



Pathfinder

Oneida Trust Committee Newsletter for the Oneida Minors Trust Fund

July 2016 | ISSUE 56

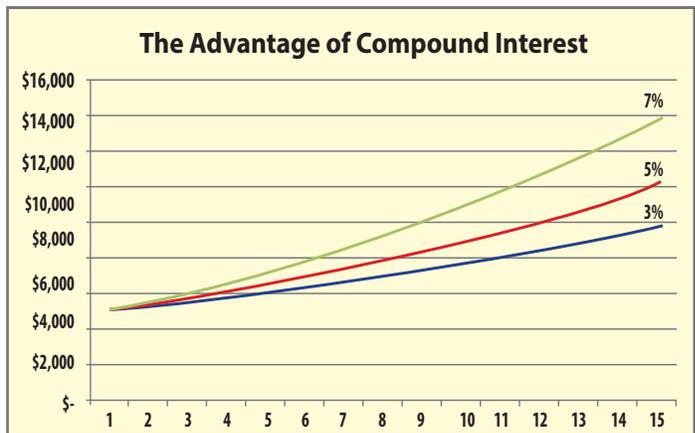
What's in this Pathfinder?

- How Does Compounding Work? 1
- SRI Goes Back A Long Way 2
- Online Resources 2
- There are Taxes on Minors Trust Fund Income 3
- Paw Points Ending Soon 3
- Important Information 4

How Does Compounding Work?

Imagine a field of corn, with hundreds or even thousands of stalks of corn, and hundreds of kernels on each ear. When planted, each seed grows into a tall plant, producing many new seeds. If you plant those seeds, they produce dozens of other plants and thousands of new seeds. And so on.

Compounding works the same way. You deposit some money (principal), and it earns interest. The interest is deposited into your account and now your interest earns interest along with your original deposit. This compounding effect earns interest on your deposits plus all the interest you have previously earned.

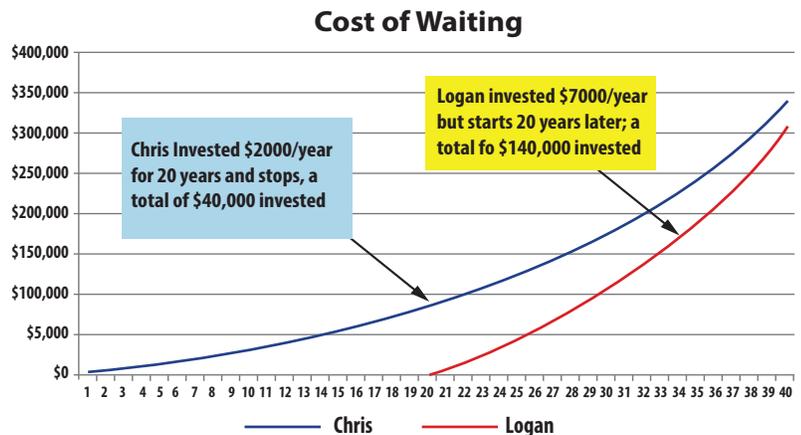


When it comes to saving, compounding is your best friend. Look at the chart and notice how the value of the \$5,000 deposit grows without making any more deposits.

Three factors make compounding possible. First, the amount of savings you deposit; second, the interest your deposits earn, and finally the amount of time you keep your money invested. Reducing any of those elements—your savings, interest or time—weakens the effects of compounding.

The earlier a person starts saving, the more his or her money will compound. For instance, imagine that an 18-year-old person, making minimum wage (a little more than \$800 a month) were to save \$100 a month (12.5% of that salary). Imagine he invests that money in a mutual fund that grows by 9% a year. By age 65 he or she would have \$888,549—he or she would almost be a millionaire! If that same person did not start saving until age 25, by age 65 that investment would only be worth \$468,132, a little more than half.

Teach your children that whenever they get allowance, gift money or earn money from a job, to save some first before they spend a penny on movies, games, snacks, clothes or toys. If they get into the habit of putting away at least 10% that good habit will help them throughout their lives.



Committee Members

- Debra Danforth
- Norbert Hill, Jr
- Carole Liggins
- Loretta V Metoxen
- Tracy Metoxen
- Debra Powless
- Elaine Skenandore-Cornelius
- Brandon Yellow-Bird Stevens
- Lois Strong

MAILING ENDED

As of January 2016 the Pathfinder Mailing was discontinued. The Pathfinder can now be found on the Oneida-nsn.gov website for your easy access.



SRI Goes Back A Long Way

More investors are beginning to understand that all investments have impact. Investments can finance socially desirable or socially destructive businesses. Corporations may have either a positive or a negative impact on people, communities, and our natural environment. Responsible investors seek to make money while shifting their investments toward a more economically and environmentally lasting future. This is sustainable and responsible investing.

For generations, religious investors whose traditions embrace peace and nonviolence have avoided investing in certain companies. They avoided companies that profited from products which enslaved or harmed fellow human beings. It is likely the Methodist and Quaker immigrants brought the concept of values-based investing to the “new world.” The Quakers never condoned investing in slavery or war. Methodists have been managing money in the U.S. using SRI principles for over two hundred years.

During the 60s, events escalated sensitivities to social issues and accountability. Concerns regarding the Vietnam War, civil rights, and equal rights for women broadened during the 1970s. Labor, management issues and anti-nuclear convictions were elevated. The ranks of responsible investors grew in the 1980s. Millions of people, churches, universities, cities, and states focused investment strategies on pressuring the white minority government of South Africa to dismantle the racist system of apartheid. The Bhopal, Chernobyl, and Exxon Valdez incidents kept the environment on the top of the socially conscious investors’ minds.

Three Dynamic Strategies

School shootings, human rights, respect for indigenous peoples around the world, and safe and healthy working conditions in factories have become rallying points for investors with dual objectives for their investment capital.

The bottom line includes profit and social impacts and provides the basis for aligning investment portfolios with personal values and social priorities. The rates of returns encompass an investor’s financial and social goals.

All investors look for profit potential, but responsible investors also look for an evaluation of environment, social, and governance (ESG) factors into their investment decision-making process. Management of ESG issues can have a material influence on company profitability, value, and share price. Qualitative ESG can help identify better-managed companies.

Shareowner Engagement involves dialogues with companies and filing resolutions. These tactics encourage more responsible corporate citizenship and more positive impact on society at large.

Community Impact Investing directs capital to people in low-income, at-risk communities where it is difficult to access financing. Many socially conscious investors earmark a percentage of their investment portfolios to community development financial institutions. CDFIs work to alleviate poverty, create jobs, provide affordable housing, and finance small business development in disadvantaged communities.

Online Resources:

<http://projectchange.sec.gov/projectchange.shtml>
Project CHANGE

“Creating Habits and Awareness for the Next Generation’s Economy” is a joint partnership between the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA) and the Jump\$tart Coalition for Personal Financial Literacy.

<http://www.usmint.gov/kids/cartoons/>
HIP Pocket Change

Play games, watch cartoons, and learn about money through the United States Mint.

Book Resources:

Alexander, Who Used To Be Rich Last Sunday
by Judith Viorst.

Although Alexander and his money are quickly parted, he comes to realize all the things that can be done with a dollar.



There are Taxes on Minors Trust Fund Income

A tax is money paid to governments by an individual or business to pay for public resources. These individuals or businesses are also known as tax payers. Not paying your taxes is punishable by law. Taxes come from payments made to individuals.

Taxes paid to the state are used for law enforcement, public order, public works and the state government itself. A portion of taxes pays off state debt (interest payments), welfare and public services such as: education, health care, pensions, unemployment, and public transportation.

Governments use different kinds of taxes and rates to spread the tax burden among tax payers. Governments may use taxes to reflect the wishes of the taxpayers, for example; a city may put in playground equipment at public parks for the benefit of the taxpayers. In some governments the taxpayers do not have power over where the funds will be used.

The Minors Trust Fund is an income that is taxed. Minors Trust Funds are established by deposits of money from gaming profits. According to the *Internal Revenue Service Publication 15-A*, it is outlined that money paid from gaming profits is taxable.

The Oneida Nation only withholds for Federal Taxes. Each year Federal Tax Withholding amounts may change, so the Trust Enrollment Department tracks

these annual changes. When a Minor becomes eligible to claim their Trust Account Funds the Trust Enrollment Department provides the Federal Tax information to the Minor so they can make an informed decision on whether or not they will choose to voluntarily have 20% withheld for Federal Taxes from their payment (gross). Should a Minor choose not to withhold Federal Taxes and they exceed a certain payment amount (gross), a mandatory Federal Tax withholding may be applied. The amount of Federal Taxes Withheld is dependent on the gross of the Minor Trust Fund payment.

The government also requires applying a special tax on individuals who do not provide or have a Social Security Number. The current Mandatory withholding, on a Trust fund, for not having a SSN on file is 28% of the total gross paid to the Minor. It is important for a person to have a SSN. Please check with the Trust Enrollment Department, (920)-869-6200 or toll free 800-571-9902, to see if you are subject to the Mandatory Federal Tax Withholding. The Trust Enrollment Department staff is able to provide you with current information from IRS Publication 15-A.

The Oneida Nation does not withhold State taxes. Please contact a qualified tax preparer with questions on the taxation rules that apply for the State where you reside.

Redeeming Your Paw Points –

Sadly our Paw Points game is being discontinued. If you collected any Paw Points now is the time to redeem them. There are limited quantities of the remaining prizes to choose from, therefore prizes may be substituted dependent on when your points are received. All points must be redeemed by October 31, 2016.

We appreciate everyone's participation in playing this game and encourage everyone to continue reading the Pathfinder while we develop it further for new and more interactive learning tools.





Oneida Trust Department

street address:
909 Packerland Dr.
Green Bay, WI 54303

mailing address:
P.O. Box 365
Oneida, WI 54155

Phone: (920) 490-3935
Fax: (920) 496-7491

Website:
<http://oneida-nsn.gov/>

Toll Free to reach all Tribal Departments:
1-800-236-2214

Oneida Enrollment Department

street address:
210 Elm St
Oneida, WI 54155

Phone: 920-869-6200
Fax: 920-869-2995

Toll Free Enrollment:
1-800-571-9902



Also found on:

Facebook
Oneida Intranet
Oneida Internet
Click through links at:
www.oneidationation.org,
Resources-Members
Only, Enrollment,
Minor Trust

Looking for a Minors Trust Distribution 1099 Misc Tax form?

We may have it.
You may call
920-869-6200 or
1-800-571-9902 for
more information.

Important Information

History – In 1994, GTC authorized the Oneida Trust Committee to administer the Minors' Trust Fund. Eligible enrolled tribal members under age 18 who receive a per capita payment, have their payments deposited directly into the Minors' Trust Account. There is an investment portfolio for minors up to age 14 and another investment portfolio for age 15+. The 15+ investment portfolio is a conservative portfolio to help preserve the principal.

Keep Your Address Current – Please keep your address current with the Enrollment Department. Important forms and statements are mailed to your address on file with this department.

Make sure your Social Security Number (SSN) is on file – If no SSN is on file when you claim your Minor Trust Account, we are required to withhold Federal Income Tax at a specialized rate. In 2015 the withholding rate was 28%.

Open a Bank Account – Start a banking relationship before you receive any Trust monies. Find a financial institution that fits your needs. Remember, most banks may put a "hold" on funds until a check clears, sometimes up to 11 days.

Are you eligible to **CLAIM** or **DEFER**? You must be enrolled and have a Minors' Trust Account. You must be at least age 18 on or before September 1 of the Payment Year with proof of graduation.

What does **CLAIM** mean? Claim means you submit acceptable documents to the Enrollment Department to receive your entire Minor Trust Account fund. When all of your funds are claimed your Minor Trust Account will be closed.

What does **DEFER** mean? This means you can leave all of, or a part of, your Minor Trust Account funds invested. These "deferred funds" are not taxable. Additional Information on the deferral process will be included in the paperwork you receive when you are eligible to claim your Minor Trust Account funds.

Do you have your diploma or HSED/GED? You are required to have attained a High School Diploma, High School Equivalency Diploma, or General Education Diploma before the age of 21. If you don't, you can't submit a request for your Minor Trust Account funds until you obtain your proof of education.

Not able to provide a diploma or HSED/GED? There are special provisions for persons who are determined to be incompetent or have a learning disability, please contact the Enrollment Department if you feel this applies to you. If you will be age 21 by September 1 of the Payment Year you are not required to provide any proof of education, however, you must still submit a request to claim your Minor Trust Account as you will only have until prior to your 22 birthday to claim it.

Paper check or Direct Deposit? Your Minors' Trust Payment may be large. You may sign up for Direct Deposit so the payment is sent directly to your bank account and you may have access to your funds immediately. If, you do not sign up for Direct Deposit you will be issued a paper check. See "Open a Bank Account" above.

Stay away from check-cashing businesses – A check cashing place may charge up to 8% to cash your check. For example, if your check is for \$30,000, the fee will be \$2,400!

Income Tax – Payment from your Minors' Trust Account is considered taxable income to the state and federal governments. The payment will be reported to the Internal Revenue Service (IRS). When you get a Minor Trust Account payment, a 1099-MISC tax form will be mailed by February, of the next year. You will need this form and the Adult 1099 to file your tax returns. Contact a qualified tax professional with questions.

2016 Minor Trust Payment Timeline

- You must be at least age 18 by Sept. 1, 2016
- **Forms were Mailed by:** Mar. 31, 2016.
- **FORM DEADLINE: FRI., JUL. 1, 2016**, by close of business 4:30 PM. (This deadline has now passed for the October 2016 distribution.)
- **Other Document* Deadline:** Thurs., Sept. 1, 2016, **by close of business 4:30 PM. ONLY FOR THE FORMS RECEIVED BY THE JULY 1, 2016 DEADLINE.**
- **Payments will be Mailed/Deposited by:** Oct. 30, 2016.
- **Tax Information will be Mailed by:** Feb. 2, 2017.

Late 2016 Minor Trust Payment Timeline (Forms received Jul. 2, 2016 through Mar. 1, 2017)

- You must be at least age 18 by Sept. 1, 2016
- **Forms Mailed:** Upon request.
- **FORM DEADLINE: WED., Mar. 1, 2017, by close of business 4:30 PM.**
- **Other Document* Deadline:** Wed., Mar. 1, 2017, **by close of business 4:30 PM. ONLY FOR THE FORMS RECEIVED BY THE MAR. 1, 2017 DEADLINE.**
- **Payments will be Mailed/Deposited by:** Apr. 30 2017.
- **Tax Information will be Mailed by:** Feb. 2, 2018.

FORMS RECEIVED AFTER MAR. 1, 2017 WILL BE PROCESSED IN THE DISTRIBUTION SCHEDULED OCT. 2017.

*"Other Documents" may include: Proof of Graduation, Direct Deposit Authorization or Change, Address Updates, SSN, etc.

Continue to check the Pathfinder, Kalihwisaks, Facebook or special mailings for any changes or updates. Please contact the Enrollment Department at 920-869-6200 or 1-800-571-9902 if you have questions or suggestions.

YawáꞤkó

Susan White, Trust Director