2026 Midyear Convention
Ferndale, Washington

RESOLUTION # 2026 – 032

"CALLING ON THE INTERNAL REVENUE SERVICE TO ADD TRIBAL TAX PRIORITIES TO ITS PRIORITY GUIDANCE PLAN"

PREAMBLE

We, the members of the Affiliated Tribes of Northwest Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants rights secured under Indian Treaties and benefits to which we are entitled under the laws and Constitution of the United States and several states, to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following Resolution:

WHEREAS, the Affiliated Tribes of Northwest Indians (ATNI) are the representatives and advocates for national, regional, and specific tribal concerns; and

WHEREAS, the ATNI is a regional organization comprised of American Indians/Alaska Natives and Indian tribal governments in the states of Washington, Idaho, Oregon, Montana, Nevada, Northern California, and Alaska; and

WHEREAS, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of ATNI; and

WHEREAS, the Treasury Tribal Advisory Committee (TTAC) was established under the Tribal General Welfare Exclusion Act of 2014 (the "GWE Act") to provide advice and recommendations to the Secretary of the Treasury on matters relating to the taxation of Indian

Tribes, matters relating to the relevant areas of Federal law, and any other matters that are determined to be appropriate; and

WHEREAS, the TTAC convened its first public meeting of 2026 on April 24, 2026, at the U.S. Department of the Treasury in Washington, D.C., with representatives from the Internal Revenue Service (IRS) and Treasury in attendance, including the IRS Chief Executive Officer, the Assistant Secretary for Tax Policy and Acting IRS Chief Counsel, and the U.S. Treasurer; and

WHEREAS, the IRS publishes an annual Priority Guidance Plan identifying tax issues the IRS intends to address through regulations, revenue rulings, revenue procedures, notices, and other guidance during the plan year; and

WHEREAS, inclusion of a priority in the IRS Priority Guidance Plan signals a formal commitment of agency resources and increases the likelihood of timely, clear, and enforceable guidance for taxpayers and governments affected by the priority; and

WHEREAS, the IRS finalized guidance in December 2025 on the tax treatment of wholly owned Tribally chartered business entities, providing important clarity after decades of uncertainty; however, substantial uncertainty persists regarding partially owned Tribally chartered business entities and joint ventures, which represent a common and critical structure for Tribal economic development partnerships; and

WHEREAS, TTAC and Native American Finance Officers Association (NAFOA) are currently soliciting further Tribal input through surveys and listening sessions to inform subsequent guidance requests to the IRS on partially owned Tribally chartered business entities, and this issue has been formally identified as a priority by the TTAC Tribal Economies Subcommittee; and

WHEREAS, Section 7871 of the Internal Revenue Code was enacted as part of the Indian Tribal Government Tax Status Act of 1982 to recognize Tribal governments as governmental entities for Federal tax purposes, including for purposes of issuing tax-exempt bonds; however, existing IRS guidance under Section 7871 has created considerable ambiguity that impedes Tribal economic development and investment; and

WHEREAS, in 2020, Tribal governments collectively issued only $39 million in tax-exempt debt, while state and local governments issued $51 billion during the same period, a disparity that reflects the profound inequity created by restrictive IRS guidance which limits Tribal nations' ability to finance essential governmental infrastructure; and

WHEREAS, the Government Accountability Office issued a report in 2006 that provided a list of projects for which state and local governments routinely use state and local governments that would be unavailable to Tribal Nations under current IRS guidance; and

WHEREAS, Tribal Tax and Investment Reform Act (TTIRA), introduced in both the House and the Senate, would establish parity and clarity for Tribal nations and enhance access to essential financial instruments, including tax-exempt bonds, and TTAC has offered technical assistance and favorable feedback regarding TTIRA; and

WHEREAS, the IRS's 1984 guidance on Section 7871 excise tax exemptions for Tribal political subdivisions is outdated and administratively burdensome, and subdivisions not identified on the original 1984 list must seek costly and time-consuming private letter rulings (PLRs) to secure the exemption that Congress intended for all Tribal political subdivisions; and

WHEREAS, the PLR process creates economic uncertainty, imposes disproportionate costs on Tribal governments, and conflicts with the deregulatory principles endorsed by the current administration, and TTAC has called on the IRS to collaborate with Tribal nations and TTAC to modernize this guidance in a manner consistent with Congressional intent and the President's deregulatory agenda; and

WHEREAS, many Tribal members currently face a coercive choice between accepting Tribal General Welfare benefits and retaining eligibility for vital federal programs such as Supplemental Security Income (SSI) or Medicaid, forcing vulnerable community members, including Elders, to forgo assistance from their own governments in order to preserve eligibility for federal safety net programs; and

WHEREAS, the GWE Act of 2014 (26 U.S.C. § 139E) codifies that Indian general welfare benefits are excluded from gross income, yet current Social Security Administration policy does not uniformly exclude such benefits from SSI eligibility determinations, undermining Congressional intent and Tribal self-governance; and

WHEREAS, TTAC and public commenters at the April 2026 TTAC meeting identified the Tribal General Welfare Benefits and SSI eligibility interaction as a critical issue requiring a federal administrative solution; and

WHEREAS, state departments, such as Washington State's Department of Social and Health Services, have used such lack of exclusions by federal agencies like the Administration for Children and Families (ACF) and the United States Department of Agriculture (USDA) to deny tribal members for federal programs like Supplemental Nutrition Assistance Program (SNAP), Women, Infants, and Children Nutrition Program (WIC), Temporary Assistance for Needy Families (TANF) who are also in receipt of general welfare benefits; and

WHEREAS, such mistreatments of tribal general welfare benefits enacted by state department policies do irreparable harm to tribal members and contradict the intent of Congress and the federal government with respect to tribal general welfare; and

THEREFORE, BE IT RESOLVED, that ATNI affirms its support for the work of the Treasury Tribal Advisory Committee (TTAC) and the Native American Finance Officers Association (NAFOA) in identifying and advancing Tribal tax priorities before the Internal Revenue Service and the U.S. Department of the Treasury; and

BE IT FURTHER RESOLVED, that ATNI calls upon the Internal Revenue Service (IRS) to include guidance on the tax treatment of partially owned Tribally chartered business entities on its Priority Guidance Plan, acknowledging the substantial uncertainty that persists following finalization of guidance on wholly owned Tribally chartered business entities in December 2025, and further calls upon the IRS to engage with TTAC and Tribal nations in developing such guidance through meaningful government-to-government consultation; and

BE IT FURTHER RESOLVED, that ATNI calls upon the Internal Revenue Service to include on its Priority Guidance Plan updated guidance on excise tax exemptions for Tribal political subdivisions under Section 7871, replacing the 1984 guidance with a modernized framework that eliminates the requirement for individual private letter rulings and ensures that all qualifying Tribal political subdivisions may access the excise tax exemptions that Congress intended, consistent with the President's deregulatory agenda; and

BE IT FURTHER RESOLVED, that ATNI calls upon the Internal Revenue Service and the Social Security Administration, in coordination with the Treasury Tribal Advisory Committee, to develop an administrative solution that excludes Tribal General Welfare benefits from Supplemental Security Income (SSI) eligibility determinations, so that Tribal members are not forced to choose between receiving assistance from their own governments and maintaining eligibility for critical federal safety net programs; and

BE IT FURTHER RESOLVED, that a similar administrative solution is developed between the TTAC and USDA, ACF, and any other federal programs identified as being mistreated by state administrators; and

BE IT FINALLY RESOLVED, that this will be the policy of ATNI until it is withdrawn or modified by subsequent resolution(s).

CERTIFICATION

The foregoing Resolution was adopted at the Affiliated Tribes of Northwest Indians 2026 Midyear Convention held at the Silver Reef Casino Resort in Ferndale, Washington, on May 17-21, 2026, with a quorum present.

Leonard Forsman, President

Norma Jean Louie, Secretary