



Ho-Chunk Nation Department of Justice

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NOTICE TO HO-CHUNK STUDENTS APPLYING FOR FINANCIAL AID

**BE SURE TO DISCLOSE THE MONEY IN YOUR TRUST
ACCOUNT, OR THAT YOU RECEIVED FROM YOUR TRUST
ACCOUNT, ON YOUR FAFSA APPLICATION.**

**FAILURE TO DO SO CAN RESULT IN SIGNIFICANT
CIVIL AND CRIMINAL LIABILITY¹**

WHILE A FEW RARE EXEMPTIONS EXIST, THE VAST MAJORITY OF STUDENTS SEEKING FINANCIAL AID MUST DISCLOSE THE FOLLOWING ON THEIR FREE APPLICATION FOR FEDERAL STUDENT AID (“FAFSA”):

- ALL MONEY CONTAINED IN THEIR TRUST ACCOUNT²
- ALL MONEY RECEIVED FROM THEIR TRUST ACCOUNT WHEN THEY REACH EIGHTEEN (18)³
- THE VALUE OF ALL INVESTMENTS, RENTAL REAL ESTATE AND NON-FAMILY BUSINESSES⁴

¹ 20 U.S.C. §1097(a); *United States v. Ezeta*, 752 F.3d 1182, (9th Cir. 2014); Money Watch, CBS News, *Financial Aid Cheating: 6 Reasons to Stay Honest*, <http://www.cbsnews.com/news/financial-aid-cheating-6-reasons-to-stay-honest/> (accessed Mar. 3, 2017).

² *Per capita payments to individual tribal members from gaming revenues are taxable gross income. Doxtator v. Comm'r*, 89 T.C.M. 1259 (CCH 2005); *United States v. Jim*, 118 A.F.T.R.2d 6360 (S.D. Fla. 2016); 25 U.S.C. §2710(b)(3); *Squire v. Capoeman*, 351 U.S. 1, 6, 76 S. Ct. 611, 100 L. Ed. 883 (1956)(tribal members pay same income tax as non-Indians unless specific exemption exists).

³ Federal Student Aid, Dep’t of Educ., *Asset net worth*, <https://fafsa.ed.gov/help/assetnetworth.htm> (accessed Mar. 3, 2017). Funds in a CTF deposited before the current tax year count as assets. These should be disclosed on the FAFSA in response to Question 41. *FAFSA*, Question 41.

⁴ CTF funds that count as assets continue to be assets after they are paid to the student and the student’s trust fund account is closed. If the student keeps the funds in cash, or a checking or savings account, the amount should be disclosed on the FAFSA, again in response to Question 41. *FAFSA*, Questions 41. If the student invests the money in things like stocks, real estate intended for rent, or a non-family business, the value should be disclosed on the FAFSA in response to Question 42 or 43. *FAFSA*, Questions 42-43.