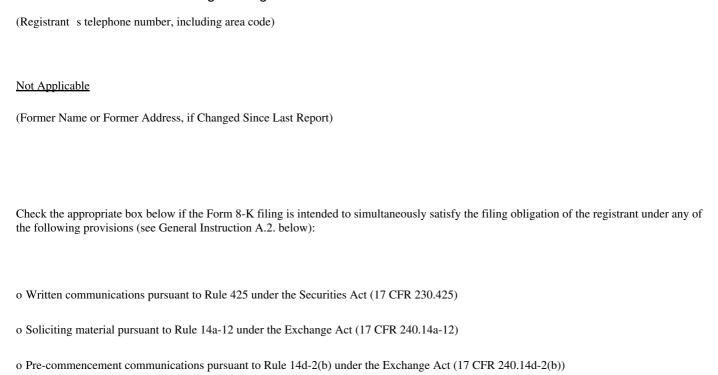
001-13533 (Commission File Number) 74-2830661 (I.R.S. Employer Identification No.)

8140 Ward Parkway, Suite 300, Kansas City, MO 64114

(Address of principal executive offices)

(Zip Code)

(816) 237-7000



o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

INFORMATION TO BE INCLUDED IN THE REPORT

Item 7.01 Regulation FD Disclosure

On February 6, 2007, NovaStar Financial, Inc. (NYSE:NFI), a residential lender and mortgage portfolio manager, announced the tax treatment of its 2006 common dividend distributions. All common dividends, taxable for the year 2006, should be treated as non-qualified in nature.

A copy of the press release is included as Exhibit 99 and is incorporated herein by reference. References to the registrant s website in the press release do not incorporate by reference the information on the registrant s website into this Current Report and the registrant disclaims any such incorporation by reference.

Item 9.01 Financial Statements and Exhibits

- (d) Exhibits
- 99 NovaStar Announces Tax Treatment for 2006 Common Dividends.

SIGNATURE

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 thereunto duly authorized.

NOVASTAR FINANCIAL, INC.

DATE: February 6, 2007

/s/ Gregory S. Metz Gregory S. Metz Chief Financial Officer

Exhibit Index

Exhibit

Number

99 NovaStar Announces Tax Treatment for 2006 Common Dividends.