

## Tribal Business Development – Case Studies



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Tribal Tax & Business Development:  
Building Sovereignty and Adding Revenue in Indian Country

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## Introduction

- Background
- Role of Taxes in Tribal Development
- CTUIR examples
  - Coyote Business Park & Cayuse Technologies
  - Rattlesnake Wind Farm
  - Yaka Energy
  - Wanapa Energy Center



*Celebrating Success*

## Impact of Federal Tax scheme on Tribal Development

- Tribal specific Federal tax incentives have had little practical impact beyond encouraging a closer look at tribal locations
  - Employment credits
  - Accelerated depreciation
  - Manufacturing exemptions
  - Tribal tax exempt bonds
    - Essential governmental services
    - Stimulus Tribal economic development bonds

## Business Parks



[www.coyotebusinesspark.com](http://www.coyotebusinesspark.com)



[www.cayusetechologies.com](http://www.cayusetechologies.com)



[www.davita.com](http://www.davita.com)



## Impact of Federal Tax scheme on Tribal Development

- General tax incentives have helped in some cases
  - Production tax credits on energy projects
  - Energy bonds (CREBs and QECBs)
  - New Market tax credits



## Tribal Ownership

- Federal & State Income Taxes – governments exempt
- State property taxes – who effectively owns?



Wanapa Energy Center

## Tribal Ownership

- Hard to attract investment if government must own
  - No way to use tax incentives
  - Lack of investor control
- Can work as a joint venture, but often driven by other factors, e.g. minority status



## Impact of State Taxes

- Depends on how state deals with dual taxation
  - Oregon's enterprise zones
  - Washington's sales and excise taxes



## Impact of State Taxes

- Marketing Tax Advantages
- Tribal-State Compacts



Fuel tax dispute



Smokeshop arrest of Tribal leader



Paying Tribal taxes to the State of Virginia

## Additional Information

- Tribal Tax Policy
  - National Congress of American Indians
    - <http://ncai.org/Taxation.31.0.html>
    - [http://www.ncai.org/fileadmin/ncai\\_events/2010\\_WH\\_Summit/5a\\_-\\_Tax\\_Finance\\_Regulatory\\_Policies\\_-\\_FINAL.pdf](http://www.ncai.org/fileadmin/ncai_events/2010_WH_Summit/5a_-_Tax_Finance_Regulatory_Policies_-_FINAL.pdf)
- State Tribal Tax Policy
  - [www.oregon.gov/dor/tribal\\_tax.shtml](http://www.oregon.gov/dor/tribal_tax.shtml)
  - <http://dor.wa.gov/content/findtaxesandrates/retailsalestax/indians/IndianTaxGuide/default.aspx>
  - National Conference of State Legislators, *Piecing Together the State-Tribal Tax Puzzle* (2005)
    - [www.ncsl.org/default.aspx?tabid=12662](http://www.ncsl.org/default.aspx?tabid=12662)

## Additional Information

- Federal Tribal Tax Policy
  - [www.irs.gov/govt/tribes/index.html](http://www.irs.gov/govt/tribes/index.html)
  - Joint Committee on Taxation, *Overview of Federal Tax Provisions Relating to Native American Tribes and Their Members* (2008)
    - [www.jct.gov/publications.html?func=startdown&id=1278](http://www.jct.gov/publications.html?func=startdown&id=1278)

The First American Tax Evaders

