



SCIENCE ■ STEWARDSHIP ■ SERVICE

Dear GSA Grant/Award Recipient,

Included with this letter is a copy of the **AWARD RECIPIENT DESIGNATION FORM** along with a copy of the IRS publication referenced on the form. As a general rule we do not provide IRS publications since we do not provide tax advice, however this publication is particularly difficult to obtain so we've copied it for you reference.

If you believe the option described in the form and publication applies to you, and you would like to designate your award to be paid to another entity, please complete the form and return it to:

researchgrants@geosociety.org

OR

The Geological Society of America
Research Grant Program Manager
3300 Penrose Place
P.O. Box 9140
Boulder, CO 80301-9140

If you have already received a check from GSA, please mark **VOID** on the check and return it with the form. If the check has been cashed, please remit the funds via check or money order, payable to the Geological Society of America.

Once we receive your completed form and, if applicable, the funds have been returned, GSA will issue a check to the organization(s) per your request. In doing so, you should not receive an IRS form 1099 in your name. If you do not complete this form, it is likely you will receive an IRS form 1099 in your name to indicate receipt of the funds. You will receive a confirmation from GSA.

We have done our best to facilitate moving funds per your request while following tax rules. Unfortunately, we are not able to provide specific tax advice.

Please accept my personal congratulations for receipt of this award.

Sincerely,

Thomas Haberthier
Controller

3300 Penrose Place, P.O. Box 9140, Boulder, Colorado 80301-9140, USA

Tel +1.303.357.1000 ■ Toll Free +1.800.472.1988 ■ Fax +1.303.357.1070 ■ www.geosociety.org

INSTRUCTIONS
AWARD RECIPIENT DESIGNATION FORM

1. Review the sample form provided. In this sample, John Wesley Powell is the student and the original recipient of the research grant.
2. On the actual form, enter the amount of your grant.
3. Enter the date of the grant. If you already received a check, use the date printed on the check. If you did not receive a check yet, please put April 30 and the current year.
4. Enter the amount to designate to your institution, and then the institution's full name and address. GSA will use this name and address to write out and mail the check. (This is the only part where you need to provide information about the institution. The rest of the form refers to you as the recipient.)
5. If you are designating your grant to more than one institution, enter the amounts and other institutions (with full names and addresses) on the other lines.
6. At the bottom of the form, **you (the student)**, as the “**recipient**” of the grant, must provide your name, your signature, your taxpayer identification number (“TIN”, or in most cases, your Social Security number, or SSN), your mailing address, and the date. If you are not a U.S. citizen or U.S. permanent resident (“green-card holder”), or if you do not have a U.S. work visa, you probably do not have a TIN or SSN; that is perfectly fine, and you can enter “None” in that part of the form.
7. GSA does not need the name or signature of an official at the institution/university, nor does GSA need the institution's TIN.
8. The form may be submitted via e-mail to researchgrants@geosociety.org; this is the preferred method. The form may also be mailed to:
The Geological Society of America
Research Grant Program Manager
3300 Penrose Place
P.O. Box 9140
Boulder, CO 80301-9140
9. Please send questions to researchgrants@geosociety.org.

SAMPLE
AWARD RECIPIENT DESIGNATION FORM

The purpose of this document is to designate pursuant to section 74(b)(3) of the Internal Revenue Code the governmental units(s) or charitable organizations(s) described in section 170(c)(1) or (2) or the Code, respectively, to which a prize or an award amount (or portion thereof) is to be transferred.

The undersigned recipient of the **GSA Graduate Student Research Grant in the amount of \$1,888** (DESCRIBE NATURE AND TOTAL VALUE OF PRIZE OR AWARD) awarded (or to be awarded) on **May 24, 2017**

(DATE) requests that the payor, THE GEOLOGICAL SOCIETY OF AMERICA – 3300 PENROSE PLACE – PO BOX 9140 – BOULDER, CO 80301, of this prize or award transfer it, in the amount(s) indicated, to the entity entities) designated below;

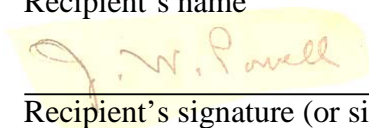
\$1,888 Illinois College, 1101 West College Avenue, Jacksonville, Illinois 6265
Amount Name and Address of section 170(c)(1) or (2) entity
(List separately each designee if more than one)

Amount Name and Address of section 170(c)(1) or (2) entity

Amount Name and Address of section 170(c)(1) or (2) entity

The undersigned recipient understands that the amount(s) of the prize or award designated above is (are) excludable from the recipient's gross income under section 74(b) or the Code but is (are) not deductible by the recipient as a charitable contribution. If the payment was initially paid to the recipient, the undersigned certifies that no use of this prize or award was made prior to its return to the payor.

John Wesley Powell
Recipient's name


Recipient's signature (or signature of authorized representative)

999-99-1888
Recipient's taxpayer identification number

6 North Lake Powell Boulevard, Page, AZ 86040
Recipient's address

May 30, 2017
Date signed

AWARD RECIPIENT DESIGNATION FORM

The purpose of this document is to designate pursuant to section 74(b)(3) of the Internal Revenue Code the governmental units(s) or charitable organizations(s) described in section 170(c)(1) or (2) or the Code, respectively, to which a prize or an award amount (or portion thereof) is to be transferred.

The undersigned recipient of the **GSA Graduate Student Research Grant in the amount of**
(DESCRIBE NATURE AND TOTAL VALUE OF PRIZE OR AWARD) awarded (or to be awarded) on

(DATE) requests that the payor, THE GEOLOGICAL SOCIETY OF AMERICA – 3300 PENROSE PLACE – PO BOX 9140 – BOULDER, CO 80301, of this prize or award transfer it, in the amount(s) indicated, to the entity entities) designated below;

| | |
|--------|------------------------------------------------------|
| Amount | Name and Address of section 170(c)(1) or (2) entity |
|--------|------------------------------------------------------|

(List separately each designee if more than one)

| | |
|--------|------------------------------------------------------|
| Amount | Name and Address of section 170(c)(1) or (2) entity |
|--------|------------------------------------------------------|

| | |
|--------|------------------------------------------------------|
| Amount | Name and Address of section 170(c)(1) or (2) entity |
|--------|------------------------------------------------------|

The undersigned recipient understands that the amount(s) of the prize or award designated above is (are) excludable from the recipient’s gross income under section 74(b) or the Code but is (are) not deductible by the recipient as a charitable contribution. If the payment was initially paid to the recipient, the undersigned certifies that no use of this prize or award was made prior to its return to the payor.

Recipient’s name

Recipient’s signature (or signature of authorized representative)

Recipient’s taxpayer identification number

Recipient’s address

Date signed

C

Rev. Proc. 87-54, 1987-41 I.R.B. 37, 1987-2 C.B. 669, 1987 WL 350426 (IRS RPR)

Internal Revenue Service (I.R.S.)
Revenue Procedure

Published: October 13, 1987

26 CFR 601.602: Forms and instructions.

SECTION 1. PURPOSE

The purpose of this revenue procedure is to provide procedural guidelines to exclude certain prizes and awards granted after December 31, 1986, from gross income under section 74(b) of the Internal Revenue Code. As amended by section 122 of the Tax Reform Act of 1986 (the Act), 1986-3 (Vol. 1) C.B. 26, section 74(b) provides that if certain prizes or awards are transferred by payors to governmental units or charitable organizations described in section 170(c)(1) or (2) of the Code, respectively, pursuant to 'designations' made by recipients, the prizes or awards are not included in the recipients' gross income.

This revenue procedure describes a safe harbor that ensures that such prizes or awards qualify for the exclusion. However, other designation methods meeting the requirements imposed by section 74(b) of the Code may also be used.

SEC. 2. BACKGROUND

01 Section 74(a) of the Code provides, in general, that gross income includes amounts received as prizes and awards. Taxable prize and award amounts of \$600 or more paid in any taxable year by a payor to a recipient that are not paid for services rendered are to be reported by the payor on Form 1099-MISC, Statement for Recipients of Miscellaneous Income. See section 6041(a) of the Code and section 1.6041-1(d)(3) of the Income Tax Regulations.

02 Section 74(b) of the Code, an exception to the general rule of section 74(a), provides that gross income does not include amounts received as prizes and awards made primarily in recognition of

religious, charitable, scientific, educational, artistic, literary, or civic achievement, but only if (1) the recipient is selected without any action on the recipient's part to enter the contest or proceeding, (2) the recipient is not required to render substantial future services as a condition to receiving the prize or award, and (3) the prize or award is transferred by the payor to a government unit or a charitable organization described in paragraph (1) or (2) of section 170(c) pursuant to a designation made by the recipient.

The third requirement of section 74(b) was added by section 122 of the Act, effective for prizes and awards granted after December 31, 1986.

03 S. Rep. No. 9-313, 99th Cong. 2d Sess. 50 (1986), 1986-3 (Vol. 3) C.B. 50, states:

Under the bill, the present-law exclusion under section 74(b) for certain prizes and awards for charitable, artistic, scientific, and like achievements is modified to apply only if the recipient designates that the prize or award is to be transferred by the payor to a governmental unit or a tax-exempt charitable, educational, religious, etc. organization contributions to which are deductible under section 170(c)(1) or 170(c)(2), respectively. If such designation is made and the prize or award is so transferred to a governmental unit or charitable organization by the payor, the prize or award is not included in the winner's gross income, and no charitable deduction is allowed either to the winner or to the payor on account of the transfer to the governmental unit or charitable organization.

For purposes of determining whether a prize or award that is so transferred qualifies as excludable under the bill, the present-law rules concerning the scope of section 74(b) are retained without change. In addition, in order to qualify for the section 74(b) exclusion as modified by the bill, the designation must be made by the taxpayer, and must be carried out by the organization making the prize or award, before the taxpayer uses the item that is awarded (e.g., in the case of an award of money, before the taxpayer spends, deposits, invests, or otherwise uses the money). Disqualifying uses by the taxpayer include such uses of the property with the permission of the taxpayer or by one associated with the taxpayer (e.g., a member of the taxpayer's family).

(2) entity)

SEC. 3. DESIGNATION GUIDELINES

01 If the taxpayer wishes to exclude from gross income a prize or award (or portion thereof) that meets the requirements of section 74(b)(1) and (2) of the Code, the taxpayer must make a designation pursuant to which the prize or award is to be transferred to an organization or entity described in section 170(c)(1) or (2). This 'designation' should be made before the prize or award is actually presented by the payor to the recipient to avoid the possibility of a disqualifying use of the prize or award by the recipient.

(List separately each designee if more than one)

_____ to Section 170(c)(1) or (2) entity or

_____ entities to be selected by the payor.

02 The designation preferably should be made by the recipient on a form provided by the payor and returned to the payor. However, the recipient may make an effective designation in a written document prepared by the recipient and submitted to the payor. In either case, the designation should (1) describe the purpose of the document by reference to section 74(b)(3) of the Code and (2) indicate the designee governmental unit(s) or charitable organization(s). The designation may also state the federal income tax consequences for making the designation.

The undersigned recipient understands that the amount(s) of the prize or award designated above is (are) excludable from the recipient's gross income under section 74(b) of the Code but is (are) not deductible by the recipient as a charitable contribution.

Language for a model designation document follows below:

The purpose of this document is to designate pursuant to section 74(b)(3) of the Internal Revenue Code the governmental unit(s) or charitable organization(s) described in section 170(c)(1) or (2) of the Code, respectively, to which a prize or an award amount (or portion thereof) is to be transferred.

Recipient's signature (or signature of authorized representative)

The undersigned recipient of the (DESCRIBE NATURE AND TOTAL VALUE OF PRIZE OR AWARD) awarded (or to be awarded) on (DATE) requests that the payor, (NAME AND ADDRESS), of this prize or award transfer it, in the amount(s) indicated, to the entity (entities) designated below:

Recipient's Taxpayer Identification Number

Amount

Designee

Recipient's Address

_____ to (Name and Address of section 170(c)(1) or

(Cite as: Rev. Proc. 87-54, 1987-41 I.R.B. 37, 1987-2 C.B. 669, 1987 WL 350426 (IRS RPR))

Date signed

Payor's address

03 If it is not possible for the recipient of a prize or an award to make a designation prior to the actual receipt of the prize or award, as in the case of an unexpected presentation, the recipient must, before the item is used, return the prize or award to the payor and should make a designation in the manner set forth in section 3.02 above, with an additional paragraph stating: 'The undersigned certifies that no use of this prize or award was made prior to its return to the payor.'

04 If the recipient makes a designation pursuant to section 3.02 or 03, the payor should provide a written acknowledgment to the recipient stating when and to whom the designated amounts were transferred by the payor. The acknowledgement should incorporate language substantially as follows:

To: (NAME, TAXPAYER IDENTIFICATION NUMBER, AND ADDRESS OF RECIPIENT)

In accordance with your directions, the property, to the extent designated, (STATE NATURE AND VALUE THEREOF), representing the (NAME OF PRIZE OR AWARD) granted to you was transferred to (NAME OF SECTION 170(c)(1) OR (2) ORGANIZATION(S)) on (DATE).

Signature of payor or authorized representative
(state title)

Payor's taxpayer identification number

Date signed

05 The designation and acknowledgment documents (or copies thereof) should be retained by both the payor and the recipient of the prize or award. These documents will be accepted by the Internal Revenue Service as evidence that the requirements of section 74(b)(3) of the Code have been met.

SEC. 4. EFFECTIVE DATE

This revenue procedure applies to prizes and awards granted after December 31, 1986.

DRAFTING INFORMATION

The principal author of this revenue procedure is M.L. Meretsky of the Individual Tax Division. For further information regarding this revenue procedure contact Mr. Meretsky on (202) 566-3381 (not a toll-free call).

Rev. Proc. 87-54, 1987-41 I.R.B. 37, 1987-2 C.B. 669, 1987 WL 350426 (IRS RPR)
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