



# 2004 TAX INFORMATION

## What are the tax consequences of the Trust?

Each minor invested in the Trust must have a return filed on their behalf every year. Federal withholding taxes are automatically deducted from payments, but each individual return will vary. You may need to pay more taxes, or you may be eligible for a refund. State taxes may also be applicable. Please consult your tax advisor for specific information.

## Who can prepare your tax return?

You can prepare your tax return yourself, or enlist the help of a tax professional. Although we can not recommend a particular advisor, Overlien Dobson LLC, Certified Public Accountants has prepared Ho-Chunk minors' returns for many years. Beth, Jill, Dave and Tammie have created a simplified process in which they will ask you a few questions, which should only take approximately 5 minutes of your time. They can prepare a return for a resident of any state (not just Wisconsin). They can also prepare prior years' returns if you have not yet filed, and assist with any notices that you may have received from the IRS and/or state agencies regarding the Trust. *You may also use any other tax advisor of your choice.*

**1-877-977-7122 toll-free (715) 284-7122 (715) 284-8853 FAX**

Overlien Dobson LLC (CPAs) P.O. Box 811 Black River Falls, WI 54615

## Why do I receive a "Certificate of Additional Tax Due?"

You will receive a *Tax Information Letter* and a *Certificate of Additional Tax Due*. The *Tax Information Letter* lists taxes withheld on investments and contributions. The *Certificate* is for use with tax preparers other than Overlien Dobson, and enables Fifth Third Bank to release the correct amount of funds from the Trust. Although federal taxes were withheld, some minors—especially those under the age of 14—may owe more. The IRS imposes a so-called "Kiddie Tax" for minors who are 13 and under at the end of a calendar year. The Kiddie Tax causes the income of these minors to be taxed at the same rate as their parents. This does not affect the parental tax return - only the minor's. State tax may also be due, and the *Certificate* authorizes Fifth Third Bank to make those estimated payments on your behalf.

**Send Certificate to:** *Fifth Third Bank/ Attn: Tonya Fortier MD # RMNR1C/ 111 Lyon Street, NW/Grand Rapids MI 49503* **or fax it to Tonya at:** *(616) 653-5239*

## Do penalties exist for not filing a return?

Yes. Substantial late filing charges, interest, and late fees may apply if you do not file every year in a timely fashion. Although the federal deadline is April 15, 2005, please file your return before April 1st, 2005, to allow enough time for processing.

# THE HO-CHUNK TRUST BULLETIN

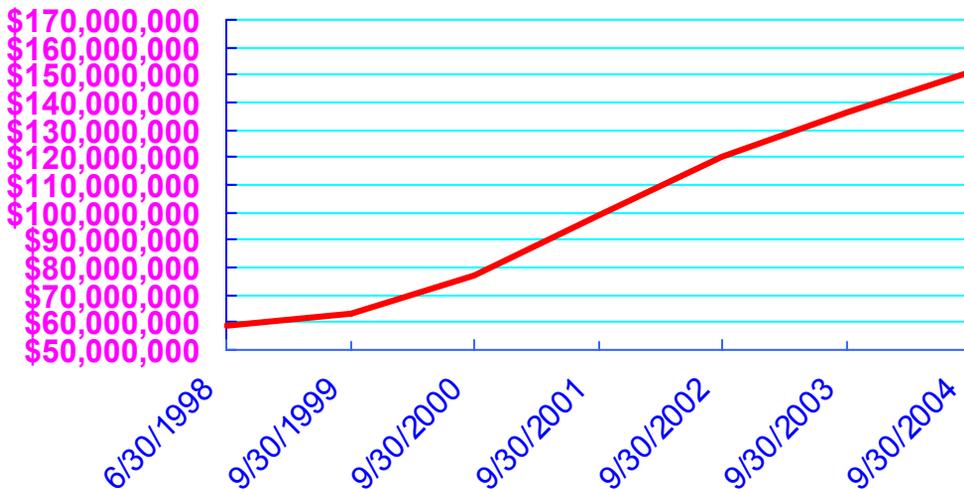
How

## has the Trust performed?

The Ho-Chunk Nation Minor's Trust Fund has continued to perform very well for participants despite a difficult economy. For the past 12 months, the portfolio's benchmark, the Lehman Brothers Intermediate/Corporate Index for A-rated or better bonds, was up +2.21%, while the Trust returned +2.57% before advisory fee. Even after subtracting the advisory fee, the Trust was still ahead of its index, with a net of advisory fee return of +2.50%. Rising interest rates have led to defensive positioning in the portfolio, where we continue to emphasize durations that are both very short (2-3 years) and very long (10 yrs), attempting to take advantage of the flattening yield curve. We invest only in U.S. government bonds, as well as bonds issued by extremely creditworthy corporations. The Minors' Trust is well-positioned for the long term, and will continue to meet the needs of its participants for the years ahead.

## Historical asset growth: 6/30/98 to 9/30/04

Below is a graph of the Ho-Chunk Nation Minor's Trust Fund market value, since inception, *net of advisory fee*.



## Minor's Trust, actual performance 9/30/04 (12 mos.)

12 month return (net of advisory fee):

**2.50%**



**Fifth Third Bank**

Working Hard to be the Only Bank You'll Ever Need®