PONCA TRIBE OF NEBRASKA

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January 26, 2021

Re: Reporting and Taxation of Amounts Received from Ponca Tribe of Nebraska under iMap, iPep, and iPep2

To Head of Household:

The Ponca Tribe of Nebraska ("Tribe") has received several questions regarding whether amounts received from the Tribe under iMap, iPep, and iPep2 are required to be reported as income for purposes of federal income tax purposes. Because payments received under iMap, iPep, and iPep2 are considered general welfare benefits, they are not includible as gross income for federal income tax purposes.

The Tribal General Welfare Exclusion Act, 26 U.S.C. § 139E, provides that gross income does not include general welfare benefits received from the Tribe. Funds provided under iMap, iPep, and iPep2 were issued by the Tribe as general welfare benefits in accordance with the Tribal General Welfare Exclusion Act. Consequently, they are not included as income for federal income tax purposes.

The Tribe will not issue any 1099s or similar report or information return regarding the payments. However, recipients should maintain accurate records regarding payments received under iMap, iPep, and iPep2. You can consult with an appropriate tax professional regarding what records should be maintained.

Respectfully,

Larry Wright, Jr.
Tribal Chairman
Ponca Tribe of Nebraska