

Congress of the United States
Washington, DC 20515

December 13, 2017

The Honorable Orrin Hatch
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Kevin Brady
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Hatch, Ranking Member Wyden, Chairman Brady and Ranking Member Neal:

We write to you today with disappointment in the failure of Republicans to include tribal governments in either the House or the Senate versions of their tax bill. As the conference process proceeds, we urge you to consider the needs of Indian Country in the final bill.

The federal tax code does not recognize the unique sovereignty of tribal governments and as a result, tribes do not enjoy the same benefits as state and local governments under the tax code. To correct this mistreatment of tribal governments in the tax code, Indian Country spent almost two years educating the House and the Senate on the need for their equitable tax treatment.

The Senate had several opportunities, both in committee markups and through proposed floor amendments, to fix the issue of tribal taxation in the tax bill. Yet it inexplicably failed to do so. And now tribes are told that yet again, they must wait for some future work on tax reform. This is completely unacceptable.

Indian Country has some of the poorest communities in our country. Tribal communities have long endured high levels of poverty and substandard housing, reduced employment opportunities and economic development, and tremendous infrastructure demands. Not addressing these issues in the tax code is wrong and unjust.

We urge the Conference Committee include in its final bill the following provisions:

1. **Parity for Tax-Exempt Bonds:** As sovereign nations, tribal governments should possess the authority to use tax-exempt bonds the same as state and local governments. Right now, tribal governments are limited to using tax-exempt bond financing for "essential government functions." But by preventing a tribe from utilizing tax-exempt bonds for

economic development activities will only prevent much needed tribal infrastructure development and economic growth.

2. Parity for Indian Adoption Tax Credit: Under current tax law, tax credits for families that adopt special needs children are only available for adoptions in state courts, not in tribal courts. Tax credits should be available to families that adopt special needs children, regardless of the adoption venue.
3. Parity for Excise Tax Exemptions: Again, as sovereign nations, tribal governments should receive the same treatment as state and local governments for the various excise tax exemptions that exist in the tax code.
4. Increase Deployment of Low-Income Housing Tax Credits in Indian Country: The reconciled bill should treat tribes as states for these credit allocations. It should also create a tribal set-aside and allow Indian areas to be eligible for enhanced credits as significant levels of substandard housing exist throughout Indian Country.

The undersigned Members request the conferees reconsider the failure to address the unique needs of Indian Country. It is vital that a tax bill that provides additional wealth to those that already have the most should also ensure that tribal governments can benefit from the supposed economic benefits that will result from its passage.

Thank you for your consideration.

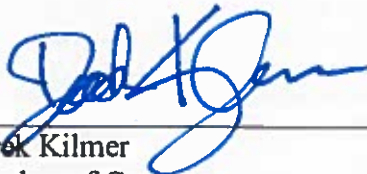
Sincerely,



Daniel T. Kildee
Member of Congress



Tony Cárdenas
Member of Congress



Derek Kilmer
Member of Congress



Ben Ray Luján
Member of Congress



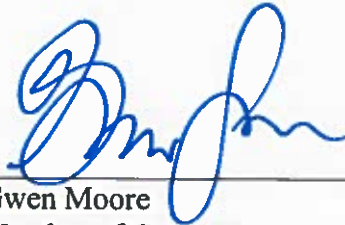
Raul Ruiz M.D.
Member of Congress



Norma Torres
Member of Congress



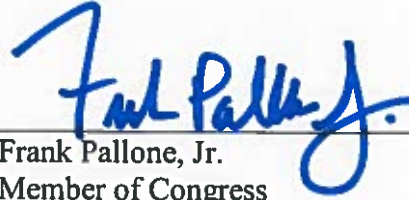
Betty McCollum
Member of Congress



Gwen Moore
Member of Congress



Dina Titus
Member of Congress



Frank Pallone, Jr.
Member of Congress



Grace Napolitano
Member of Congress



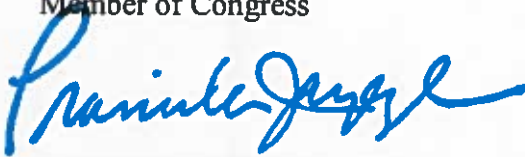
Ruben Gallego
Member of Congress



Keith Ellison
Member of Congress



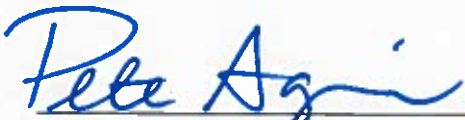
Debbie Dingell
Member of Congress



Pramila Jayapal
Member of Congress



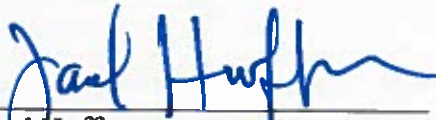
Ted Lieu
Member of Congress



Pete Aguilar
Member of Congress



Juan Vargas
Member of Congress



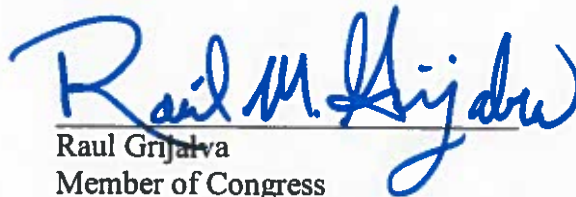
Jared Huffman
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