

Notice of Clarification of YTD Gaming Per Capita and CARES Act Stimulus Payments

Gaming Per Capita payments **are subject to federal income tax** under 25 USC Section 2710 (a)(3)(D). On November 25, 2020, the Grand Traverse Band of Ottawa and Chippewa Indians under the Indian Gaming Regulatory Act (IGRA), 25 USC Section 2700 et.al, issued the final FY20 distribution in the amount of \$822.38. The YTD Gross distributions totaled \$1,988.86.

In addition, four Cares Act distributions (GTB Stimulus Payments) were issued in FY20 to Members and are not subject to federal income. These payments were issued to tribal members under the authority and safe harbor protection of Tribal Resolution Chapter 10 General Welfare Ordinance. Under Section 114(5)C of the Tribal General Ordinance, Cares Act stimulus payments, which totaled \$3,932.16, for Members who received all four payments, were included in the YTD totals on the November 25, 2020 check stub. These payments were listed for informational purposes only and issued consistent with 26 Internal Revenue Code 139E and Revenue Procedure 2014-35, related safe harbor rules, and Treasury guidance for Cares Act programs. Thus, under the Tribal statute and related federal law, Cares Act stimulus payments should not be included as income for federal income tax purposes.

We apologize for any confusion.