



PERMANENT FUND DIVIDEND DIVISION

ANNUAL REPORT 2014

State of Alaska, Department of Revenue

APPLICANT FILING ACTIVITY

APPLICATION TYPES AND COUNTS

The Division classifies applications by type for ease of distribution and updating of forms.

Note:

- Total applications shown below include applications for dividends prior to 2014.
- Eligible Prior Year Applications for 18-year-old filers: Under regulation 15 AAC 23.133, an individual who has reached majority or who is an emancipated minor, may apply for a prior year dividend. An individual who qualifies must meet all eligibility requirements for the respective prior year(s) and must file before the individual reaches 20 years of age. See Alaska Statute 43.23.055(3).

Dividend Filing Activity			
Application Type and Amount			
Adult Applications	Amount	Child Applications	Amount
Adult Online	403,365	Child Online	147,629
Adult Paper	84,489	Child Paper	26,922
Adult Refile (After filing deadline)	655	Child Refile (After filing deadline)	280
Application on Behalf of Another Adult (online and paper)	2,531	Child in Custody of Health and Social Services	1,800
Disabled Individual	154	Estate of Deceased Child	20
Estate of Deceased Adult	780		
Office of Public Advocacy	1,369		
Total Adult Applications			493,343
Total Child Applications			176,651
Prior Year 18-Year-Old Filers (any dividend year)			59
All other Prior-year Dividend Applications			794
Total Valid Applications (any dividend year)			670,847
Invalid, Duplicate, Withdrawn, or Applications Submitted Solely to Establish Sponsor Eligibility			6,267
Total Applications received during 2014			677,114

DIVISION PROCESSING ACTIVITY

GARNISHMENTS AND ASSIGNMENTS

Garnishments

Under state statutes, up to eighty percent of a dividend may be garnished, unless by a governmental agency, which may garnish up to one-hundred percent of a dividend. Any PFD amount in excess of the total amount garnished is paid to the applicant. These garnishments will pay off debts that are owed to a variety of agencies across the state. There is a priority order for which kind of agency will receive first option to levy garnishments. Within that priority structure, they are ordered based on the date and time stamp of submission. It is, in essence, a “first come, first serve” system within the priority order. Garnishment requests come to the PFDD directly from an agency, such as a court system or process server.

Top Ten Agency Filers	Submitted	
	Number of Requests	Amount
DEPARTMENT OF LAW	170,990	\$76,737,066.97
MUNICIPALITY OF ANCHORAGE	106,086	\$20,890,058.57
CLERK OF COURT ANCHORAGE	34,327	\$343,886,381.93
CHILD SUPPORT SERVICES DIVISION	13,604	\$20,117,123.75
UA COLLEGE SAVINGS PLAN	13,262	\$0.00
DEPARTMENT OF LABOR	5,565	\$14,791,839.07
United States Treasury - Individual Tax (UNITED STATES TREASURY)	5,130	\$50,492,323.36
United States Treasury - Individuals (UNITED STATES TREASURY)	4,399	\$115,866,454.70
CITY OF WASILLA	4,212	\$282,019.00
UNIVERSITY OF ALASKA	3,659	\$4,954,690.67
Total of Top Ten Agencies	361,234	\$648,017,958.02
Total of Other Agencies	22,879	\$119,952,336.69
Total - All Garnishing Agencies	384,113	\$767,970,294.71

Top Ten Agency Filers	Paid			
	Payments	Amount	Average	Primary reason
DEPARTMENT OF LAW ANCHORAGE	55,195	\$11,201,703.09	\$202.95	Fines, delinquent taxes, attorney fees
MUNICIPALITY OF ANCHORAGE	27,022	\$4,309,184.25	\$159.47	Fines, delinquent taxes, attorney fees
UA COLLEGE SAVINGS PLAN FAIRBANKS	12,998	\$12,174,958.02	\$936.68	Private Writs - Small claims, debts
CLERK OF COURT ANCHORAGE	12,828	\$15,092,318.48	\$1,176.51	Fines, delinquent taxes, attorney fees
CHILD SUPPORT SERVICES DIVISION ANCHORAGE	8,890	\$13,252,394.40	\$1,490.71	Delinquent child support payments
U.S. Treasury - Fresno - Individual Tax	3,532	\$4,567,023.62	\$1,293.04	Delinquent income tax liabilities
DEPARTMENT OF LABOR JUNEAU	3,476	\$3,253,799.04	\$936.08	Fines, delinquent taxes, attorney fees
U.S. Treasury – Philadelphia - Individuals	3,309	\$5,252,227.65	\$1,587.26	Delinquent employment tax liabilities
AK. COMM. POSTSECONDARY EDUCATION JUNEAU	2,576	\$4,569,418.22	\$1,773.84	Delinquent tuition
UNIVERSITY OF ALASKA Anchorage	2,532	\$2,287,526.84	\$903.45	Fines, delinquent taxes, attorney fees
Total of Top Ten Agencies	132,358	\$75,960,553.61		
Total of Other Agencies	10,524	\$5,202,777.02		
Total - All Garnishing Agencies	142,882	\$81,163,330.63		

DIVISION PROCESSING ACTIVITY

Assignments

State statutes permit applicants to assign their dividend to a government agency or regional housing authority created under Alaska Statute 18.55.996. Any amount in excess of the liability due the assigned agency is paid to the applicant.

Assignments tend to be done on a “voluntary” basis where an individual wishes to utilize their upcoming PFD for a payment to a federal, state, municipal governmental agency, or to a court. Many of these assignments end up going towards housing payments for federal housing programs. Because these are assigned prior to the PFD calculation, it is the agency’s responsibility to either set an amount that they will accept for the upcoming PFD, or to have individuals assign percentages of their PFD. Individuals may assign up to one-hundred percent of their expected PFD, per AS 43.23.069(b).

Note: * A zero value in the “Submitted Amount” column indicates deductions requested as a percentage of the dividend balance, rather than a fixed amount.

Top Ten Assignees	Submitted	
	Number of Requests	Amount
AVCP HOUSING AUTHORITY	277	\$22,736.87
TLINGIT-HAIDA REGIONAL	257	\$76,715.34
BERING STRAITS REGIONAL HOUSING	235	\$20,417.70
CITY OF DILLINGHAM	178	\$42,799.20
NORTHWEST INUPIAT	89	\$0.00
MUNICIPALITY OF ANCHORAGE	88	\$39,780.41
DEPARTMENT OF H&SS	78	\$0.00
DEPARTMENT OF COMMERCE	56	\$2,225.00
CITY OF SELAWIK	56	\$35,419.00
ALEUTIAN HOUSING AUTHORITY	53	\$6,200.00
Total of Top Ten Assignees	1,367	\$246,293.52
Total of Other Assignees	457	\$77,568.46
Total of All Assignees	1,824	\$323,861.98

Top Ten Assignees	Paid			
	Payments	Amount	Average	Primary reason
TLINGIT-HAIDA REGIONAL JUNEAU	226	\$230,913.58	\$1,021.74	
BERING STRAITS REGIONAL HOUSING NOME	210	\$326,769.87	\$1,556.05	
AVCP HOUSING AUTHORITY BETHEL	206	\$277,231.03	\$1,345.78	
MUNICIPALITY OF ANCHORAGE	76	\$38,476.60	\$506.27	
NORTHWEST INUPIAT KOTZEBUE	72	\$132,075.03	\$1,834.38	
CITY OF DILLINGHAM DILLINGHAM	61	\$14,852.80	\$243.49	
ALEUTIAN HOUSING AUTHORITY ANCHORAGE	50	\$80,414.01	\$1,608.28	
CITY OF SELAWIK SELAWIK	46	\$32,140.60	\$698.71	
DEPARTMENT OF COMMERCE JUNEAU	45	\$83,087.00	\$1,846.38	
DEPARTMENT OF H&SS JUNEAU	40	\$71,168.61	\$1,779.22	
Total of Top Ten Assignees	1,032	\$1,287,129.13		
Total of Other Assignees	314	\$439,619.03		
Total of All Assignees	1,346	\$1,726,748.16		

DIVISION PROCESSING ACTIVITY

PAYMENTS

The first dividend payment disbursement for the current dividend year begins on the first Thursday in October and continues on a monthly cycle thereafter. In 2014, payment began on October 2nd. Applicants who selected the payment method of direct deposit or electronic payment have their dividends initially sent to financial institutions for deposit into checking or savings accounts. Deposit returns from financial institutions are paid via warrant in subsequent payment runs. Warrants, more commonly known as checks, are mailed to all applicants that did not select direct deposit.

If the garnished or assigned amount is less than the dividend amount, the remaining balance will be issued to the applicant by check or direct deposit, depending on their preference.

Note:

- Payment numbers below reflect payments made through December 31, 2014 only on 2014 Dividends. (See page 20 for payments of prior-year dividends)
- The total amounts shown below include funds distributed to applicants, or to agencies through garnishments, assignments, and charitable contributions.
- The total amounts shown below do NOT include balances still due to applicants that have not yet received the full dividend amount. As of December 31st, this total balance is \$420,258.00.

Highlights:

498,844 direct deposits settled October 2, 2014 for a total of **\$907,526,659.87**

85,277 warrants issued October 2, 2014 for a total of **\$148,119,766.53**

Payments of 2014 Dividends through Dec. 31, 2014			
	Applicants	Payment Method Percent	Total Amount
Applicants Paid by Direct Deposit			
Full Dividend Payment to Applicant	457,657		\$862,225,788.00
Payment to Applicant after Voluntary and/or Involuntary Deductions	61,329		\$115,539,780.00
Total Number of Applicants Paid by Direct Deposit	518,986	82.21%	\$977,765,568.00
Applicants Paid by Check			
Full Dividend Payment to Applicant	78,951		\$148,743,684.00
Partial Payment to Applicant - Voluntary and/or Involuntary Deductions	15,072		\$28,393,926.00
Total Number of Applicants Paid by Check	94,023	14.89%	177,137,610
Applicants Paid by Combination of Direct Deposit and Check			
Mixed payments, with and without deductions	1018	0.16%	\$1,832,934.00
Total 2014 Dividends to Applicants (all categories above)	614,027	97.26%	\$1,156,736,112.00
Eligible Dividends Fully Reduced by Garnishments and/or Levies (Involuntary Deductions)	17,279	2.74%	\$32,553,636.00
Total 2014 Dividend Paid (Including Adjustments)	631,306	100.00%	\$1,189,289,748.00

DIVISION PROCESSING ACTIVITY

Applications Paid in 2014 for Prior Year Dividends

Prior year dividends may have been issued during 2014 for any the following reasons:

- Applications for the 2013 dividend that were still in review or appeal at the end of calendar year 2013.
- Eligible Prior Year Applications for 18-year-old filers. Under regulation 15 AAC 23.133, an individual who has reached majority or who is an emancipated minor may apply for a prior year dividend. An individual who qualifies must meet all eligibility requirements for the respective prior year(s) and must file before the individual reaches 20 years of age. See Alaska Statute 43.23.055(3).
- Estate Applications and Applications for Disabled Adults. (These application types have an extended filing date of up to one year later than the filing deadline for the respective dividend year.)

Dividend Year	Dividends Paid	Dividend Amount	Total
2013	2,443	\$900.00	\$2,198,700.00
2012	217	\$878.00	\$190,526.00
2011	64	\$1,174.00	\$75,136.00
2010	26	\$1,281.00	\$33,306.00
2009	31	\$1,305.00	\$40,455.00
2007	44	\$1,654.00	\$72,776.00
2006	41	\$1,106.96	\$45,385.36
2005	29	\$845.76	\$24,527.04
2004	27	\$919.84	\$24,835.68
2003	17	\$1,107.56	\$18,828.52
2002	25	\$1,540.76	\$38,519.00
2001	21	\$1,850.28	\$38,855.88
2000	22	\$1,963.86	\$43,204.92
1999	20	\$1,769.84	\$35,396.80
1998	19	\$1,540.88	\$29,276.72
1997	18	\$1,296.54	\$23,337.72
1996	16	\$1,130.68	\$18,090.88
1995	3	\$990.30	\$2,970.90
1994	1	\$983.90	\$983.90
1993	1	\$949.46	\$949.46
1992	2	\$915.84	\$1,831.68
Total	3,087		\$2,957,893.46

* 2008 Dividends included the one-time Resource Rebate of \$1,200.00.

APPLICANT DEMOGRAPHICS

Applicant Demographics

GENDER, AGE, NAME

Demographics shown here are based on valid applications received for the 2014 dividend only. Ages are given as of December 31, 2014.

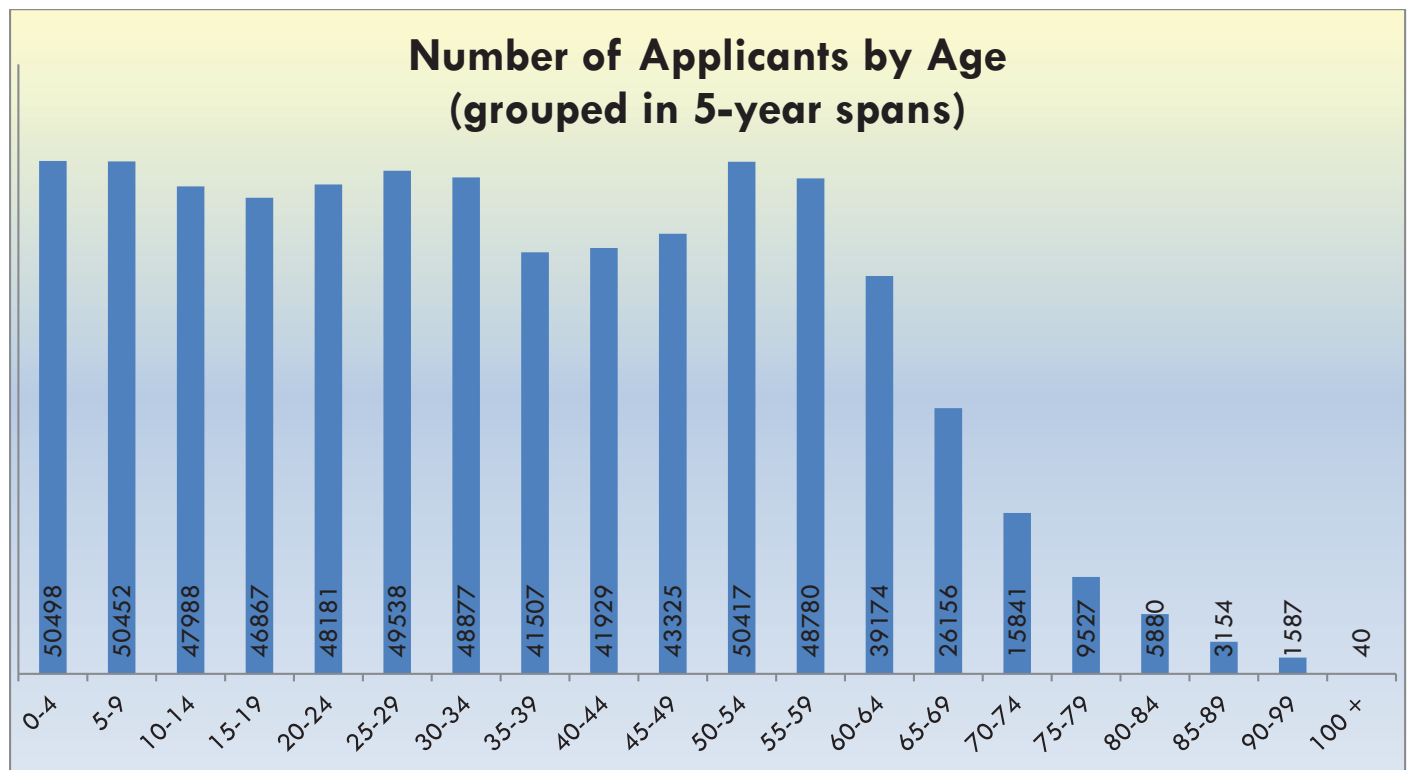
Gender	Applicants	%	Ratio
Men	340,402	50.80%	1.0326
Women	329,651	49.20%	1.0000
Total	670,053	100.00%	

Age	Applicants	%	Ratio
Adults (18 years and older)	493,343	73.627%	2.7918
Children (<18 years old)	176,710	26.373%	1.0000
Total	670,053	100.000%	

Highlights:

9,434 Alaskan newborns (babies born in Alaska during 2013) filed for their first dividend in 2014..

The oldest applicant on file in 2014 was **108** years old!



Most Common Names Among 2014 Dividend Applicants

Rank	Male Names	Female Names	Last Names
1	Michael	Mary	Smith
2	John	Jennifer	Johnson
3	James	Elizabeth	Williams
4	Robert	Sarah	Brown
5	David	Linda	Jones

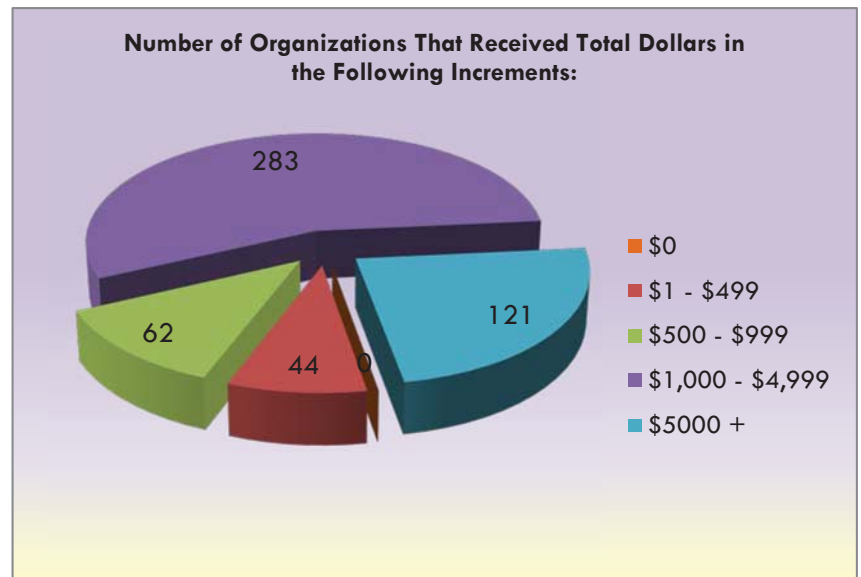
VOLUNTARY PROGRAMS

Voluntary Programs

PICK.CLICK.GIVE.

In 2009, the PFDD implemented a three-year charitable giving pilot program, Pick.Click.Give., authorized by the Alaska legislature per statute AS 43.23.062. In 2012, it became a permanent addition to the PFD online application process.

Initially funded by the Rasmuson Foundation and managed by United Way and the Foraker Group, the program allows an applicant to electronically pledge all or a portion of their dividend to eligible Alaskan nonprofit organizations. "The program goal is to increase individual charitable giving overall, along with increasing the number of new donors to nonprofit organizations." Additional information regarding the program can be found at www.pickclickgive.org.



Applicants are allowed to withdraw their pledges up to a specified date, and pledge amounts may be reduced by other garnishments or assignments that take priority. An ineligible applicant pledge would also not be paid. Hence, the actual contributed amount is generally lower than the amounts pledged during the application period.

Highlights:

Number of applicants who pledged: **26,813**
Number of individual pledges to an organization: **52,424**

Number of eligible charitable organizations: **512**

Amount pledged vs amount paid

Total Dollars Pledged By Applicants	\$3,383,850.00
Pledges Withdrawn	(\$575,675.00)
Net Total Dollars Pledged	\$2,808,175.00
Total Dollars Paid to Organizations	\$2,666,996.81

Charitable Contributions Appeals

United Way of Anchorage, who acts as the Department of Revenue's "agent", determines if an organization is eligible or ineligible to be included in the charitable contribution list. If the organization is ineligible to be included in the charitable contribution list for the following year's Permanent Fund Dividend electronic application, the organization is issued a denial letter explaining the reasons they are not eligible. The organization has 15 days from the date of the denial letter to file an appeal explaining and supporting their position. Appeals for inclusion in the PFD Charitable Contribution list on the PFD Electronic Application differ from other appeals as they go directly to formal hearing as "fast track" hearings. PFD Division Appeals Specialists prepare the case for a formal hearing and the case is heard by an Administrative Law Judge with the Office of Administrative Hearings (OAH). United Way does not participate in the appeal hearing itself and does not participate in the appeal process. United Way only determines initial eligibility according to state law as the Department of Revenue's agent. There is no fee to file an appeal for inclusion in the PFD Charitable Contribution list on the PFD Electronic Application.

VOLUNTARY PROGRAMS

UNIVERSITY OF ALASKA COLLEGE SAVINGS PLAN

In 1990, legislation establishing the Alaska Education Trust Fund (AS 14.40.807) and authorizing an allowance for applicants to contribute fifty percent of their dividend to the fund was passed. In 1991, the name of the fund was changed to the Advance College Tuition (ACT) Payment Fund. The ACT option first appeared on the 1991 dividend applications.

In the fall of 2001, the University of Alaska developed the UA College Savings Plan program as the main program for which contributions can be made toward advanced college tuition costs. The UA College Savings Plan provides various investment strategies to individuals making contributions. Additional information regarding the plan can be found at www.uacollegesavings.com.


Note:

- Applicants represent those who opted into the ACT program on their application and were paid a partial or full dividend.
- Total contributions represent actual dollars distributed to the College Savings Plan through December 31, 2014.

YEAR	APPLICANTS	TOTAL CONTRIBUTIONS
2014	12,998	\$12,174,958.02
2013	12,173	\$5,442,842.99
2012	11,214	4,892,579.86
2011	9,642	5,611,270.33
2010	9,032	5,748,649.82
2009	7,910	5,012,962.90
2008	8,766	9,050,096.40
2007	8,495	6,991,936.59
2006	7,847	4,322,765.60
2005	7,482	3,150,343.08
2004	6,601	3,020,373.59
2003	5,667	3,121,888.81
2002	5,094	3,901,412.29
2001	4,464	4,107,056.79
2000	3,766	3,681,902.17
1999	3,663	3,225,384.06
1998	3,468	2,655,048.28
1997	4,426	2,861,877.87
1996	4,945	2,790,779.51
1995	5,405	2,670,684.24
1994	5,905	2,897,904.88
1993	5,925	2,806,199.41
1992	5,490	2,507,537.40
1991	5,018	2,329,943.62
Total	165,396	\$104,976,398.51

PERMANENT FUND DIVIDEND DIVISION HISTORY

PROGRAM TIMELINE



1976	<ul style="list-style-type: none">• Voters pass a constitutional amendment to establish the Permanent Fund (Alaska Constitution, Article IX, Section 15).
1980	<ul style="list-style-type: none">• First Permanent Fund dividend legislation enacted. The legislation established a program giving every adult Alaska resident \$50.00 for every year of residency since statehood in 1959 and also established a Dividend Fund. Payment of dividends were stayed under litigation (Zobel v Williams) challenging the constitutionality of the program.
1982	<ul style="list-style-type: none">• U.S. Supreme Court ruled the 1980 legislation unconstitutional. In response to the litigation, the legislature passed legislation authorizing equal dividend payments to all six-month residents. The first dividend amount was \$1,000.00. The first dividend checks were distributed June 14th.
1983	<ul style="list-style-type: none">• Residency period defined as six months ending March 31st. Filing due date established as June 30th.
1985	<ul style="list-style-type: none">• Hold-harmless program funding for public assistance recipients changed from General Fund to Permanent Fund Dividend Fund.
1986	<ul style="list-style-type: none">• Olympics check-off program begins. Persons allowed to donate \$5.00 to Alaska Winter Olympics account in General Fund.
1988	<ul style="list-style-type: none">• In January the Permanent Fund Dividend Division was established.
1989	<ul style="list-style-type: none">• Legislature changed residency period from six to 24 months. Individuals banned from assigning dividends (except to government) by regulation. Felons not eligible for dividends. Physical presence requirement established. Last year for Olympics check-off.
1990	<ul style="list-style-type: none">• Superior Court ruled 24-month residency requirement unconstitutional and changed the residency requirement to 12 months (Lindy v Malone). Disclosure requirements established to print program costs on dividend checks.

PERMANENT FUND DIVIDEND DIVISION HISTORY



1991	<ul style="list-style-type: none">• Check-off program for Advance College Tuition started. Percent of dividend subject to levy for private judgments increased from 50% to 55%. Fairbanks office closed in September 1991. First receipt cards mailed.
1992	<ul style="list-style-type: none">• Individuals banned from assigning dividends (except to government agencies) by statute.
1993	<ul style="list-style-type: none">• Direct Deposit programs for full dividends established. Residency period changed to calendar year. Voter registration forms included with application.
1994	<ul style="list-style-type: none">• Filing due date changed to March 31. Longevity Bonus Annuity check-off program began. Legislature authorizes the division to charge fee for processing claims and assignments on dividends.
1995	<ul style="list-style-type: none">• Longevity Bonus Annuity check-off program repealed.
1996	<ul style="list-style-type: none">• Misdemeanants with two prior crimes not eligible for dividends.
1997	<ul style="list-style-type: none">• Fairbanks office re-opened in February.
1998	<ul style="list-style-type: none">• Internet program implemented to allow applicants to check their status online. All allowable absences defined in statutes (statutory provision for commissioner to define absences by regulation repealed). Spouses accompanying eligible residents authorized as allowable absence. Authority to file for estates (persons who die during filing period) established. Physical presence changed to 72 hours every two years (effective for 2000 dividend). Percent of dividend subject to levy for private judgment increased from 55% to 80%.

PERMANENT FUND DIVIDEND DIVISION HISTORY



1999	<ul style="list-style-type: none">• Online application implemented, but applicants required to print and sign full application. Direct Deposit program expanded to include partial dividends.
2000	<ul style="list-style-type: none">• Imaging system and new data entry system implemented in January. First year that applications were imaged. Improved online application implemented in March (applicants required to sign signature page only).
2001	<ul style="list-style-type: none">• Alaska Supreme Court rules that immigrant aliens who form intent to remain in Alaska qualify for dividends.
2002	<ul style="list-style-type: none">• Receipt letter replaces application receipt card. Department of Health and Social Services files applications electronically. Final year securities companies participated in the Direct Deposit program. Misdemeanants with one prior felony or two prior misdemeanors not eligible for dividend.
2003	<ul style="list-style-type: none">• Electronic signature for online applications implemented March 20th.
2004	<ul style="list-style-type: none">• Receipt letters eliminated. Online application expanded to cover full application and supplemental schedule. Tri-fold direct deposit advice implemented. Selective Service registration part of the application.
2005	<ul style="list-style-type: none">• 30 day response regulation adopted. Fraud subpoena power authorized. Power of Attorney allowed for military serving outside the US. Phase I of new Applicant Information system implemented. Checks issued two weeks after Direct Deposits. Applicant addresses no longer public information.
2006	<ul style="list-style-type: none">• Two Direct Deposits with early payment for on-line January filers. Online filing increases to 57% of applications filed. Allowable absences for Peace Corps volunteers and members of US Olympic team restored.

PERMANENT FUND DIVIDEND DIVISION HISTORY



2007

- Online payment history access for authorized agencies and individuals adopted.

2008

- One time resource rebate added to dividend. Payment timing moved up to September in response to high energy costs. New eligibility system rolled out.

2009

- The Charitable Contribution program named Pick.Click.Give, is launched. The online program allows an applicant to donate all or a portion of their dividend to charities of their choosing.

2010

- Community distribution centers are used for distributing paper applications for the first time. Postal delivery to every Alaskan mailbox is reduced to targeted mailings in light of over 75% of applicants filing online.

2013

- The Division publishes a Facebook page to develop an additional interactive experience with Alaskans through social networking.

2014

- The Division implements system changes to expand the options for Direct Deposit of dividend payments. Within months, the number of financial institutions selected by applicants for Direct Deposit jumps from 22 to over 350!