

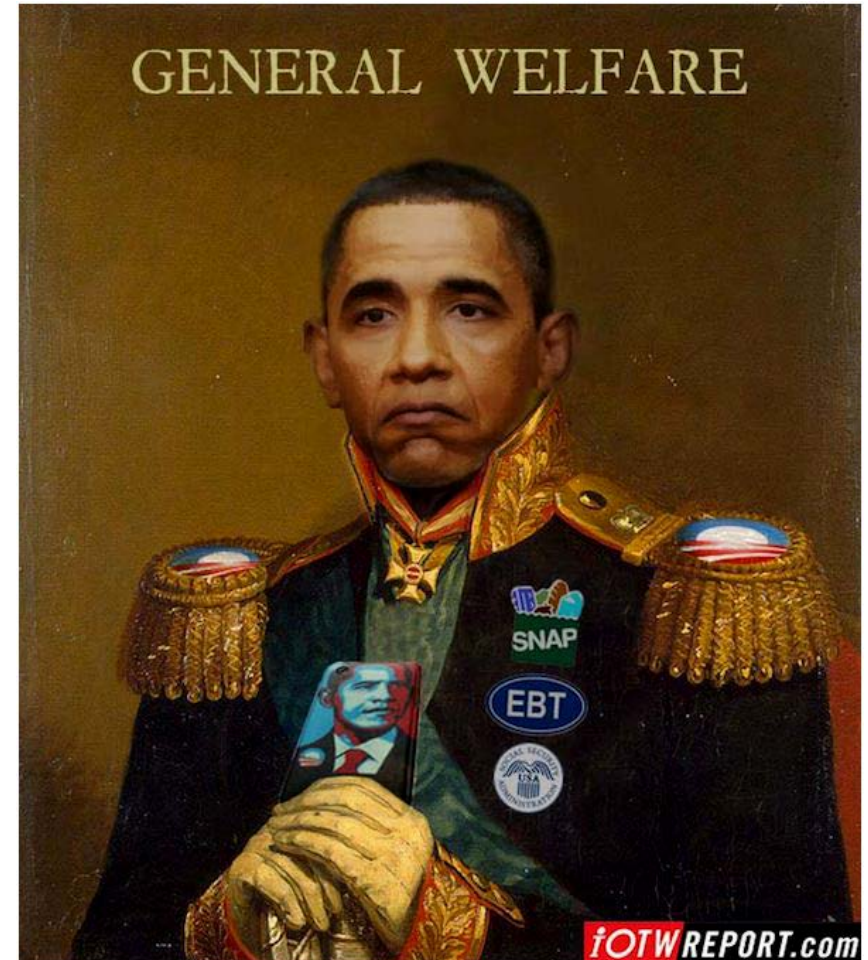
RINCON'S PERSPECTIVE AND APPROACH
GENERAL WELFARE PROGRAM
BEST PRACTICES





THE TRIBAL GENERAL WELFARE ACT

- September 2014, Obama signed into law the Tribal General Welfare Exclusion Act





TAX EXEMPTION

- The GW Act creates a tax exemption for certain types of payments made by a Tribal government to individuals for the promotion of general welfare





POLICY CORRECTION

FORTRAITS OF PRIDE They've made war, peace, cultural strides—and history.



NATIONAL GEOGRAPHIC

What is Indian Country? For this continent the answer has been contested as territorial, spiritual, and sacred to countless—and still being the debate today with more fire. The U.S. government generally defines Indian Country as the territory of nations that lie within the boundaries of reservations and other lands recognized as belonging to American Indians and Alaska Natives. But the people have called a series of multiple, sometimes conflicting, over-competes. Also complicating the picture, some 1.5 million people over 18 years old are eligible to become U.S. citizens, many of whom live beyond the confines of reservations. As they gain citizens and political voice, they're changing the map of the nation.

Indian Country

LONG HISTORY OF LOSING GROUND

1800s: A Nation Expands
The United States government's westward expansion in the 1800s led to the displacement of Native Americans from their ancestral lands. The Indian Removal Act of 1830 authorized the federal government to relocate Native American tribes to lands west of the Mississippi River.

1850s: Forced Exodus
The Indian Removal Act of 1830 authorized the federal government to relocate Native American tribes to lands west of the Mississippi River. The Trail of Tears, the forced relocation of Native American tribes from their ancestral homelands to Indian Territory, is a tragic chapter in American history.

1900s: Land Rush
The Indian Removal Act of 1830 authorized the federal government to relocate Native American tribes to lands west of the Mississippi River. The Indian Land Rush of 1889 opened up millions of acres of land to white settlers, displacing Native Americans.

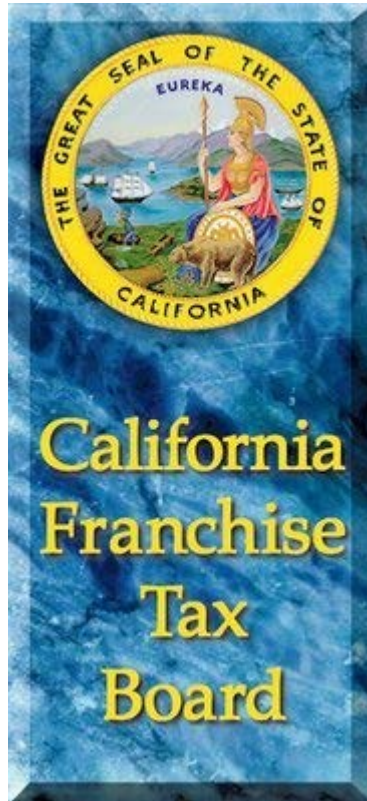
Present: New Battlefields
The Indian Removal Act of 1830 authorized the federal government to relocate Native American tribes to lands west of the Mississippi River. Today, Native Americans continue to fight for their rights and sovereignty on their reservations.





GW ACT

SCOPE OF EXEMPTION





GENERAL RULES FOR EXEMPTION

IRS NOTICE 2014-35

- (1) Payments must be made according to a specific tribal government program;
- (2) The program must have written guidelines specifying how individuals qualify for the payment/social benefit;
- (3) The payment/social benefit must be made available to any Tribal member, qualified non-member or identified group of members who satisfy the eligibility criteria;
- (4) The distribution of benefits from the program cannot discriminate in favor of members of the tribe's governing body;
- (5) The benefit cannot be compensation for services; and
- (6) The benefit cannot be lavish or extravagant under the facts and circumstances of its administration



TRIBAL GOVERNMENT PROGRAMS AND SERVICES REV. PROC 2014-35





TRIBAL GOVERNMENT PROGRAMS AND SERVICES

REV. PROC 2014-35

EVERYONE AGREES TO HELP REDUCE HEALTH CARE COSTS!...

I CAN'T AFFORD THAT DIAGNOSIS. DO YOU HAVE A CHEAPER ONE?





TRIBAL GOVERNMENT PROGRAMS AND SERVICES

REV. PROC 2014-35





RINCON GW PROGRAMS



- Minor's Clothing Allowance Program Ordinance, RTC §17. 400, and
- Tribal Member Assistance General Welfare Program Ordinance, RTC §17. 500.





GW PROGRAMS SOURCE OF REVENUE





TRIBAL MEMBER GW PROGRAM APPROVED SERVICES & ACTIVITIES

- GWP assistance payments to Eligible Tribal Members are for services or activities, in the following areas:
- Housing, repair, and rehabilitation;
- Utilities;





TRIBAL MEMBER GW PROGRAM APPROVED SERVICES & ACTIVITIES

- Transportation; and
- Cultural, social, religious, community and educational activities.





TRIBAL MEMBER GW PROGRAM BENEFICIARIES

Eligible Tribal Members for GWP assistance are all Band Members who are eligible to receive a Per Capita Payment under the RAP, as defined by RTC §6.302(a).





TRIBAL MEMBER GW PROGRAM HOW IT WORKS - ADMINISTRATION

Each FY, Council establishes Annual Assistance for the GW Program

Annual Assistance cannot be $> 20\%$ of Net Distributable Cash under the RAP





GW PROGRAM DOCUMENTATION

- Verification of eligibility;
- Research into average annual costs that a person might incur for the services/activities set forth in the Ordinance;
- Record payments in general ledger (7 year retention); and
- Substantiate Annual Assistance with research to the file.



PHOTO: THINKSTOCK (ENVELOPE) / PHOTO ILLUSTRATION



REVENUE ALLOCATION PLAN GW AMENDMENTS

- Codification Ordinance
- Public Policy
- Definitions
- Allocation Plan





RAP GW AMENDMENTS

§ 6.300 PUBLIC POLICY AND PURPOSE

Minors

The Band may also tailor its General Welfare Programs to make additional programs available to its Minors, which General Welfare Programs may be funded through Net Distributable Cash under this Ordinance.

Seniors and Elders

The Band shall therefore tailor its General Welfare Programs to make additional programs available to Tribal Seniors and Tribal Elders, which General Welfare Programs may be funded through Net Distributable Cash under this Ordinance.



RAP GW AMENDMENTS

§ 6.300 PUBLIC POLICY AND PURPOSE

Eligible Tribal Members. The Band retains the inherent sovereign right to protect the interests of its Eligible Tribal Members through the establishment of General Welfare Programs to provide social benefits for purposes of housing, health, education and other qualifying assistance, which General Welfare Programs may be funded through Net Distributable Cash pursuant to this Ordinance.





RAP GW AMENDMENTS

§ 6.301 DEFINITIONS

“Eligible Tribal Member”

“General Welfare Program”

“Per Capita Payment”





RAP GW AMENDMENTS

§ 6.301 DEFINITIONS

“**Eligible Tribal Member**” means any living enrolled member of the Band pursuant to Section 2 of the Articles of Association, who is not less than twenty-one (21) years of age and not otherwise excluded from receiving such payments in accordance with Section 6.303(a).





RAP GW AMENDMENTS

§ 6.301 DEFINITIONS

"General Welfare Programs" means those social welfare programs established by the Band as a tax-exempt benefit that may be funded through an allocation of Net Distributable Cash as further described in Section 6.302(a) of this Ordinance.





RAP GW AMENDMENTS

§ 6.301 DEFINITIONS

“Per Capita Payment” or “Per Capita Distribution” means those payments made or distributed to Eligible Tribal Members of the Band, or to groups of members identified by this Ordinance, which are paid directly from the Net Distributable Cash. *This definition does not apply to payments which have been set aside by the Band for special purposes or programs, such as payments for social welfare, medical assistance, education, housing or other similar, specifically identified needs that may be established from time to time by the Band pursuant to Revenue Procedure 2014-35, including any subsequent Internal Revenue Service guidance under the Tribal General Welfare Exclusion Act of 2013 (codified as Internal Revenue Code Section 139E) for treatment as a tax exempt benefit.*



RAP GW AMENDMENTS

§ 6.302 ALLOCATION PLAN

NEW CATEGORY FOR GW

General Welfare Programs. Not less than Eight Percent (8%) and not more than Twenty Percent (20%) of Net Distributable Cash shall be used for General Welfare Programs, including, but not limited to, social and general welfare purposes, medical assistance, education, elder/senior support, housing, utilities or other similar, specifically identified needs that may be established from time to time by the Band pursuant to Revenue Procedure 2014-35, including any subsequent Internal Revenue Service guidance under the Tribal General Welfare Exclusion Act of 2013 (codified as Internal Revenue Code Section 139E) for treatment as a tax exempt benefit.



RAP GW AMENDMENTS

§ 6.302 ALLOCATION PLAN

GW SUBCATEGORIES

- Minors - quarterly clothing allowance, recreational activities, educational scholarships, student bonuses and higher education
- Seniors and Elders - one lump sum payment made annually
- Tribal Members may also participate in GW Programs established by the Tribal Council from time to time, provided that the General Welfare Programs meet the criteria set forth in Revenue Procedure 2014-35 (including any subsequent Internal Revenue Service guidance) and the Tribal General Welfare Exclusion Act of 2013, for treatment as a tax exempt benefit.



QUESTIONS

