



The Grand Traverse Band of Ottawa and Chippewa Indians

2605 N. West Bay Shore Drive • Peshawbestown, MI 49682-9275 • (231) 534-7750

MANDATORY 30-DAY POSTING

MEMORANDUM

TO: Tribal Membership
FROM: GTB Legal Department
RE: 30-day posting regarding Title 1 Chapter 4 Internal Revenue Service Ordinance
DATE: November 19, 2025

Please post the attached proposed amendments to the ordinance that was approved for a 30-day posting by Tribal Council at the Tribal Council Regular Session on November 19, 2025. Please post the above referenced ordinance in an area where GTB tribal members can review it for 30 days. This is an opportunity for tribal members to provide comments, if any, about these proposed amendments. Your comments will be provided to Tribal Council prior to the adoption of these amendments. This posting will end on December 19, 2025 and can be removed at that time.

Any comments regarding the above referenced should be directed to the GTB Legal Department either by writing to the GTB Legal Department, 2605 N.W. Bayshore Dr., Peshawbestown, MI 49682, or by telephone (231) 534-7601, or by e-mail, to page.paul2@gtb-nsn.gov

Posting Sites: sent via email

Administration Building
Accounting Department Annex
Annex II – Human Resources Building
Benodjeohn Child Care Center
Clinic
Elder's Complex
Housing
SBR Plant
Natural Resources/Conservation
Maintenance Department
Benzie Satellite Office
Charlevoix Satellite Office
Traverse City Satellite Office
Strongheart Center
Library/Yo Building/Youth Center
Tribal Court

EDC Building

Leelanau Sands Casino –
Employees/Supervisors' Break-room

Leelanau Sands "The Lodge" –
Employees/Supervisors' Break-room

Turtle Creek Casino – Employees/Supervisors'
Break-room



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TRIBAL COUNCIL RESOLUTION

Resolution #25-43.3821

AMENDMENTS TO TITLE 4 CHAPTER 4-INTERNAL REVENUE SERVICE ORDINANCE

- WHEREAS:** The Grand Traverse Band of Ottawa and Chippewa Indians (GTB) became a federally recognized Indian Tribe having a government-to-government relationship with the United States effective May 27, 1980 (see 45 Fed. Reg. 18321-322 (March 25, 1980)); and
- WHEREAS:** The GTB is organized under a Tribal Constitution approved by the Secretary of the Interior on March 29, 1988; and
- WHEREAS:** the GTB's chief governing body, the Tribal Council, consists of Sandra L. Witherspoon, Tribal Chairwoman; Jane Rohl, Vice Chair; Donna M. Swallows, Treasurer; Anna Miller, Secretary; Tina A. Frankenberger, Councilor; Brian S. Napont, Councilor; Angelina Raphael, Councilor; and
- WHEREAS:** Article IV, Section (1)(c) of the Tribal Constitution provides that a power of the Tribal Council is "[t]o make all laws, not inconsistent with this Constitution, which shall be necessary and proper to carry out the sovereign powers of the Tribe, and to implement and enforce the same;" and
- WHEREAS:** Title One, Chapter One, Legislative Procedures §§ 103, 104, and 105 authorize Council acting in its Legislative Capacity to propose (§ 103) legislative bill, (§ 104), to review and comment by Council for 30 days, (§ 105), to post for 30 days for review and comment by Tribal Members (§ 106).
- WHEREAS:** The State of Michigan has implemented an amendment of the sales and use tax on motor vehicle fuel by eliminating the sales tax on motor vehicle fuel and delegating the revenue formerly generated by the sales and use tax to the Michigan Motor Vehicle Excise Tax; and
- WHEREAS:** The Michigan Legislature, as part of the statewide budget deal, enacted a package of bills that became Public Acts 17, 18, 19, and 20. The PAs raise money for the road fund by increasing the excise tax on motor fuel (PA 20 / HB 4183), while eliminating sales and use taxes on motor fuel to protect pump prices (PAs 17-19 / HBs 4180-4182) – in other words, the increase in motor-fuel tax roughly balances the decrease in sales and use taxes; and

WHEREAS: The State of Michigan and the Grand Traverse Band of Ottawa and Chippewa Indians have a Michigan Tribal Tax Agreement (27 May 2004) with subsequent amendments that in some cases require amendment the Tribal Legislation that implemented the Tax Agreement to conform with either State of Michigan administrative or legislative changes; and

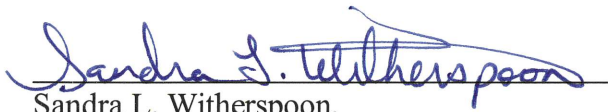
WHEREAS: GTB initially established 4 GTBC 407(a) and (b) to implement the relevant provisions related to motor vehicle excise tax and sale and use tax available under the Tribal State Tax Agreement covering motor vehicle excise fuel tax; and

WHEREAS: The State amendment of State law on motor vehicle excise tax by eliminating the Sales Tax on motor vehicle fuel has thereby made the Tribal sale and use on motor vehicle tax effectively uncompetitive in the marketplace.

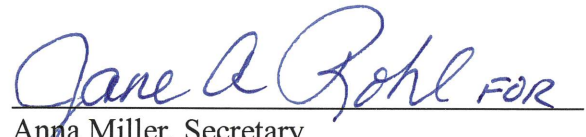
NOW, THEREFORE BE IT RESOLVED that GTB hereby revokes Section 407(b) of Title 4 to be consistent with the Michigan Legislature's elimination of sales tax on motor vehicles.

BE IT FUTTHER RESOLVED that by this that by this Resolution #25-43.3821 the Tribal Council acknowledges that it has reviewed these proposed Amendments to Title 4 Ch.4 § 407(b) and pursuant to Title 1 Legislative Procedures § 105 and 106 approves the Amendments, attached hereto, to be published for review and comment by Tribal members for a period not less than 30 days.

APPROVED:

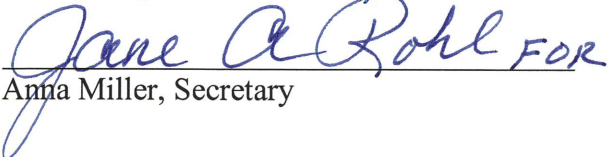

Sandra L. Witherspoon,
Tribal Chairwoman

ADOPTED:


Anna Miller, Secretary

CERTIFICATION

As Secretary of the Grand Traverse Band Council, I hereby certify that the above resolution was approved and adopted at a Regular Session of the Tribal Council held on November 19, 2025, by a vote of 6 for, 0 against, 0 absent, and 0 abstaining.

ATTEST: 
Anna Miller, Secretary

CHAPTER 4
Internal Revenue Service Ordinance

§ 401. Limitation; Reservation of Rights. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

- (a) Sections 403 through 405 of this ordinance will apply only to Indian lands whether held in trust or fee status, located within the exterior boundaries of the Grand Traverse Band Reservation as defined by Article I, Section 2(b) of the Grand Traverse Band's federally approved constitution.
- (b) Nothing contained in this ordinance shall be construed as a relinquishment of Tribal sovereignty over lands located within the exterior boundaries of the Grand Traverse Band Reservation as defined by Article I, Section 2(b), of the Tribal Constitution.
- (c) The Tribal Council expressly reserves the right to exercise Tribal sovereignty over all non-Indian lands located within the boundaries of the Grand Traverse Band Reservation, as defined by Article I, Section 2(b) of the Tribal Constitution, to the extent permitted by federal law, the Tribal Constitution and Bylaws, and the Tribe's federal charter.
- (d) Definitions:
 - (1) "Agreement Area" means the area designated as such in the Tax Agreement.
 - (2) "Tax Agreement" means the agreement between the State of Michigan and the Grand Traverse Band of Ottawa and Chippewa Indians entered into on [date].
 - (3) "Indian Country" means those lands considered "Indian Country" under federal law.
 - (4) "Resident GTB Member" means a GTB Member whose principal place of residence is located within the Agreement Area.
 - (5) "Taxable Sale" means a sale that is not exempt under Michigan law as modified by the Tax Agreement.
 - (6) "Tribal and Trust Lands" means land held in trust by the federal government for the benefit of the Tribe and fee lands owned by the Tribe that is listed in the Tax Agreement as Tribal and Trust Land.
 - (7) "Tribal Entity" means a business entity, other than a single Resident GTB Member or an entity wholly owned by the Band, that is wholly owned by any combination of the Band and Resident GTB Members, or is wholly owned by Resident GTB Members.
 - (8) "State" means the State of Michigan.

§ 402. Establishment of Tribal Revenue Department. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

- (a) There is hereby established a Tribal Revenue Department, which shall be responsible for

collecting all business permit fees and income taxes imposed by the Tribal Council under this ordinance.

- (b) The Tribal Revenue Department shall also be responsible for collecting all other taxes, permit fees, licenses fees and penalties imposed by other ordinances adopted by the Tribal Council.
- (c) All taxes, permit fees, license fees, penalties or other revenues received by the Grand Traverse Band Revenue Department shall be deposited by the Tribal Treasurer in the General Fund of the Grand Traverse Band and shall be expended for public purposes only as the Tribal Council may (by resolution) direct.
- (d) The Tribal Revenue Department shall employ a Director consistent with the Tribe's wage grid personnel manual. The Director, and all staff employed by the Tribal Revenue Department, shall be under the direct supervision of the Tribal Treasurer and shall perform such duties and responsibilities contained in their job descriptions.

§ 403. Business Permits Required to Engage in Business on Reservation. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

- (a) All persons or entities doing business on the Grand Traverse Band Reservation shall purchase a business permit prior to engaging in business on the reservation. All business permits shall have a duration of one year, and may be renewed on a year-to-year basis. In order to qualify for any benefits any exemptions articulated in the Tax Agreement, Tribal Entities doing business within the Agreement Area must purchase a business permit. As a condition of citizenship in the Grand Traverse Band and as a condition for the privilege of doing business on the Reservation or within the Agreement Area, GTB Members and GTB Member-owned businesses consent to the terms and conditions of the Tax Agreement.
- (b) Fee Schedule For Business Permits. The following fee schedule is hereby established for all business permits:
 - (1) Tribal members and businesses owned by Tribal members doing business on the reservation: \$5.
 - (2) Non-Indians and non-member Indians, and corporate businesses owned by non-Indians and non-member Indians, doing business on the reservation:
 - (A) Class A Permit: Any person or corporate business owned by a non-Indian or non-member Indian doing business on the reservation (except peddlers): \$150.
 - (B) Class B Permit: For seasonal peddlers (those doing business for three consecutive months or less): \$100.
 - (C) Class C Permit: Daily peddlers (those doing business for 10 consecutive days or less): \$50.

§ 403A. Registration with State of Michigan Department of Treasury. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended

by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

In order to qualify for the benefits of the Tax Agreement, GTB Members and Tribal Entities must register with the State of Michigan Department of Treasury and obtain such licenses and registrations as would be required under State law if such GTB Members or Tribal Entities were operating outside of Indian Country.

§ 404. Income Tax Imposed on Non-Indians and Non-Tribal Members, and Corporate Businesses Owned by Non-Indians and Non-Tribal Members, from Gross Income Earned on the Reservation. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

There is hereby imposed the following income taxes on the gross income earned on the reservation by non-Indians and/or non-member Indians, or corporate businesses owned by non-Indians and/or non-member Indians, doing business on the Grand Traverse Band Reservation:

- (a) 1% of the gross income of all persons or corporate entities earning \$50,000 or less on the reservation each calendar year.
- (b) 2% of the gross income of all persons or corporate entities earning \$50,000 to \$150,000 on the reservation each calendar year.
- (c) 3% of the gross income of all persons or corporate entities earning \$150,000 to \$250,000 on the reservation each calendar year.
- (d) 4% of the gross income of all persons or corporate entities earning \$250,000 to \$500,000 on the reservation each calendar year.
- (e) 5% of the gross income of all persons or corporate entities earning \$500,000 to \$1,000,000 on the reservation each calendar year.
- (f) 8% of the gross income of all persons or corporate entities earning \$1,000,000 to \$2,000,000 or more on the reservation each calendar year.
- (g) 10% of the gross income of all persons or corporate entities earning \$2,000,000 or more on the reservation each calendar year.

§ 405. Tribal Members and Non-member Officials Exempt from Gross Income Taxes. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

- (a) No income tax shall be imposed on Tribal members, or corporate businesses owned by Tribal members, for income earned on the Grand Traverse Band Reservation.
- (b) The income of all non-Indians or non-member Indians holding a public office within the Grand Traverse Band shall also be exempt from the income taxes imposed by § 404 of this ordinance.

§ 406. Payment and Collection of Permit Fees and Gross Income Taxes and Refunds for Overpayment. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

- (a) The Tribal Revenue Department shall adopt rules and regulations that establish procedures for the payment of permit fees and gross income taxes to the Tribe, and the collection of delinquent permit fees and gross income taxes by the Tribe.
 - (1) The Tribal Revenue Department shall have the authority to adopt forms necessary for the payment or collection of all permit fees and gross income taxes imposed by this ordinance, and to perform all other duties and responsibilities necessary to implement this ordinance.
 - (2) All rules and regulations promulgated by the Tribal Revenue Department shall be published in at least two local newspapers of general circulation for not less than two consecutive weeks, and shall allow for public comment and input before they become final.
- (b) If it shall appear subsequent to the receipt of gross income tax proceeds by the Tribal Revenue Department that an amount of tax, penalty or interest has been paid which was not due under the provisions of this ordinance, whether a mistake of fact or law, then such amount shall be credited against any tax due, or to become due under this ordinance from the person or corporation who made the overpayment, or such amount shall be refunded to such person or corporation by the Tribal Treasurer, provided, that a claim for a refund shall be filed with the Tribal Revenue Department within two years of the collection of the overpayment or such claim shall be forever barred.

§ 407. Sales Tax. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act. #01-19.1015, enacted by Tribal Council via telephone poll on June 21, 2001; and by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

- (a) There is hereby imposed a 6% sales tax on all taxable sales within the exterior boundaries of the Grand Traverse Band Reservation or the Agreement Area as defined by the Tax Agreement provided that the retail sales are made by a business entity that is operated by the Tribe or by a Tribal Entity or by a business owned by a GTB Member.
- ~~(b) This sales tax shall not apply to sales of motor fuels to wholly owned vehicles of the GTB providing essential governmental services consistent with the provisions of 26 U.S.C. § 7871. For purposes of this subsection, GTB deems the activities of the GTB/EDC, authorized by 25 U.S.C. § 477, as an essential government service based on the 100% Tribal tax on GTB/EDC under 25 U.S.C. § 2710(b)(3) (implementing regulations 25 CFR 290), and the specific approval of the GTB RAO (codified herein at 18 GTBC § 1601 et seq., Chapter 16, Revenue Allocation Ordinance) by the Secretary of the Interior on June 1, 2000.~~

§ 408. Implementation of Tax Agreement Between GTB and State of Michigan. [History: Internal Revenue Service Ordinance, adopted by Tribal Council on December 17, 1996. As amended by Tribal Act #03-21.1213 enacted by Tribal Council on January 21, 2004.]

- (a) Purpose. The purpose of this section is to implement the Tax Agreement entered into by the Grand Traverse Band of Ottawa and Chippewa Indians and the State of Michigan.
- (b) GTB Sales Tax Revenue Sharing. The Tribe must share the sales tax collected in accordance with this Ordinance as follows:

- (1) On the first \$5,000,000 of annual gross receipts from Taxable Sales, 2/3 of the tax collected shall be retained by the Tribe and 1/3 paid to the State (but not to exceed the amount payable to the State if the State tax rate were applied).
- (2) On annual gross receipts from Taxable Sales in excess of \$5,000,000, 1/2 of the tax collected shall be retained by the Tribe and 1/2 paid to the State (but not to exceed the amount payable to the State if the State tax rate were applied).

The Band must, no later than 45 days after the close of each quarter, compile the sales tax information received during the quarter and send a check to the State together with a schedule showing the calculation of the amount paid to the Band in accordance with the Tax Agreement. The Tribe must pay interest at the statutory rate provided under State law for refunds not paid as of the 45th day following the end of the calendar quarter.

- (c) Collection, Remittance and Sharing of Sales and Use Taxes Outside of Tribal and Trust Lands. The Band, GTB Members and Tribal Entities operating as retailers anywhere in the State of Michigan outside of Tribal and Trust Lands must collect and remit sales tax and use tax to the State in accordance with State procedures generally applicable to retail sellers.
- (d) Motor Fuels.
 - (1) GTB Member and Tribal Entity retailers may only purchase tax-exempt motor fuel from wholesalers selected by the Band. GTB Member and Tribal Entity retailers must prepay all taxes on motor fuel purchases except for quota exempt purchases authorized by the Band.
 - (2) All motor fuel acquired for resale in excess of the quota must be purchased in accordance with State law from any State licensed wholesaler with State motor fuel taxes prepaid. All retail sales of such motor fuel must include the tax in the retail price.
- (e) Tobacco Products.
 - (1) GTB Member and Tribal Entity retailers may only purchase tax-exempt tobacco products from wholesalers selected by the Band. GTB Member and Tribal Entity retailers must prepay all taxes on tobacco products purchases except for quota exempt purchases authorized by the Band.
 - (2) All tobacco products acquired for resale in excess of the quota must be purchased in accordance with State law from any State licensed wholesaler with State tobacco products taxes prepaid. All retail sales of such tobacco products must include the tax in the retail price.
- (f) Tribal Reporting.
 - (1) GTB Member and Tribal Entity employers located within the Agreement Area will

withhold and remit to the State income tax from all employees who are not Resident Tribal Members.

- (2) Consistent with State law, the Band, GTB Members, and Tribal Entities must maintain records (including retention of necessary original receipts) sufficient to substantiate claims for exemption from tax under the Tax Agreement.
 - (3) GTB Member and Tribal Entity retailers must maintain records regarding sales that are not Taxable Sales under the Tax Agreement.
 - (4) With respect to sales on which no tax was collected as provided for in the Tax Agreement, GTB Member and Tribal Entity retailers must maintain a record of such sales including the date, the name and Tribal identification number of the purchaser, the amount, and for any item of more than \$50 or sales of more than \$200 in the aggregate, the identification of the items purchased and any other data sufficient to document the exemption. This section does not apply to sales of motor fuel.
- (g) Administration of Tribal Certificates of Exemption.
- (1) Issuance of Tribal Certificates of Exemption. A Resident Tribal Member or Tribal Entity must submit to the Tribe a signed Resident Tribal Member/Tribal Entity Claim indicating the requester's name, address, items to be purchased (including identification numbers for vehicles and mobile homes) and, in the case of a Resident Tribal Member, his or her identification number and a certification that the Resident Tribal Member resides within the Agreement Area. In those instances where the claim is made under § III(A)(3) of the Tax Agreement, a signed statement from the contractor stating the location at which materials will be affixed to real estate, the date that the work is to be done, and an estimate as to the amount to be paid for materials must also be submitted to the Tribe by the Resident Tribal Member or Tribal Entity seeking authorization. Upon verifying the information provided in the claim and determining that the claim is consistent with the terms of this Agreement, an authorized Tribal representative must complete and sign a Tribal Certificate of Exemption authorizing the Resident Tribal Member's or Tribal Entity's exempt purchase. The certificate must indicate the name of the requester, the items to be purchased including identification numbers for vehicles and mobile homes and, for Resident Tribal Members, the Resident Tribal Member's identification number.
 - (2) Use of Tribal Certificates of Exemption. If a Tribal Certificate of Exemption is issued to a Resident Tribal Member or Tribal Entity, the Resident Tribal Member or Tribal Entity must present the Certificate (together with the Letter of Authorization) to the vendor or contractor at the point of purchase. In those instances where the claim is made for purchase of material affixed to real property by a contractor under § III(A)(3) of the Tax Agreement, the Resident Tribal Member or Tribal Entity must also submit a signed statement from the contractor stating the location at which materials will be affixed to real property, the date that the work is to be done, and an estimate as to the amount to be paid for materials.
 - (3) Retention of Records. The Resident Tribal Member or Tribal Entity must maintain a copy of all Tribal Certificates of Exemption used.

(h) Enforcement.

- (1) Enforcement Action Against Non-Tribal Members in Indian Country. In accordance with the Tax Agreement, the State may exercise its tax enforcement authority under State law with respect to a Non-Tribal Member or non-Tribal Entity located or doing business within Indian Country provided, however, that where the Non-Tribal Member or non-Tribal Entity is located or doing business on trust lands, the State must, before taking any enforcement action that requires entry upon such lands, provide notice of the proposed enforcement action to the Tribal police. Upon receipt of such notice, the Tribal police may direct one or more officers to accompany the State officers during the enforcement activity. If the Tribal police or public safety department is unable or unwilling to promptly assign a Tribal officer to accompany the State officers the State officers may, nonetheless, carry out the proposed enforcement action against the Non-Tribal Member or non-Tribal Entity without the participation of a Tribal officer.
- (2) Enforcement Action Against GTB Members and Tribal Entities.
 - (A) Notice of Audit. In accordance with the Tax Agreement, the State has the authority to conduct audits of GTB Members residing within Indian Country and Tribal Entities whose principal place of business is located within Indian Country with respect to taxes that are the subject of the Tax Agreement. Prior to conducting any such audit, the State must provide the Tribal Member or Tribal Entity with at least 30 days advance written notice. The notice must include a statement of the business or entity to be audited, the tax(es) involved in the audit, and the taxable period(s) at issue. Audits of GTB Members who reside outside of Indian Country and Tribal Entities whose principal place of business is located outside of Indian Country will be conducted in accordance with State law.
 - (B) Enforcement of State Judicial Orders Outside of Indian Country. In accordance with the Tax Agreement, the State may exercise its enforcement authority under State law with respect to the property of a GTB Member or Tribal Entity where the property is located outside of Indian Country. Further, the State may exercise its enforcement authority under State law with respect to a Tribal Member or Tribal Entity whose person is located outside of Indian Country.
 - (C) Enforcement of State Judicial Orders Within Indian Country. In any case where the State has obtained a State Court judgment or order affecting the person or property of a GTB Member or Tribal Entity located within Indian Country, the State may petition the Tribal Court to grant recognition and enforcement of the State court order or judgment. The Tribal Court must, within 14 business days, rule on the petition using the same standards as contained in Michigan Court Rule 2.615. If the Tribal Court grants the petition, the Tribal Court, upon request of the State, must promptly direct one or more Tribal police or public safety officers to enforce the judgment or order in the presence of and with the assistance of one or more State enforcement officers.
 - (D) State Exercise of Non-Judicial Enforcement Actions Outside of Indian Country. In accordance with the Tax Agreement, the State may exercise its tax enforcement authority under State law, with respect to the property of a GTB Member or Tribal

Entity where the property is located outside of Indian Country. Further, the State may exercise its tax enforcement authority under State law with respect to a GTB Member or Tribal Entity located outside of Indian Country.

- (E) State Exercise of Non Judicial Enforcement Actions Within Indian Country. In accordance with the Tax Agreement, in any case where the State is authorized by State law to compel the production of books and records, to compel the appearance or testimony of an individual, or to undertake an audit where the enforcement action affects a GTB Member or Tribal Entity whose person or property is located within Indian Country, and the taxpayer has failed or refused to comply with the requested State enforcement action, the State may petition the Tribal Court for an order compelling compliance with that enforcement action. The Tribal Court must conduct a hearing on the petition within 10 business days following service by the State on the taxpayer, and must issue its decision within 14 business days of such service on the taxpayer. If the Tribal Court determines that (i) the taxpayer is a Tribal Member or Tribal Entity, (ii) the taxpayer and/or property is located within the Band's Indian Country, (iii) the proposed State tax enforcement action pertains to one or more of the taxes that is the subject of the Tax Agreement, and (iv) the proposed State tax enforcement action is consistent with relevant State law and procedures and with the Tax Agreement, the Tribal Court must grant the petition and must order the taxpayer to comply. In the event that the GTB Member or Tribal Entity fails or refuses to comply with the Tribal Court order, the Tribal Court must promptly direct one or more Tribal police officers to enforce the order with the assistance of one or more State enforcement officers.
- (F) State Exercise of Non-Judicial Enforcement Actions Where the Location of Indian Country is in Dispute. In accordance with the Tax Agreement, in any case where the State is authorized by State law to compel the production of books and records, to compel the appearance or testimony of an individual, or to undertake an audit where the enforcement action affects the person or property of a GTB Member or Tribal Entity and there is disagreement between the Band and the State regarding whether the taxpayer or property is located within Indian Country, the State may elect to proceed based upon the assumption that the taxpayer or property is within its enforcement authority under State law. If the taxpayer fails or refuses to comply with the requested State enforcement action, and the taxpayer asserts that the taxpayer or property is located within Indian Country and the State and the Band stipulate that there is a dispute regarding whether the taxpayer or property is located within Indian Country, the State may petition the Tribal Court for an order compelling compliance with the enforcement action. The Tribal Court, for purposes of this Ordinance only, and for no other precedential purpose, must treat the location of the taxpayer or property as being within Indian Country and must follow the standards and procedures set forth in § 408(g)(2)(E) above. In the event that the GTB Member or Tribal Entity fails or refuses to comply with the Tribal Court order, the Tribal Court must promptly direct one or more Tribal police officers to enforce the order with the assistance of one or more State enforcement officers.
- (G) State Tax Enforcement Actions Outside of Indian Country Prior to a Hearing. In

accordance with the Tax Agreement, the State may exercise its authority under State law to seize or inspect property without a prior order or hearing, where the taxpayer is a GTB Member or Tribal Entity whose affected property is located outside of Indian Country.

- (H) State Tax Enforcement Actions Within Indian Country Prior to a Hearing. In accordance with the Tax Agreement, in any case where the State is authorized by the Revenue Act, the Tobacco Products Act, or the Motor Fuel Tax Act, to seize real or tangible personal property or inspect such property without a prior order or hearing, and where the taxpayer is a GTB Member or Tribal Entity and the property is located within Indian Country, the Band and the State must jointly execute such action. In such cases, the enforcement action may be taken without first filing a petition in Tribal Court provided that the State gives notice of the need for the proposed action by the Tribal police department. Such notice must specify the grounds for the enforcement action, and the appropriate statutory or regulatory authority for such action. Upon receipt of such notice, the Tribal Chief of Police or designee must promptly direct one or more Tribal police officers to execute the enforcement action jointly with one or more State enforcement officers. The affected GTB Member or Tribal Entity may, within seven days following the enforcement action, file a petition in Tribal Court seeking a review of the enforcement action. If the Tribal Court determines that (i) the taxpayer is a GTB Member or Tribal Entity, (ii) the taxpayer and/or property is located within Indian Country, (iii) the State tax enforcement action pertains to one or more of the taxes that is the subject of the Tax Agreement, and (iv) the State action is in compliance with relevant State law procedures and this Agreement, the Tribal Court must affirm the enforcement action.
- (I) The administrative enforcement actions authorized under § 408(g)(2)(H) are:
- (i) Actions in furtherance of a jeopardy assessment. [MCL 205.26]
 - (ii) Inspection of vending machines or places where tobacco products are sold or stored. [MCL 205.426a]
 - (iii) Seizure of contraband consistent with the Tobacco Products Tax Act. [MCL 205.429]
 - (iv) Inspections or seizures consistent with the Tax Agreement authorized under the Motor Fuel Tax Act or the Motor Carrier Fuel Tax Act.
- (J) Jurisdiction: State Tax Enforcement Actions Prior to a Hearing Where the Location of Indian Country Is In Dispute.
- (i) In accordance with the Tax Agreement, in any case where the State proposes to take any authorized enforcement action described in § 408(g)(2)(I) above that may affect the person or property of a GTB Member or Tribal Entity and there is disagreement between the Band and the State regarding whether the affected person or property is located within or without of Indian Country, the State may elect to proceed based upon the assumption that the person or

property is within its enforcement authority under State law. If the State knows, prior to taking the proposed enforcement action, that (i) the taxpayer is a GTB Member or Tribal Entity, and (ii) there is a dispute between the State and the Band as to whether the site of the proposed action is within Indian Country, the State must give notice of the proposed action to the Tribal police department. Such notice must specify the grounds for the enforcement action and the appropriate statutory or regulatory authority for such action. Upon receipt of such notice, the Chief of Police must promptly direct one or more Tribal police officers to execute the enforcement action jointly with one or more State enforcement officers.

- (ii) If the taxpayer wishes to challenge the State enforcement action on the grounds that it is unlawful under State law including any modification to State law made under the Tax Agreement, and the taxpayer asserts that the taxpayer or property is located within Indian Country, and the State and the Band stipulate to the Tribal Court that there is a dispute regarding whether the person or property is located within Indian Country, the taxpayer may petition the Tribal Court to review the propriety of the enforcement action applying State law including any modification to State law made under the Tax Agreement. The Tribal Court, for purposes of this Agreement only, and for no other precedential purpose, must treat the location of the person or property as being within Indian Country and must follow the standards and procedures set forth in § 408(g)(2)(H) above. If the Tribal Court determines that the affected person or property is not located within Indian Country or is not within the stipulated disputed area, the Tribal Court must promptly dismiss the action.
- (K) Jurisdiction: Final Tax Assessment Issued or Refund Denied to a Tribal Member Residing or a Tribal Entity Operating Wholly Within Indian Country. In accordance with the Tax Agreement, in any case where the State has issued a final tax assessment or denied a tax refund to a GTB Member residing within Indian Country, or to a Tribal Entity doing business wholly within Indian Country, for a tax imposed upon income, business activity, transactions, or privileges which were realized, occurred, or exercised wholly within Indian Country, and the GTB Member or Tribal Entity wishes to appeal the assessment or denial of refund on the grounds that it is unlawful under (i) State law including any modification to State law made under the Tax Agreement, or (ii) the Michigan Constitution, the U.S. Constitution, or federal law, provided that such claims must be limited to those that are not predicated on Indian Tribal membership, the GTB Member or Tribal Entity may appeal the final assessment or denial of refund to Tribal Court within 35 days of the issuance of the final assessment or denial of refund. The Tribal Court must follow State law relative to the practices and procedures of a case in the Michigan Court of Claims; provided however, that the taxpayer is not required to prepay the contested portion of the tax, penalty, or interest prior to filing the appeal. The uncontested portion of the tax, penalty, or interest must be paid prior to filing the appeal. The Tribal Court must make its ruling within one year of the filing of the appeal.

- (L) Jurisdiction: Final Tax Assessment Issued to a Tribal Member or a Tribal Entity or Denial of Refund Where the Location of Indian Country Is In Dispute.
- (i) In accordance with the Tax Agreement, in any case where the State has issued a final tax assessment or denied a tax refund to a GTB Member or to a Tribal Entity for a tax which the member or entity asserts is imposed upon income, business activity, transactions, or privileges that were realized, occurred, or exercised wholly within Indian Country, and the GTB Member or Tribal Entity wishes to appeal the assessment or denial of refund on the grounds that it is unlawful under (i) State law including any modification to State law made under the Tax Agreement, or (ii) the Michigan Constitution, the U.S. Constitution, or federal law, provided that such claims must be limited to those that are not predicated on Indian Tribal membership, the Tribal Member or Tribal Entity may appeal the final assessment or denial of refund to Tribal Court within 35 days of the issuance of the final assessment or denial of the refund. If the Tribal Court determines all of the income, business activity, transaction, or privilege being taxed was realized, occurred, or was exercised wholly within Indian Country or the stipulated disputed area, the Tribal Court must, for purposes of this Ordinance only and for no other precedential purpose, treat the location of the income, business activity, transaction or privilege as being within Indian Country and must follow the standards and procedures set forth in § 408(g)(2)(K) above.
 - (ii) If the Tribal Court determines that any of the taxes assessed or refunds denied were for a tax upon income, business activity, transactions, or privileges that were realized, occurred, or exercised within the State but outside of either Indian Country or the stipulated disputed area, the Tribal Court must promptly dismiss the action. Once such a dismissal is entered, the GTB Member or Tribal Entity may, consistent with State law, file a petition with the Michigan Tax Tribunal within 35 days, or a Complaint with the Michigan Court of Claims within 90 days, of the final Tribal Court order of dismissal.
- (M) Jurisdiction: Final Tax Assessment or Denial of Tax Refund to a Resident Tribal Member or a Tribal Entity Where Any Portion of the Activity Occurs Outside of Indian Country and Outside of a Disputed Area. State courts or tribunals will be used for the appeal of any final tax assessment or denial of tax refund to a Resident GTB Member or Tribal Entity in those instances where any portion of the income, business activity, transaction, or privilege being taxed was realized, occurred, or was exercised within the State but outside of either Indian Country or any area where the Band and the State have a disagreement as to what constitutes Indian Country.
- (i) In any circumstances where the terms of this Ordinance and the Tax Agreement conflict, the Tax Agreement controls.

§ 409. Civil Enforcement of Tax Agreement By Grand Traverse Band of Ottawa and Chippewa Indians Against Tribal Members. [History: § 409 adopted by Tribal Act #04-22.1389 enacted by Tribal Council on May 14, 2004.]

- (a) Tribal Court Action. The Tribal Prosecutor is authorized to initiate an action in Tribal Court to recover money paid by the Tribe to the State in accordance with the Tax Agreement:
 - (1) Where a Tribal Member or Tribal Entity has failed to comply with a final determination of liability for 60 days; or
 - (2) Where a Tribal Member or Tribal Entity has used a Tribal Certificate of Exemption after the termination of the Tax Agreement.
- (b) Civil Remedy.
 - (1) Civil Money Damages. The Tribal Court may award damages to the Tribe in the amount the Tribe paid to the State in accordance with the Tax Agreement for either of the reasons stated in subpart A of this Section, plus interest, costs, and attorney fees. The Tribal Court may enforce its order by garnishing the Tribal Member's wages, Tribal trust funds, and per capita payments.
 - (2) Suspension or Limitation of Privileges. The Tribal Court may also issue an order suspending or limiting the privileges of Tribal Members under the Tax Agreement upon application by the Tribal Prosecutor.

§ 410. Caregiver Purchase of Tobacco Products and Gasoline on Behalf of Disabled Tribal Member. [History: Tribal Act #09-27.2127, enacted by Tribal Council on February 17, 2010.]

- (a) The purpose of this section is to establish a procedure for the purchase of tobacco products and gasoline by a non-eligible caregiver on the behalf of a disabled Tribal member or their legal guardian.
- (b) Disabled Tribal members shall designate a caregiver by filling out a form known as the "Limited Power of Attorney Concerning the Purchase of Cigarettes and/or Gasoline from Eagle Town Market Pursuant to the Tax Agreement Between GTB and the State of Michigan."¹
- (c) This form shall be available at Eagle Town Market for disabled Tribal members.
- (d) The form shall be signed by the disabled Tribal member or their legal guardian, a witness, and shall be subscribed and sworn to by a Notary Public.
- (e) Upon execution of the form, a copy will be kept on file with the Eagle Town Market, the GTB EDC Accounting Department, and the GTB Tax Administrator for verification and quarterly auditing purposes as required by the Tax Agreement Between GTB and the State of Michigan.
- (f) Designated caregivers shall provide valid photo identification when purchasing the allotted amount of cigarettes [i.e., two packs per day per disabled Tribal member], and/or purchase of gasoline; and shall sign the log sheet located at Eagle Town Market.
- (g) Valid photo identification is identified as any of the following: Michigan Driver's License,

1. Editor's Note: A copy of this form is included at the end of this chapter.

Michigan State ID, a federally recognized Tribal ID, or a U.S. passport.

- (h) No person other than the designated caregiver identified by the Limited Power of Attorney Concerning the Purchase of Cigarettes and/or Gasoline from Eagle Town Market Pursuant to the Tax Agreement Between GTB and the State of Michigan and valid identification will be allowed to purchase cigarettes and/or gasoline.
- (i) The Limited Power of Attorney Concerning the Purchase of Cigarettes and/or Gasoline from Eagle Town Market Pursuant to the Tax Agreement Between GTB and the State of Michigan shall be effective for a period of six months.
- (j) Noncompliance with this ordinance shall disqualify the disabled Tribal member or the disabled Tribal member's legal guardian and the designated caregiver from participating in this Tribal program for a period of four months. A letter of noncompliance shall be sent from the GTB Tax Administrator's office to the disqualified disabled Tribal member or the disabled Tribal member's legal guardian and copied to the designated caregiver, Eagle Town Market, and the EDC Accounting Department. This letter will identify the date of the violation, the date of disqualification and the date of reinstatement to the program.
- (k) Repeated noncompliance with this ordinance shall disqualify the disabled Tribal member or the disabled Tribal member's legal guardian and the designated caregiver indefinitely. A letter of disqualification shall be sent from the GTB Tax Administrator's office to the disqualified disabled Tribal member or the disabled Tribal member's legal guardian and copied to the designated caregiver, Eagle Town Market, and the EDC Accounting Department. This letter will identify the date of the violations and the effective date of indefinite disqualification from the program.
- (l) A database shall be created by the GTB Tax Administrator's office identifying the disabled Tribal member or their legal guardian, the designated caregiver, the date the designation was made, the date the Limited Power of Attorney expires, non-compliance disqualifications, the date of disqualification, the eligibility date for reinstatement to the caregiver program, or the date of indefinite disqualification. A copy of this database will be provided to the EDC Accounting Department for auditing purposes.

