



UNITED SOUTH AND EASTERN TRIBES, INC.


USET Resolution No. 2000:65

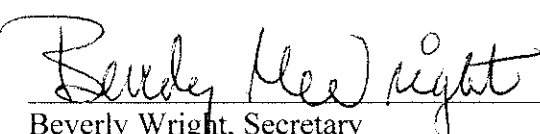
FEDERAL UNEMPLOYMENT TAX (H.R. 4556)

- WHEREAS,** United South and Eastern Tribes Incorporated (USET) is an intertribal organization comprising twenty-four (24) federally recognized tribes; and
- WHEREAS,** the actions taken by the USET Board of Directors officially represent the intentions of each member tribe, as the Board of Directors comprises delegates from the member tribes' leadership; and
- WHEREAS,** the Internal Revenue Service currently takes the position that Indian nations are subject to the Federal Unemployment Tax ("FUTA"); and
- WHEREAS,** the IRS has asserted a FUTA tax liability against the Alabama-Coushatta Tribe in connection with its job training program and against other Indian nations; and
- WHEREAS,** federal law exempts state, local and other governments from the FUTA tax because of their status as governmental entities; and
- WHEREAS,** USET believes that the position of the IRS regarding the application of the FUTA tax to Indian nations is wrong and inequitable and that tribes, consistent with longstanding federal policy, should not be subjected to this or any other tax; and
- WHEREAS,** there is legislation currently pending before Congress (H.R. 4556) that is intended to correct this inequity by recognizing the immunity of Indian nations from the FUTA tax; and
- WHEREAS,** the New Markets Initiative package being advanced by President Clinton and House Speaker Hastert may also serve as an appropriate legislative vehicle for correcting the inequitable application of the FUTA tax to Indian nations; therefore, be it
- RESOLVED,** the USET Board of Directors supports all legislative efforts, such as H.R. 4556, to formally recognize that Indian nations are not subject to the FUTA tax; be it further
- RESOLVED,** that Congress should make such recognition retroactive in order to relieve the Alabama-Coushatta Tribe and similarly situated Indian nations from the unlawful imposition of FUTA taxes; be it further
- RESOLVED,** that the USET Board of Directors directs the Commercial Law, Legislation and Economic Development Committee to make these views known to elected officials and to work to ensure the successful passage of this legislation.

CERTIFICATION

This resolution was duly passed at the USET Semi-Annual Meeting, at which a quorum was present in Houston, Texas on Thursday, June 8, 2000.


Keller George, President
United South and Eastern Tribes, Inc.


Beverly Wright, Secretary
United South and Eastern Tribes, Inc.

"Because there is strength in Unity"