

Keepseagle Settlement Tax Issues

The Importance of Attention to Tax Concerns

Keepseagle Settlement Tax Issues

Tax laws and regulations change frequently, and their application can vary widely based on the specific facts and circumstances involved. The tax information contained in these educational materials and discussed during the accompanying oral presentation is for informational and educational purposes only and does not constitute legal or tax advice. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Keepseagle Settlement Tax Issues

- Keepseagle Settlement Has Occurred
 - If you received either a Track A or a Track B settlement, then the first step has occurred
 - Awardees under Track A will or already have received an award of \$50,000, and have had on their behalf \$12,500 directly paid to the IRS
 - Awardees under Track B will or already have received their awards as well
 - Debt relief has occurred
 - It is important that the next step - - filing your tax return - - occur

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- The settlement may have implications on your other tax issues and circumstances
- The settlement may affect earned income credit, child care credit, and tax on social security benefits
- All settlement recipients must file a federal income tax return
- Each settlement recipient will receive a 1099 MISC and/or a 1099-C
 - You should receive or have already received these form(s) in the mail
 - If you have not, please contact the Keepseagle Settlement Claims Administrator at: www.indianfarmclass.com

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- You must file a return and report the settlement regardless of the following:
 - Whatever your current income level might be
 - Whatever the land status might be (trust land, restricted land, allotted land, fee land, etc.) of the land upon which you have or are farming
 - Whatever your current employment status might be
 - Regardless of whether you have ever filed a federal income tax return before
- The Keepseagle case was a class action discrimination case affecting individual claimants, and not a case based on trust land status or trust responsibilities
- Tax payments were incorporated into the Settlement Agreement and as such, your receipt of a Keepseagle settlement compensation or debt relief has already been reported to the IRS

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- If You Received Settlement and/or Debt Relief You Should Consult a Tax Advisor and Take Proper Steps
- Key Tax Facts will be discussed later in this webinar by:
 - David Franz, a member of the Keepseagle legal team
 - Wayne Heyenga, an agriculture tax expert
- It is important that you:
 - File a tax return if you received settlement compensation or debt relief
 - Consult a tax professional in your area to seek more advise as the issues related to ag tax and treatment of class action settlements and debt relief must be paid attention to

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- This webinar and the Tax Clinic Workshops in your area are being offered to enable you and your tax advisor to learn more
- Seek the advice of your tax professional regarding the application of these general principles to your individual circumstances
- Attend a Tax Clinic workshop
- If the IRS issues rulings that apply to the Keepseagle settlement issues, the organizations hosting these workshops will post the ruling on their websites

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- Organizations involved in this webinar and clinic series and website addresses:
 - Intertribal Agriculture Council: www.indianaglink.com
 - Rural Tax Education: www.ruraltax.org
 - Extension Risk Management Education Centers
 - Southern: www.srmec.uark.edu
 - Western: www.westrme.wsu.edu
 - North Central: www.ncrme.org
 - University of Arkansas School of Law (www.law.uark.edu)
 - Supported also by the Northwest Farm Credit Services & the Keepseagle Class Counsel

Check the Keepseagle website frequently for updates:
www.indianfarmclass.com