

UNITED SOUTH AND EASTERN TRIBES, INC.

Resolution No. B-90-286

PRESERVING TAX EXEMPTION FOR INDIAN, STATE AND
LOCAL BONDS ISSUES FOR PUBLIC PURPOSES

WHEREAS, the United South and Eastern Tribes, Incorporated (USET) is an inter-tribal organization comprised of 18 federally-recognized tribes; and

WHEREAS, many Indian Tribal Chiefs, State and Local leaders have become increasingly concerned about the imbalance in the federal system in the wake of the Supreme Court decisions in Garcia and South Carolina v. Baker; and

WHEREAS, many national organizations of Indian Tribes, and state and local governments, finance officers, state treasurers, as well as the Advisory Commissioner on Intergovernmental Relations have been discussing federal legislative action to restore a balance in the Federal system, including but not limited to amendments to the United States Constitution and amendments to the Internal Revenue Code; and

WHEREAS, the United States Conference of Mayors have encouraged USET to pass a resolution supporting a specific purpose amendment prohibiting federal taxation of interests derived from Indian, state and local purpose obligations,

NOW, THEREFORE, BE IT RESOLVED THAT USET authorize the appropriate officials and Executive Committee to work with other interested organizations in support of appropriate Constitutional amendments of Article 5 (the amendatory process) and the Tenth Amendment which are designed to preserve the rights of state and local governments and Indian Tribes and the citizens of the Federal system, and to restore balance in that system; and

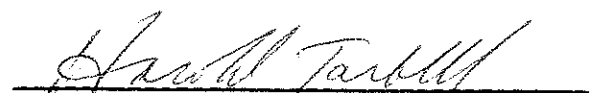
BE IT FURTHER RESOLVED THAT USET support an Amendment to the United States Constitution prohibiting the Federal Government from taxing interest income derived from debt instruments of Indian Tribes, the several states and their political subdivisions, when such debt instruments are issued for public purposes; and

BE IT FURTHER RESOLVED THAT USET support an Amendment to the Internal Revenue Code which would specifically exclude from the definition of gross income in IRC Section 61(a) any interest income derived from debt instruments of the Indian Tribes, several states and their political subdivisions, when such debt instruments are issued for public purposes.

CERTIFICATION

This resolution was duly passed at the Board of Directors meeting, at which a quorum was present, in Washington, DC; March 8, 1990.


Joel M. Frank, President
United South and Eastern Tribes, Inc.


Harold Tarbell, Secretary
United South and Eastern Tribes, Inc.