

SB

297

2006 Adult PFD Online Application

All required fields have * by them.

1. Did you receive a 2005 dividend?* <i>Answer YES even if your dividend was assigned or garnisheed.</i>	<input type="checkbox"/>
2. Are you in Alaska today?*	<input type="checkbox"/>
3. A. During 2005, were you gone from Alaska more than 90 days total?*	<input type="checkbox"/>
3. B. During 2005, were you gone from Alaska more than 180 days total?*	<input type="checkbox"/>
4. Are you a United States citizen?*	<input type="checkbox"/>
5. At any time since December 31, 2004, were you on active duty as a member of the U.S. Armed Forces ?* <i>Civilians, Alaska National Guard members, and Alaska Reservists Answer No.</i>	<input type="checkbox"/>
6. Do you want to place 50% of your dividend in the UA College Savings Plan ?*	<input type="checkbox"/>

Review Your Answers, then select:

[Link to UA College Savings website](#)

- **Continue** to access the next page of the PFD application.
- **Confirm Exit** and then click on the **Exit** button to leave the application -- your entries **WILL NOT** be saved.

Confirm Exit

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Cook
3/2/06

CS FOR SENATE BILL NO. 297(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

**Offered:
Referred:**

Sponsor(s): SENATE STATE AFFAIRS COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to contributions from permanent fund dividends to certain educational
2 organizations and to certain charitable organizations that provide a positive youth
3 development program, workforce development, aid to the arts, or aid and services to the
4 elderly, low-income individuals, individuals in emergency situations, disabled
5 individuals, or individuals with mental illness; and providing for an effective date."

6 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 * Section 1. AS 43.23 is amended by adding a new section to read:

8 **Sec. 43.23.062. Contributions from dividends.** (a) Notwithstanding
9 AS 43.23.069, the Department of Revenue shall prepare the electronic Alaska
10 permanent fund dividend application to allow an applicant who files electronically to
11 direct that money be subtracted from the dividend payment and contributed to one or
12 more of the campuses of the University of Alaska or to one or more educational or
13 charitable organizations that appear on the contribution list contained in the

1 application. A contribution to an organization may be \$50, \$75, or \$100 or may be 10
2 percent, 25 percent, 50 percent, or 100 percent of the total dividend amount. If the
3 total amount of contributions elected by an applicant exceeds the amount of the
4 permanent fund dividend that the applicant is entitled to receive, contributions shall be
5 deducted from the dividend in the order of priority elected by the applicant on the
6 application until the entire amount of the dividend that the applicant is entitled to
7 receive is allocated for contribution.

8 (b) The department shall list each campus of the University of Alaska and
9 each qualified educational or charitable organization on the contribution list in random
10 order, and the order shall be changed each year. The department shall provide a
11 statement of the contributions made by an individual that is suitable for federal income
12 tax purposes to each individual who elects to contribute under (a) of this section.

13 (c) The department may not include an educational organization on the
14 contribution list unless the primary purpose of the organization is to provide
15 vocational training or postsecondary education, and the organization applies for
16 inclusion on the contribution list for the current dividend year on the form required by
17 the department before September 1 of the qualifying year. The department may not
18 include a charitable organization on the contribution list for a dividend year unless the
19 primary purpose of the organization is to provide a positive youth development
20 program, workforce development, aid to the arts, or aid and services to the elderly,
21 low-income individuals, individuals in emergency situations, disabled individuals, or
22 individuals with mental illness, and the organization

23 (1) applies for inclusion on the contribution list for the current
24 dividend year on the form required by the department before September 1 of the
25 qualifying year;

26 (2) is exempt from taxation under 26 U.S.C. 501(c)(3) (Internal
27 Revenue Code) as a charitable organization on the date of application;

28 (3) qualified for tax exempt status under 26 U.S.C. 501(c)(3) (Internal
29 Revenue Code) as a charitable organization during the two calendar years that
30 immediately precede the year the application is filed;

31 (4) has a current Internal Revenue Service Form 990 on file with the

1 United States Department of the Treasury, Internal Revenue Service;

2 (5) is directed by a voluntary board of directors or local advisory board
3 who are residents of the state;

4 (6) has provided in the state aid or services of a type listed in this
5 subsection during the two calendar years that immediately precede the year the
6 application is filed;

7 (7) receives at least \$100,000 or five percent of its total annual receipts
8 from contributions, whichever is less;

9 (8) has completed and provides to the department a financial audit with
10 an unqualified opinion, conducted by an independent certified public accountant for
11 the fiscal year immediately preceding the year the application is filed if the total
12 annual budget of the organization exceeds \$250,000 during that fiscal year; and

13 (9) does not make grants or contributions to an organization that is
14 exempt from taxation under 26 U.S.C. 501(c)(4) or (6).

15 (d) The department shall use an equal percentage of the total amount
16 contributed under (a) of this section to each organization for administrative costs
17 incurred in implementing this section. The amount remaining shall be distributed to
18 each organization as soon as practicable.

19 (e) The department may use an agent or enter into a contract under AS 36.30
20 for the implementation and operation of the contribution program under this section.

21 (f) A public agency that claims a dividend on behalf of an individual under
22 AS 43.23.015(e) may not elect to make contributions from the dividend under (a) of
23 this section.

24 (g) By January 20 of each year, the department shall submit a report to the
25 legislature identifying the educational and charitable organizations on the contribution
26 list for the immediately preceding year, together with the amount of contributions
27 made to each of the organizations.

28 * Sec. 2. The uncodified law of the State of Alaska is amended by adding a new section to
29 read:

30 APPLICABILITY. AS 43.23.062, enacted by sec. 1 of this Act, applies to the Alaska
31 permanent fund dividends for 2007, 2008, and 2009.

- 1 * **Sec. 3.** AS 43.23.062 is repealed December 31, 2009.
- 2 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).



Alaska State Legislature Senate Majority News

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FOR IMMEDIATE RELEASE: Feb. 14, 2006 CONTACT: Jeff Turner, Press Secretary: 907.465.3803

Legislation Allows Alaskans to Donate to Worthy Causes Through Dividend Program

(Juneau) - Charitable giving to worthy causes will be easier under legislation introduced today by Sen. Gene Therriault, (R - North Pole).

As chairman of the Senate State Affairs Committee, Therriault introduced SB 297, which provides a streamlined mechanism to allow **voluntary** philanthropic donations through the annual Permanent Fund Dividend application. The process will make it easier to give to organizations that provide important social services such as youth development, food and clothing to the less fortunate, and aid to the arts, elderly and disabled.

"In this age when so many things are done electronically, it only seems right to provide an innovative way for those who contribute to charity to do so through the electronic application for the permanent fund dividend," Therriault said.

SB 297 allows individuals to make a tax-deductible donation to local community organizations and help strengthen Alaska's non-profit charities. Applicants for the permanent fund could specify a dollar amount or a certain percentage of the dividend. The Rasmuson Foundation has offered to implement the program and underwrite the administrative costs for the first few years.

"We applaud the Legislature for encouraging philanthropy through the permanent fund dividend program and look forward to being a partner in the success of the program," said Terry Strle, the Executive Director of United Way of the Tanana Valley.

"We always do the best we can with what we have, but each year brings its own financial challenges. This year it is the enormous costs of various insurances, such as worker's comp insurance and high prices of heating fuel and gasoline. We appreciate the efforts of Senator Therriault in introducing this piece of legislation," said Samantha Castle Kirstein, Executive Director for the Fairbanks Community Food Bank.

Organizations would have to apply to be on the list and meet certain requirements to participate in the program. To be eligible, the organization must be a 501(c)(3), have a local voluntary board, provide specified services, receive a certain amount of annual receipts from contributions, complete a financial audit for the fiscal year preceding application if its total annual budget exceeds \$250,000, and meet other requirements.

Eligible services include education, workforce development, mental health and disaster relief.

###

The Top 10

The largest total philanthropic gifts by individuals in 2004

Source: The Chronicle of Philanthropy



Bill and Melinda Gates

\$3.35 billion
The Microsoft chairman's and his wife's pledge to the Gates Foundation—which committed more than \$1 billion to global health alone this year—will increase its endowment to nearly \$32 billion, by far the largest in the world



Susan T. Buffett

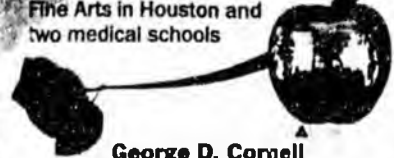
\$2.55 billion
The wife of the Berkshire Hathaway founder left 31,707 shares of company stock largely to her foundation dedicated to college scholarships and medical research

M. Templeton
Investor
The money to his foundation to study the relationship between science, religion and health



Caroline Wiess Law

\$450 million
The oil heiress and art collector's bequest—as well as her many paintings—went to the Museum of Fine Arts in Houston and two medical schools



George D. Cornell

\$196 million
The former New York banker with ties to IBM left a huge bequest to his alma mater, Rollins College, in Winter Park, Fla., and 61 organizations

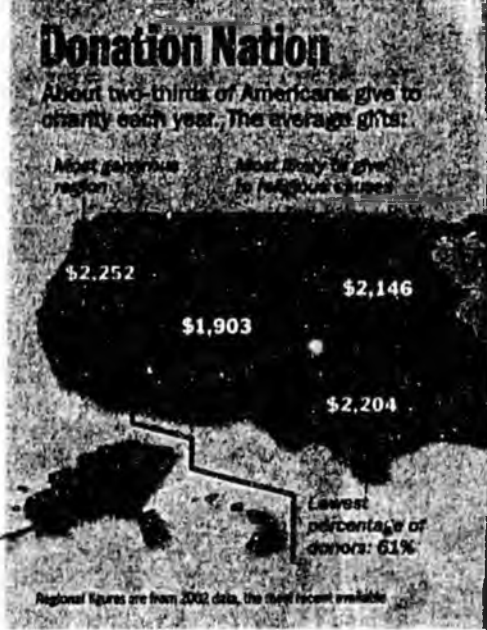
THE GIVING TREE

Through churches, charities and foundations, Americans put their money where their cause is

IN A YEAR FULL OF MASSIVE NATURAL disasters, Americans dug deep to raise billions for those who lost everything. But behind those huge numbers, the world of philanthropy is changing. Wealthy patrons grab headlines when they give millions to a cause, but more than ever those causes are health care or education—funding a hospital wing or providing scholarships. Less than 10% of the \$248.5 billion donated to U.S. charities in 2004 went to groups that directly help the poor. Some attribute the

shift to charity fatigue. Others say people have shifted to fighting poverty abroad because they assume the government is handling the problem here.

So why is the U.S. the most generous nation on earth? Its tax code encourages private giving in lieu of spending more public money on social programs. But the tax code can't account for all the generosity. The deduction for charitable giving cost the government \$40 billion in 2004. Americans gave away more than six times that amount.



Generosity's Deep Roots

Wealthy Americans have been creating ways to give away their time and money for generations



1873
Johns Hopkins (1795-1873), a railroad investor and merchant, leaves \$7 million to found a university and hospital

1907
Margaret Olivia Slocum Sage (1828-1918), a banking heiress, creates the Russell Sage Foundation, which offers grants to improve living conditions. Her total gift is estimated at \$80 million



1911
Andrew Carnegie (1835-1919), a Scottish-born steel baron, defines charity as a moral imperative and gives away more than \$350 million in his lifetime through the Carnegie Corporation

1913
John D. Rockefeller (1839-1937) is the founder of Standard Oil and the richest man of his time. His \$450 million in contributions to public health through the Rockefeller Foundation sets a precedent for the Gates Foundation

and Kay K. Drey

\$180 million
The St. Louis, Mo., businessman and his wife donated Pioneer Forest, 146,000 acres in the Ozarks, to their L-A-D Foundation, which promotes environmentally friendly land management

Edward Marcus

\$115 million
The Home Depot co-founder foundation to finance the Aquarium, which opened in November

Pierre and Pam Omidyar
\$173 million

The eBay founder and his wife, who created a nonprofit group to help sick children cope with disease, have also provided seed money for philanthropic groups

Sidney E. Frank
\$142 million

The creator of the Grey Goose vodka brand could afford only one year of tuition at Brown University. Now he has given the school millions

Michael Bloomberg
\$138 million

New York City's billionaire mayor spreads his media-empire wealth among more than 600 groups, supporting the arts, health care and social services

Star Power

Big names are changing the face of philanthropy

\$3.12 billion

Maricopa

U.S. and International
through DIS - 01

\$1.78 billion

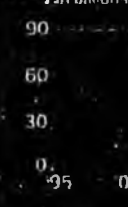


Former Presidents and rivals George H.W. Bush and Bill Clinton formed an unlikely partnership that turned into a friendship, raising millions after the Asian tsunami and the devastating hurricanes in the U.S.

The Bono Effect? Since 2001, development aid for poor nations has increased from \$67 billion to \$80 billion and is projected to rise 60% by 2010. Many European countries are committed to giving 0.7% of their gross domestic product for aid; the U.S. currently gives 0.1%.

Worldwide aid to developing countries

\$120
200 billions



1919
Madam C.J. Walker
(1867-1919), an African-American self-made millionaire, supports social and educational institutions with the profits from her hair-care and cosmetics business



1936
Henry Ford
(1863-1947), the automotive pioneer, establishes the Ford Foundation in Michigan with \$25,000. Now a nationwide force, it has more than \$11 billion

1977
John D. (1897-1978) and Catherine T. MacArthur (1909-1981) start their namesake foundation with the vast wealth from his insurance company, Bankers Life. Today the foundation's assets are estimated at \$5 billion

FROM LEFT: CULVER PICTURES; TIME & LIFE PICTURES—GETTY IMAGES (2); NO CREDIT; ETHAN MILLER—GETTY IMAGES



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"We applaud the Legislature for encouraging philanthropy through the permanent fund dividend program and look forward to being a partner in the success of the program," said Terry Strle, the Executive Director of United Way of the Tanana Valley.

"We always do the best we can with what we have, but each year brings its own financial challenges. This year it is the enormous costs of various insurances, such as worker's comp insurance and high prices of heating fuel and gasoline. We appreciate the efforts of Senator Therriault in introducing this piece of legislation," said Samantha Castle Kirstein, Executive Director for the Fairbanks Community Food Bank.

Organizations would have to apply to be on the list and meet certain requirements to participate in the program. To be eligible, the organization must be a 501(c)(3), have a local voluntary board, provide specified services, receive a certain amount of annual receipts from contributions, complete a financial audit for the fiscal year preceding application if its total annual budget exceeds \$250,000, and meet other requirements.

Eligible services include education, workforce development, mental health and disaster relief.

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Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: State Affairs
Current Version: SB 297
Contact: Heather Brakes, 465-4522

Fact Sheet for: Senate Bill 297

Short Title: CONTRIBUTIONS FROM PERM. FUND DIVIDENDS

Summary:

- Allows an applicant for the permanent fund dividend to subtract money from the dividend and contribute it to one or more educational or charitable organizations that appear on a contribution list on the application.
- Allows contributions of \$10, \$25, or \$100 or may be 10 percent, 25 percent, 50 percent or 100 percent of the total dividend amount.
- Lists each campus of the University of Alaska and each qualified educational or charitable organization in random order.
- Stipulates that educational organizations must provide vocational training, or preschool, elementary, secondary or postsecondary education.
- Stipulates that the primary purpose of the charitable organization is to provide a positive youth development program, workforce development, aid to the arts, or aid and services to individuals who are: elderly, low-income, in emergency situations, disabled or mentally ill.
- Eligible organizations must:
 - Apply for inclusion on the contribution list for the current dividend year before Sept. 1 of the qualifying year.
 - Have been exempt from taxation under 26 U.S.C. 501(c)(3) for the two calendar years preceding the year the application is filed.
 - Be directed by a voluntary board or local advisory board whose members are residents of the state.
 - Provide a qualifying service.
 - Receive the lesser of \$100,000 or 5 percent of its total annual receipts from contributions.
 - Provide a financial audit for the preceding fiscal year if its annual budget exceeds \$250,000.
 - Not make grants or contributions to an organization that is exempt from taxation under 16 U.S.C. 501(c)(4) or (6).

Benefits:

- Encourages contributions to worthy causes and helps strengthen Alaska's non-profit charities.

Background:

- The Rasmuson Foundation has offered to implement the program and underwrite the administrative costs for the first few years.