



UNITED SOUTH AND EASTERN TRIBES, INC.

Resolution No. USET 2001: 040

**FEDERAL WAGERING EXCISE TAX**

- 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 (IRS) has attempted to impose a federal wagering excise tax—26 U.S.C. § 4401(a)(1)—on the sale of paper pull-tabs by Indian gaming enterprises; and
- WHEREAS,** 26 U.S.C. § 4401(a)(1) is an anachronistic and archaic provision of the Internal Revenue Code which was never intended to apply to tribal gaming operations; and
- WHEREAS,** the imposition of the wagering excise tax on Indian nations is illegal and affront to tribal sovereignty; and
- WHEREAS,** one federal court has sustained the efforts of the IRS to collect the wagering excise tax, while another federal court has sided with the tribes on this issue; and
- WHEREAS,** the U. S. Supreme Court has elected to review the lower court cases to determine the applicability of the wagering excise tax to Indian nations; therefore, be it
- RESOLVED** the USET Board of Directors hereby urges the U. S. Supreme Court to strike down the illegal efforts of the IRS to impose wagering excise taxes on Indian nations; and, be it further
- RESOLVED** the U. S. Congress, regardless of the decision of the U. S. Supreme Court, repeal 26 U.S.C. § 4401(a)(1) as an anachronistic and ineffective provision of federal tax law.

**CERTIFICATION**

This resolution was duly passed during a meeting of the Board of Directors during Impact Week, at which a quorum was present in Arlington, Virginia on Thursday, February 1, 2001.

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

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

*“Because there is strength in Unity”*