



WALKER RIVER PAIUTE TRIBE

TRIBAL TAXATION CODE

TITLE 20

Walker River Tax Commission
PO Box 411
Schurz, NV 89427

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WALKER RIVER PAIUTE TRIBAL TAX CODE
TITLE 20

CHAPTER 1 - GENERAL PROVISIONS, ADMINISTRATIVE AND JUDICIAL APPEALS

Section 1.1: Title

This Tax Code shall be known as the Walker River Paiute Tribal Tax Code - Title 20.

Section 1.2: Authority and Purpose

This Tax Code is adopted by the Walker River Paiute Tribal Council pursuant to Article VI, Section 1(h) and Article VI, Section 1(q) of the Constitution and By Laws of the Tribe. It is the policy of the Walker River Paiute Tribe to provide persons residing, doing business, or working within the jurisdiction of the Tribe with essential governmental services.

Section 1.3: Policies

(1) The Walker River Paiute Tribe of Indians has existed as an independent, sovereign nation since time immemorial. Historically the Tribe held absolute jurisdiction over Walker River and its aboriginal land areas. Today the Tribe continues to govern the Walker River Indian Reservation limited only in its authority by its Constitution and By Laws and consistent with the Federal Laws of the United States.

(2) The Walker River Paiute Tribal Council is the governing body of the Walker River Paiute Tribe in accordance with the authority of its Constitution and By Laws. The Tribal Council is responsible for economic development on the Reservation and seeks to ensure that residents of the Reservation enjoy adequate employment, healthcare, educational opportunities, social services and other governmental services.

(3) It is the policy of the Tribe to promote economic development on the Reservation. To achieve that goal, the Tribe is adopting a tax scheme conducive to economic development in the private sector, which at the same time ensures that Taxpayers who do business with the Tribe or receive governmental services on the Reservation contribute their fair share.

Section 1.4: Definitions

As used in this Title 20, the following terms and phrases shall have the following meaning:

(1) "Instruction" means a written statement or directive of the Tax Department not dealing with the merits of any tax liability, but which otherwise aids in accomplishment of the Tax Department's duties and responsibilities.

(2) "Order" means a written statement of the Tax Department implementing a decision with respect to a tax payer.

(3) "Person" means an individual, partnership, firm, association, joint stock, company, joint venture, syndicate, corporation, or other identifiable entity and includes an officer or employee of a corporation

or other entity, a member or employee of a partnership, or any individual who is under a duty to perform any act required herein.

(4) "Property" means any property or rights to tangible property, real or personal, and intangible property of a taxpayer.

(5) "Regulation" means a written statement of general application to taxpayers adopted by the Tax Commission which interprets, implements or amplifies a process consistent with provisions of the Tax Code.

(6) "Ruling" means a written statement of limited application issued by the Tax Commission and which interprets the Tax Code or regulations to which such written statement relates.

(7) "Reservation" means Indian Country within the present confines of the Walker River Paiute Indian Reservation, and such other lands without such boundaries as may hereafter be added thereto under any law of the United States of America, except as otherwise provided by law.

(8) "Service" means the delivering of a writ or notice to the person(s) named if physically within the exterior boundaries of the Reservation, or the mailing of a writ or notice to the last address on file with the Tax Department, or publishing the same as an advertisement in a newspaper, or any combination of the above designed to give effective actual notice.

(9) "Tax" means the total amount of each tax imposed and required to be paid, withheld and paid, or collected and paid under the provisions of the Tax Code and, unless the context otherwise requires, includes the amount of any tax, penalty, or interest relating thereto.

(10) "Tax Department" means the Tax Department of the Walker River Paiute Tribe.

(11) "Tax Commission" means the Tax Commission of the Walker River Paiute Tribe.

(12) "Taxpayer" means any person liable for payment of any tax of the Tribe, or a person responsible for withholding and payment of or for collection and payment of any tax of the Tribe, or a person to whom a tax assessment has been made if the assessment remains uncollected.

(13) "Tribal Council" means the Tribal Council of the Walker River Paiute Tribe.

(14) "Tribal Court" means the Tribal Court of the Walker River Paiute Tribe.

(15) "Tribe" means the Walker River Paiute Tribe.

(16) "Indian" means an individual who is an enrolled member of a federally recognized Indian Tribe.

(17) "Indian Tribe" means any Indian or Alaska Native tribe, band, village, community or Pueblo recognized by the United States Department of the Interior as listed in the federal register.

(18) "Code" or "Tax Code" means the Walker River Paiute Tribal Tax Code.

Section 1.5: Limited Waiver of Sovereign Immunity

(1) Subject to the conditions contained in this Tax Code, including but not limited to Section 2.22 in Chapter 2, the Tribe consents to be sued in the Tribal Court in civil actions for equitable relief and for such monetary relief as is expressly provided for pursuant to the Tax Code. This consent to suit is strictly limited as provided in this Section. No other private right of action by any Person shall be deemed created by the Tax Code. The Tribal Court shall be the sole and exclusive judicial forum vested with subject matter jurisdiction to adjudicate suits brought pursuant to the Tax Code.

(2) The limited waiver of sovereign immunity set forth in this Section shall not apply to any claim for a refund of taxes paid to the Tribe prior to the enactment of this provision, except that the limited waiver shall extend to taxes paid under protest prior to the enactment of this provision.

Section 1.6: Challenges and Appeals to Validity of Tribal Tax Code; Petition

(1) Any person desiring to challenge the legal validity of any provision of the Tax Code or any assessment, levy or collection of taxes, penalties or interest hereunder must first petition the Tax Commission which shall hear and decide the matter in the first instance. A person who makes a challenge on any portion of the Tax Code must make their challenge in writing stating specifically what they are appealing.

The Tax Commission upon receipt of the notice of challenge or appeal must hear the matter within (30) thirty-days of receipt.

(2) If the petitioner is not satisfied with the determination of the Tax Commission, the petitioner may appeal the decision to the Tribal Court within thirty (30) days of an adverse determination by the Tax Commission. The ruling of the Tribal Court on the appeal shall be final subject only to an appeal to a Tribal Appellate Court having jurisdiction and cannot be appealed in any other forum.

Section 1.7: Challenges and Appeals Concerning the Assessment, Levy or Collection of Taxes

(1) Subject to the requirements of Sections 1.9- 1.10 of this Chapter, any Person desiring to challenge the assessment, levy or collection of taxes, penalties or interest imposed pursuant to the Tax Code must first petition the Tax Commission, and the Tax Commission shall render a decision thereon, pursuant to Section 1.6.

(2) If the petitioner is not satisfied with the determination of the Tax Commission, the petitioner may appeal the decision to the Tribal Court by filing a Notice of Appeal within thirty (30) days of the adverse decision by the Tax Commission in the Tribal Court. The ruling of the Tribal Court on the appeal shall be final subject only to an appeal to a Tribal Appellate Court having jurisdiction and can't be appealed in any other forum.

Section 1.8: Appeals

Any person, except one who has failed to keep and preserve books, records, and invoices as required in this Tax Code, and having paid any taxes, penalties or interest required and feeling aggrieved by the amount of the tax, penalties, or interest may appeal the final determination of the Tax Commission to the Tribal Court as provided herein. The decision of the Tribal Court on the appeal shall be final subject

only to an appeal to a Tribal Appellate Court having jurisdiction and may not be appealed in any other forum.

Section 1.9: Payment Made Under Protest

(1) If any Person feels aggrieved by a tax assessment, penalty or interest imposed pursuant to this Tax Code, shall pay the amount of such assessment, penalty, or interest due before the delinquent date and shall at that time give notice, in writing, to the Tax Commission that all or part of such payment is made under protest, and shall in the notice give grounds and reasons for such protest and shall state that a certain part thereof, or that the total sum, is protested. The Tax Commission shall set the matter for hearing per Section 1.6 of this Chapter. No appeal to the Tribal Court of any decision adverse to the Taxpayer shall be allowed until such payment is made.

(2) Upon the receipt of any payment made under protest, the Tribal Finance Department shall deposit such receipts in a separate escrow account clearly denominated as such. Funds from this account shall not be expended by the Tribe until a final determination is made that the protest is unwarranted.

(3) Should the aggrieved Taxpayer who has paid taxes, penalties, or interest under protest be unsuccessful in challenging all or part thereof, the Tribal Finance Department shall transfer the sum determined to be properly paid from the escrow account (or an account that identifies the funds are under protest) be dispersed in accordance with the requirements of this Code. If the Taxpayer is successful on appeal, the Tribal Finance Department shall transfer all or such part of the funds as determined due by the Tribal Court back to the Taxpayer.

(4) The Tax Commission may waive the requirement of payment under protest under the same conditions as set forth in Section 1.10(2) and (3) of this Chapter.

Section 1.10: Tax Prepayment Required as a Condition of Tribal Court Jurisdiction

(1) Subject to the provisions of Subsection (2), all disputed taxes, penalties and/or interest shall be paid in full before any action may be instituted in the Tribal Court to contest all or any part of such tax payment. Payments made under protest shall be effectuated in accordance with Section 1.9 of this Chapter.

(2) Notwithstanding any provision to the contrary, the Tribal Court may waive the prepayment requirement of this Section if the Court determines:

(A) That the Taxpayer cannot afford to pay the taxes in question, upon a proper showing by the Taxpayer, and requiring prepayment will effectively preclude the taxpayer from contesting liability; and

(B) The Taxpayer makes a reasonable showing that the decision upholding or requiring payment of the tax in question was erroneous.

(3) If the Tribal Court waives prepayment of the tax under Subsection (2), it may require that the Taxpayer post an adequate security bond in lieu of payment.

Section 1.11: Court Appeal Procedure

(1) Subject to the exhaustion of administrative remedies provided by this Tax Code, any person except one who has failed to keep and preserve books, records and invoices as required by Section 2.14, having paid taxes, penalties and interest as required, and feeling aggrieved by the amount of the taxes, penalties or interest may appeal to the Tribal Court by filing Notice of Appeal within the proper time as provided in Section 1.6 of this Chapter.

(2) In the Notice of Appeal, the Taxpayer shall set forth the nature of the Tax Commission's decision, the pertinent facts, and the reasons why the Tax Commission's decision should be found erroneous.

(3) The appeal shall be perfected by serving a copy of the Notice of Appeal upon the Tax Commission and by filing the original thereof with proof of service with the Clerk of the Tribal Court. Within ten (10) days after filing the Notice of Appeal, the Taxpayer shall file with the Clerk of the Tribal Court a surety bond payable to the Tribe in an amount fixed by the Tribal Court deemed sufficient to pay the Tribe all costs that may be awarded if the appeal of the Taxpayer is not sustained.

(4) The proceeding in the Tribal Court on appeal shall be limited to the administrative record introduced before and considered by the Tax Commission, unless good cause exists for allowing new evidence. The standard of review shall be whether the Tax Commission's decision was arbitrary and capricious, or otherwise not in accordance with applicable law. The burden shall rest upon the Taxpayer to prove that the tax as paid by him is incorrect, either in whole or in part, and to establish the correct amount of tax. In such proceeding the Taxpayer shall be deemed the appellant and the Tax Commission shall be deemed the appellee. The ruling of the Tribal Court on said appeal shall be final subject only to an appeal to a Tribal Appellate Court having jurisdiction. and may not be attacked or appealed in any other forum.

Section 1.12: Severability

If any part or application of this Tax Code is held invalid by a court of competent jurisdiction, the remainder of this Tax Code and other Tax Code provisions, or their application to other situations or taxpayers shall not be affected.

Section 1.13: Effective Date

The effective date of this Tax Code and any amendments thereto is upon the approval and concurrence of the Secretary of Interior.

Section 1.14: Amendments

This Tax Code may be amended by the Tribal Council in accordance with the Constitution and By Laws of the Tribe. The Tax Department shall notify persons doing business of any amendment(s) in the manner considered appropriate by the Tax Department under tribal laws.

Section 1.15: Prohibition Against Suit

No suit to restrain the assessment or collection of the taxes imposed by this Tax Code may be maintained in Tribal Court by any person, whether or not such person is the one on whom taxes were assessed.

Section 1.16: Cumulative Remedies

The remedies of the Tribe provided for in this Tax Code are cumulative, and no action by the Tax Commission constitutes an election by the Tribe to pursue any remedy to the exclusion of any other remedy for which provision is made in the Tax Code.

Section 1.17: Collection Powers

The Tax Department, in the name of Tribe, shall have full power to collect taxes and penalties assessed including the power to file suit in Tribal Court and to execute on any judgment by all appropriate legal remedies including attachment and seizure of the assets of any delinquent taxpayer, provided the tax payer is afforded due process of law, including adequate notice and a right to a hearing.

Section 1.18: Use of Tax Proceeds

Tax proceeds shall be deposited in a facility authorized by the Tribal Council and shall be used for expenditures to defray the costs of providing essential governmental services on the Reservation and for other purposes as determined by the Tribal Council. (WR-128-2008)

CHAPTER 2 - TAX COMMISSION AND TAX DEPARTMENT

Section 2.1: Tax Commission and Tax Department Established

The Tax Commission and Tax Department are established as agencies of the Walker River Paiute Tribe, enjoying the same privileges/rights and immunities of the Tribe.

Section 2.2: Review Revenue Sources

The Tax Commission with the assistance of the Tax Department conducts research of all income sources within the Walker River Paiute Tribe Reservation and the possible revenues from the taxation and application of fees of those sources.

Section 2.3: Lay and Collect Taxes

The Tax Commission from time to time will submit to the Tribal Council proposed plans to lay and collect taxes on property, both tangible and intangible, on incomes from whatever source derived, on sales, inventories, and wages completed or earned, and other measure of economic activity or engagement within the Reservation; the Tax Commission will oversee the Tax Department in the administration of the tax laws; and will present what recommendations it may have regarding the income and revenues of the Reservation and the fiscal policy of the Tribe.

Section 2.4: Tax Department Purpose and Function

The Tax Department shall oversee and administer the tax laws of the Tribe in accordance with those duties, powers and responsibilities set forth herein. The Tax Department shall enforce the provisions of any tribal tax law now or hereafter in effect, and enforce rules and regulations adopted by the Tax

Commission relating to the administration and enforcement thereof. The Tax Department shall assume such other duties as the Tribal Council may delegate.

Section 2.5: Employment of Experts

The Tax Department may employ attorneys, accountants, auditors, investigators, consultants, assistants and clerks necessary for the efficient administration of its' duties and may delegate authority to its representatives to conduct hearings, prescribe regulations and perform any other duties imposed by the Tribe. The Tax Department shall adhere to the personnel policies of the Tribe in the selection of all employees.

Section 2.6: Rules and Regulations

The Tax Commission shall adopt such rules and regulations as it deems necessary for its proper functioning, and enforce the tax laws, to establish the manner and means for compliance with those laws, and to set forth the requirements for the administration of taxes and the general tasks and responsibilities of the Tax Commission and its offices. These rules and regulations relate to:

- (1) Internal operation procedures of the Tax Commission and Tax Department.
- (2) Interpretation and application of the Tribe's tax laws as may be necessary to implement, ascertain or compute the tax owed by any taxpayer.
- (3) The filing of any reports or returns required by, or necessary to implement the Tribe's Tax or other applicable laws.
- (4) The conduct of inspections, investigations, hearings, enforcement actions, and other powers of the Tax Commission or Tax Department authorized by tribal law.
- (5) The Tax Commission shall hold a public hearing for all interested persons prior to a recommendation by the Tax Commission to the Tribal Council that a tax be established or a tax rate be adjusted. The Tax Commission shall provide for reasonable notice to interested persons of the hearing and their right to present oral or written testimony.
- (6) No rule or regulation of the Tax Commission shall be of any force or effect until and unless copies of the rule or regulation have been filed for record in the office of the Secretary of the Tribe and the office of the Clerk of the Tribal Court. The copy shall bear the signature of at least two Tax Commission members, certifying that the rule or regulation was duly adopted by the Tax Commission pursuant to this Chapter.
- (7) The Tribal Court shall take judicial notice of all rules and regulations of the Tax Commission promulgated pursuant to this Tax Code. Such rules and regulations, once duly adopted, shall have the force and effect of law.

Section 2.7 Powers of the Tax Commission

The Tax Commission is empowered to administer the tax laws of the Tribe and, to that end develops and approves rules and regulations, both substantive and procedural, and orders implementing its decisions,

rulings and instructions, as may be necessary for the proper and efficient administration of those laws. The Tax Commission shall have the following powers:

- (1) To advise the Tax Department pursuant to this Chapter.
- (2) To promulgate and enforce rules and regulations consistent with this Tax Code as provided in Section 2.6 of this Chapter.
- (3) The Tax Commission shall be responsible for the development of a Tax Fund Use Plan for the expenditure of tribal tax revenue. Monies shall be collected and deposited in accordance with this Code.
- (4) To assist the Tax Department in the assessment and collection of all taxes authorized by the Tribe's tax laws.
- (5) Subject to the limitations and restrictions set out in Section 2.13 of this Chapter to employ and consult with such experts, employees and advisors regarding its duties as it may deem necessary.
- (6) To make recommendations to the Tribal Council regarding the setting of all taxes, ordinances and tax rates, and regarding the amendment of the Tribe's tax and other laws that relate to the authority or duties of the Tax Commission or Tax Department.
- (7) To hear and rule upon a petition by any Taxpayer for reassessment of any taxes levied pursuant to this Code. However, the Tax Commission shall have no power to alter tax rates set by the Tribal Council or to declare any portion of the Tribe's tax laws void for any reason.
- (8) To approve standard forms, and to require the filing of any forms or reports necessary for implementation of the Tribe's tax laws.
- (9) To administer oaths, conduct hearings, and, by subpoena, to compel the attendance of witnesses and production of any books, records, papers, vouchers accounts, documents, and financial status of any taxpayer or any other person relating to any enforcement action authorized by this Tax Code.
- (10) In the conduct of any enforcement action authorized by this Code, to make, or cause to be made by its agents or employees, an examination or investigation of the place of business, equipment, facilities, tangible personal property, and the books, records, papers, vouchers, accounts, documents, and financial statements of any Taxpayer, during normal business hours, provided that the Tax Commission or its agents may take such action at any other time whatsoever pursuant to a search warrant issued by the Tribal Court.
- (11) To examine under oath, either, orally or in writing, any Taxpayer or agent, officer, or employee of any Taxpayer, or any other witness with respect to any enforcement or other action authorized by the Tribe's tax laws.
- (12) To delegate to the Tax Department, staff or Tribal staff, such of its functions as may be necessary to administer this Tax Code efficiently provided that the Tax Commission may not delegate its powers to promulgate rules and regulations or to hear and rule upon appeals or petitions for reassessment of taxes.

(13) To adopt by regulation a schedule of fees and charges for services rendered relating to transcripts and the furnishing or certifying of copies or proceedings, files, and records. Such fees and charges shall be credited to miscellaneous receipts of the Tax Commission and deposited in the Tribal Tax Account, or such other account as authorized by Resolution of the Tribal Council.

(14) The Tax Commission is authorized to negotiate Mutual Assessment and Collection Assistance Agreements with any other taxing jurisdiction. The agreements so negotiated will come into force only upon ratification and approval by the Tribal Council.

(A) In response to a written request, it may vacate or alter any part of an assessment which it determines was incorrectly, erroneously, or illegally made.

(B) Form of Request: The request must be made in writing to the Office of the Tax Department Director, state the relief sought, and must contain a complete statement of the facts relied on, together with any information and documents necessary to support those facts.

(C) Compromise: Upon the compromise of a tax liability and according to the terms of the closing agreement formalizing the compromise, the Tax Commission will cause the adjustment of the appropriate amount of the assessment to be made.

(15) Public Records: Abatements in excess of \$1,000 will be recorded in the Office of the Taxation Director in a form available for public inspection. The record shall be maintained for a minimum of six (6) years after the date of abatement.

(16) If, at any time after a final assessment of taxes has been made, the Tax Commission, in good faith, is in doubt of the liability of a Taxpayer for the payment thereof, it may compromise the liability by entering into with the Taxpayer in writing a Closing Agreement that adequately protects the interest of the Tribe, provided that the Agreement will be subject to legal review and approval by the Tribe or Tax Commission.

(A) Stipulation: If entered after a court acquires jurisdiction over the matter, the Closing Agreements must be made part of a stipulated order or judgment disposing of the case.

(B) Security: As a condition of entry into a Closing Agreement, the Tax Commission may require the provision of security for payment of any taxes due according to the terms of the Agreement.

(C) Conclusiveness: A Closing Agreement is conclusive as to the liability or non-liability for payment of taxes for the assessment dates or periods referred to in the Agreement, except upon a showing of fraud, malfeasance, or misrepresentation or concealment of a material fact.

Section 2.8: Tax Commission Membership

The Tax Commission membership shall be comprised of five (5) commissioners who are Tribal members residing within the Walker River Reservation. At no time will a member of the Tribal Council or Tribal Court personnel be allowed to sit on the Tax Commission. The Tax Commissioners who are serving at the time of enactment of this Chapter are ratified and confirmed for the remainder of their respective terms.

Section 2.9: Appointment of Tax Commissioners

Tax Commissioners are selected, confirmed, and appointed as follows:

- (1) Posting: Vacancies or appointments on the Tax Commission will be posted within the Reservation in five (5) public places, for a minimum of ten (10) days.
- (2) Nomination: The Chairman of the Tribal Council will review, select and nominate individuals qualified by recommendation of the Tax Commission according to Section 2.8 of this Chapter.
- (3) Terms: Each Tax Commissioner's term of office will be four (4) years, except that:
 - (A) In order to establish staggered terms among the members of the initial group of appointees, one will be appointed for one (1) year, one for two (2) years, one for three (3) years, and two for four (4) years.
 - (B) Any appointment which does not begin coincident with this scheme will be shortened to the time necessary to maintain the pattern of staggered terms.
 - (C) A vacancy in the Tax Commission, whether caused by death or incapacity, disqualification, resignation, or removal, will be filled in the manner prescribed in this Section. Tax Commissioners appointed to fill vacancies shall serve the remainder of the predecessor's term.

Section 2.10: Conduct of its Business

The business of the Tax Commission will be conducted by a quorum of its members, at meetings duly called by the Chairperson or in absence of the Chairperson, the Vice-Chairperson.

- (1) Quorum: A quorum shall comprise of three (3) Tax commissioners to conduct business and any substantive action must be taken by the affirmative vote of at least a majority of a then existing quorum.
- (2) Officers: The Tax Commissioners shall elect from within its members, (1) a Chairperson, (2) a Vice-Chairperson, and (3) a Secretary. Officers shall be elected annually at the regular meeting in December and will begin their office at the following regular January meeting. They shall serve through the next regular December meeting.
- (3) Resolution: Any substantive action of the Tax Commission will be recorded in the minutes or a written resolution certified by the Secretary.

Section 2.11: Tax Department

- (1) Duties: The Tax Department, under the supervision and control of the Tribal Council and Tax Commission, shall be responsible for carrying out all administrative duties of assessment and collection of the taxes provided for by the Tribal Council, and shall maintain all records and books of account that will permit the accurate recording of all tax remittances submitted to the Tax Department.

(2) Registration of Taxpayers: The Tax Department shall establish a system for the registration and identification of taxpayers and shall develop a system of checks to determine the accuracy of tax reporting forms submitted and tax computations performed by taxpayers.

(3) Tax Account(s): There is hereby authorized and directed to be established an account in one or more federally insured financial institutions to be known as the Walker River Paiute Tribe Tax Account(s).

(4) Interest Bearing Account(s): The Tribal Tax Account shall be an interest bearing account and the funds therein may be invested and reinvested as approved by the Tribal Council.

(5) Escrow Account(s): The Finance Director shall create a separate escrow account for tax remittances paid under protest by a taxpayer contesting their tax liability for the amount of taxes due under the provisions of the Tax Code.

(6) Deposits: All monies received by the Tax Department shall be deposited with the Finance Director of the Tribe before the close of the next succeeding business day. All tax monies, license fees, penalties, interest, service fees or charges, or other monies collected by the Tax Department in the administration and enforcement of this Code shall be deposited in the Tribal Tax Accounts except as provided in Subsection (5) of this Section.

(7) Disbursements: No monies shall be released or expended from the Tribal Tax Account except upon compliance with the Tax Fund Use Plan or written resolution of the Tribal Council appropriating a specific amount of the general fund monies contained therein for the use of a particular department, agency, or program of the Tribe. Such appropriated amount shall be directly transferred to the account of the receiving department, agency or program named in the appropriation resolution. Disbursements from escrow account(s) are to occur after entitlement has been lawfully determined by the Tax Department, Tax Commission or, in the event of an appeal of an adverse decision or the Tax Commission, the Tribal Court.

(8) Credits, Rebates, Refunds and Suspense Funds: The Finance Director of the Tribe shall establish in its accounting system a separate account for revenues collected under each tax Chapter and shall establish a suspense fund for the payment of disbursements upon authorization by the Tax Department. Disbursements for tax credits, rebates, refunds, payment of interest, distributions and transfers shall be made by the Finance Director of the Tribe upon request and certification of their appropriateness by the Tax Department.

(9) The Tax Department through concurrence of the Tax Commission shall submit to the Tribal Council, on the first regular meeting of the Tribal Council in December of each calendar year, a line item proposed budget for the upcoming fiscal year detailing all anticipated expenses of the Tax Department. The budget may be revised upon request of the Tax Department to, and approval of, the Tribal Council. The monies budgeted for expenses of the Tax Department shall be disbursed by the Finance Director of the Tribe upon authorization of the Tax Department Director and or the Tax Commission Chairman.

Section 2.12: Office of the Tax Department Director

The Tax Commission hereby delegates to the office of the Taxation Director of the Tax Department the authority to administer the tax laws of the Tribe according to the regulations and the general instructions of the Tax Commission. The Taxation Director shall exercise the powers granted to this

office and conduct its affairs as an agency of the government of the Tribe and may employ or engage those persons qualified by education and experience necessary to discharge the duties of the office and may delegate authority and duties among such persons.

Section 2.13: Tax Department Employees, Experts, Consultants and Expenses

(1) The Tax Department may employ such employees, contractors, experts and consultants and incur such expenses as may be necessary for the proper discharge of its duties subject to the limitations and restrictions set out in this Section. The Tax Department shall follow the Tribe's personnel policy in hiring employees. Experts and consultants are not subject to the Personnel Policy.

(2) Upon the approval of the Tribal Council by Resolution, the Tax Department may utilize regular Tribal Staff in exercising the duties and responsibilities set out in this Code.

(3) The Tax Department may delegate to the Tribal staff by rule much of its function as may be necessary to administer this Code efficiently and consistent with the limitations of this Tax Code.

(4) The total amount disbursed by the Tax Department in any one fiscal year for the payment of salaries, contracting of experts, expenses, and incidentals shall not exceed the amount appropriated therefore by the Tribal Council.

Section 2.14: Taxpayer Records, Searches and Tax Payments

(1) Records: Every person subject to taxation by the Tribe shall keep such records, receipts, invoices and other pertinent papers in such forms as the Tax Department may require to determine the tax liability. Every person who files tax reporting forms required by the Tax Department shall keep such records for not less than four (4) years from the making of such records unless the Tax Department, in writing, authorizes their destruction sooner.

(A) Inspection of Records: Tax records, shall at all times during business hours be subject to inspection by the Tax Commission, Tax Department, or its agents. The Tax Department, or its delegate, shall cause the records and books of account of Taxpayers to be inspected or audited at such times as the Tax Department deems necessary for the effective execution of its responsibilities.

(B) Auditors, employees and other officials designated by the Tax Department are authorized to request and require the production for examination of the records and books of account of the Taxpayer. Those auditors or officials designated by the Tax Department shall be furnished with credentials identifying them as such, which they shall display to any Taxpayer whose books are sought for examination.

(C) Every Taxpayer shall, upon request, make the records and books of account available for inspection, at reasonable hours, to the Tax Department or its employees or delegates who properly identify themselves to the Taxpayer.

(2) Searches: On issuance of a warrant by the Tribal Court based on probable cause that contraband property subject to tax is stored, warehoused, or kept for sale, the Tax Department, its agents, and police officers of the Tribe shall visit, inspect, and search any place to ascertain the existence of contraband property or violations of the Tax Code.

(3) Returns and Tax Payments: Every Taxpayer is liable for tax at the time of, and after, the transaction or incident giving rise to the tax until payment thereof is made.

(A) Every Taxpayer shall on or before the date which payment of any tax is due, complete and file a tax return on a form and submit to the Tax Department according to regulations issued by the Tax Department. A tax return filed under protest shall be treated as a petition for redetermination.

(B) Payment of the total amount of all taxes which are due from the Taxpayer shall accompany the return relating thereto. Delivery to the Tax Department of a check that is not payable upon presentment does not constitute payment.

(C) Unless otherwise specifically provided for by an ordinance of the Tribe, the Tax Department may, for good cause, extend in favor of any Taxpayer or class of Taxpayers for no more than a total of thirty (30) days, the date on which payment of any tax is required, or on which any return required by the Tax Code, must be filed. No extension shall prevent the accrual of interest.

(D) If the Taxpayer is granted an exemption from tribal taxes pursuant to an Agreement entered into with the Tribal Council, the Taxpayer shall submit tax reporting forms to fulfill the regulatory functions of pertinent laws or agreements of the Tribe.

(4) Installment Payments: Whenever justified by the circumstances, the Tax Department or its delegate may enter into a written Agreement with any Taxpayer wherein the Taxpayer admits conclusive liability for the entire amount of taxes due and agrees to make monthly installment payments thereof according to the terms of the Agreement; provided, that unless otherwise approved by the Tribal Council, no such Agreement may have a term longer than twelve (12) months. No Installment Agreement shall prevent the accrual of interest as otherwise provided for. At the time of entering into an installment agreement, the Tax Department may require the affected Taxpayer to furnish security for payment of the taxes admitted due according to the terms of the Agreement. If the Taxpayer does not provide required security, the Tax Department shall cause a notice of lien to be filed in accordance with the provisions of Section 2.15, and when so filed, it shall constitute a lien against the Taxpayer's property.

(5) Delinquent Taxpayer: If a Taxpayer from whom taxes are due does not either make payment thereof within the time specified by delivering appropriate tax reporting forms accompanied by a tax remittance in the proper amount to the Tax Department, or within the time specified to make a claim for refund as provided for in Section 2.17, the Taxpayer becomes a delinquent Taxpayer and remains such until payment of the total amount of taxes, penalties, and interest is made or until no part of the assessment remains unpaid.

(6) Confidentiality: All records, returns and other information in the possession of the Tax Commission related to a Taxpayer shall be confidential and may not be disclosed to any person other than employees or agents of the Tax Commission without the consent of the affected Taxpayer.

Section 2.15: Penalties, Interest, Tax Liens and Redeterminations

(1) Computation and Penalty: With respect to any of the taxes of the Tribe, if any person shall fail, refuse, or neglect to make or file a tax reporting form and tax remittance within the time prescribed, the

Tax Department may ascertain and determine from any returns or reports filed with the Tax Department or from any other information which the Tax Department may be able to obtain, the total tax liability from the relevant activity, and shall determine and fix the amount of the tax due to the Tax Department from such person for the applicable time period and shall add to the amount of the tax a penalty of ten percent (10%) thereof, plus interest at the rate of one percent (1%) per month or fraction thereof, computed on the total amount and any applicable tax penalty. Interest shall be computed from the date the tax was due to the date of payment. The provisions of this Section shall also apply to the balance owed on any underpayments.

(2) Notice and payment: The Tax Department shall mail to the person required to file a tax reporting form and to pay a tax, a statement setting forth the amount of tax, penalty, and interest due. Upon receipt of this statement, the person shall remit to the Tax Department the full amount of tax, penalty, and interest due within fifteen (15) days of the date of said statement.

(3) Waiver of Penalty: The ten percent (10%) penalty herein provided may be waived by the Tax Department if reasonable cause of the failure and neglect to file a tax reporting form is provided to and accepted by the Tax Department.

(4) Extension of Notices: If, before the expiration of the time prescribed in this Section for the mailing of a notice of determination, the Taxpayer has consented in writing to the mailing of the notice after that time, the notice may be mailed at any time before the expiration of the agreed upon period. The period so agreed upon may be extended by subsequent Agreements in writing made before the expiration of the period previously agreed upon.

(5) Tax Lien: The tax assessed against any person, together with penalties and interest thereon, shall be a lien upon any and all property owned by such person within the exterior boundaries of the Reservation, which lien shall attach on the date the Tax Department files a duplicate of the statement so made by the Tax Department, or a certified copy of any statement filed by the Tax Department in the Tribal Court and in the Records Office of the County in which the property is located, which lien shall have a precedence over any other claim, lien, or demand filed and recorded. A tax lien may be enforced in the name of the Tribe.

(6) Redetermination: Any person against whom a determination is made may petition for a redetermination within thirty (30) days after the date of service upon the person of notice thereof. If a petition for redetermination is filed within the thirty (30) day period, the Tax Department shall reconsider the determination and, if the person has so requested in his petition, shall grant that person an oral hearing and shall give him ten (10) day notice of the time of hearing. The Tax Department may decrease or increase the amount of the determination before it becomes final. All determinations made by the Tax Department are due and payable at the time they become final. If they are not paid when due and payable, a penalty of ten percent (10%) of the amount of the determination, exclusive of interest and other penalties shall be added thereto.

(7) Recomputation of Tax by Tax Department, Assessments: If the Tax Department is not satisfied with the accuracy of the Tax reporting form submitted, or with the amount of tax remitted, it may compute and determine the amount required to be paid on the basis of the facts contained in the tax reporting form(s) or upon the basis of any information within its possession or that may come into its possession and assess the tax payer for any amount due, plus penalties and interest.

(8) Business Discontinuance: When a business is discontinued, a determination may be made as to liability arising out of that business, irrespective of whether the determination is issued before the due date of the liability as otherwise specified in this Tax Code.

(9) Interest and Overpayments: In making a determination, the Tax Department may offset an overpayment for a period, together with interest on the overpayment, against any underpayment for another period, against any penalty, and against the interest on the underpayment. If the Tax Department determines that any overpayment had been made intentionally or by reason of carelessness, it shall not allow interest on such payment.

(10) Security: The Tax Department may require any Taxpayer to place with it such security as the Tax Department may determine is appropriate. The Tax Department shall fix the security at an amount not greater than twice the estimated average tax due quarterly of persons filing returns for quarterly periods, or three (3) times the estimated average tax due monthly of persons filing for monthly periods, determined in such a manner as the Tax Department deems proper.

(A) The limitations on amounts provided in this Section apply regardless of the type of security placed with the Tax Department.

(B) The amount of the security may be increased or decreased by the Tax Department subject to the limitations provided in this Section.

(C) If the security placed with the Tax Department is private property, the Tax Department may sell the security at public auction if it becomes necessary to recover any tax or any amount required to be collected, interest or penalty due. Notice of the sale may be served personally or by mail upon the person who placed the security; if by mail, service must be made in the manner prescribed for service of a notice of a deficiency determination and must be addressed to the person at his address as it appears in the records of the Tax Department. Security in the form of bearer bond issued by the United States or the State of Nevada which has a prevailing market price may be sold by the Tax Department at a private sale at a price not lower than the prevailing market price.

(D) Upon any sale of security, any surplus above the amounts due the Tribe shall be returned to the person who placed the security.

(11) Additional Security: In the case of Taxpayer who is habitually delinquent in his obligation, the amount of the security may not be greater than three (3) times the average actual tax due quarterly of persons filing returns for quarterly periods, or five (5) times the average actual tax due monthly of persons filing returns for monthly periods.

(12) Failure to File Returns; Assessment of Tax by Tax Commission; Penalties

(A) If any Person fails or refuses to make any return or to make available for examination the records required by this Tax Code or any Regulation of the Tax Commission, the Tax Commission shall proceed, in such manner as it may deem best, to obtain facts and information on which to base its estimate of the tax; and to that end the Tax Commission may examine the books, records, and papers of any such Person and may take evidence, on oath, of any person, relating to the subject of inquiry.

(B) As soon as the Tax Commission procures such facts and information as it is able to obtain upon which to base the assessment of any tax payable by any person who has failed or refused to make a return, it shall proceed to determine and assess against such person the tax and penalties due, but such action shall not deprive such person from appealing to the Tribal Court as provided for in Chapter 1. To the assessment the Tax Commission shall add the appropriate penalties. The Tax Commission shall notify the Taxpayer by certified mail, return receipt requested, of the total amount that shall become due and shall be paid within ten (10) days from the date of such notice.

(C) No assessment or correction of assessment may be made by the Tax Commission more than four (4) years after the close of the tax year, except:

(1) upon a showing of fraud or of misrepresentation of a material fact by the Taxpayer; or

(2) where a Taxpayer has executed a written waiver of such limitation.

Section 2.16: Enforcement of Powers of Tax Department

(1) Power of Tax Department to Seize and Sell: At any time within five (5) years after any person is delinquent in the payment of any tax, the Tax Department shall initiate action to collect the amount due. The Tax Department may seize any property, real or personal, of the person, not held in trust by the United States, and sell the property, or a sufficient part of it, to pay the amount due, together with interest or penalties imposed for the delinquency, and any cost incurred on account of the seizure and sale.

(2) Notice of Sale: Disposition of seized property may be by public or private proceedings. Sale or other disposition may be as a unit or in parcels and at any time and place and on any terms, but, every aspect of the disposition, including the method, manner, time, place and terms must be reasonable.

Reasonable notification of the time after which any private sale or other intended disposition is to be made shall be sent by the Tax Department to the delinquent Taxpayer and to any other person who has a security interest in the property and who has duly filed a statement indexed in the name of the delinquent Taxpayer in the county where the property is located. The proceeds of such sale shall be applied in the following order:

(A) The reasonable expenses of taking, holding, preparing for sale, and the reasonable attorney fees and legal expenses incurred by the Tax Department;

(B) The satisfaction of the indebtedness including any penalty or interest accrued;

(C) If the property sold is insufficient to satisfy the debt, the Tax Department may at its option, institute further legal proceedings or consider said amounts as a complete satisfaction of the debt; and

(D) If such sale results in an excess of the amount due, the excess shall be returned to the person whose property was seized and sold.

(3) Hearing and Waiver: A hearing before the Tax Commission may be requested by a delinquent Taxpayer any time within thirty (30) days after mailing of a notice of sale. The opportunity for a hearing is deemed waived after that time.

Section 2.17: Overpayments and Refunds

(1) Claim for Refund: No refund shall be allowed unless a claim therefore is filed with the Tax Department within three (3) months from the last day of the month following the close of the period in which the payment was made. Every claim shall be in writing and filed with the Tax Department and shall state the specific grounds upon which the claim is founded. A payment of tax paid under protest with a statement of specific grounds for the protest shall be considered a claim for refund. Where practicable, the Tax Department shall notify a taxpayer for any overpayment found or identified by the Tax Department within fourteen (14) days of determining that an overpayment has occurred.

(A) Notice of Disallowance of Claim: Within thirty (30) days after disallowing any claim in whole or in part, service of notice of the Tax Department decision shall be mailed to the claimant.

(B) Action for Refund: No suit or proceeding shall be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected, unless a claim for refund or credit has been duly and timely filed and determined by the Tax Department.

(2) Appeal: Within thirty (30) days after the mailing of the notice of the Tax Department's action upon a filed tax claim, a claimant may bring an action in the Tribal court against the Tax Department on the grounds set forth in the claim for refund of the whole or any part of the amount with respect to which the claim has been disallowed. Any such action shall be limited to the amount of the refund and interest thereon if otherwise allowed. In no event shall the Tax Department, the Tribal Council, or the Tribe, or individual members of the Tax Department, Tribal Council, or Tribe be responsible for damages, whether active, direct or indirect, consequential or incidental.

(3) Allowance of Interest: In any judgment allowing a refund, interest shall be allowed at the rate of three percent (3%) per annum upon the amount found to have been illegally collected from the date of payment of the tax to the date of allowance of credit on account of the judgment.

(4) Recovery of Erroneous Refunds: The Tax Department may recover any refund or a part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in the Tribal Court.

Section 2.18: Recusal of Tax Commission Members and Tax Department Employees

(1) No member of the Tax Commission or employee of the Tax Department shall participate in any action or decision by the Tax Commission directly involving his own tax liability, or the tax liability of a member of his immediate family, or the tax liability of any person, business, or other entity of which he or a member of his immediate family is an employee, or in which he or a member of his immediate family has a substantial ownership interest, or with which he or a member of his immediate family has a substantial contractual relationship.

(2) Nothing in this Section shall preclude a member or employee from participating in any action or decision by the Tax Commission which:

(A) Affects a class of taxpayers, regardless of whether the Tax Commission member or a member of his immediate family is a member of the affected class.

(B) Affects the Walker River Paiute Tribe, a tribal enterprise, or a person or entity in a contractual relationship with the Tribe or a Tribal enterprise.

(3) A member of the Tax Commission or employee of the Tax Department may voluntarily recuse himself and decline to participate in any action or decision by the Tax Commission when the member, in his own discretion, believes:

(A) That he cannot act fairly or without bias; or

(B) That there would be an appearance that he could not act fairly or without bias.

Section 2.19: Compensation of Tax Commission Members

Tax Commission members and any alternate Commission members shall be compensated and shall be reimbursed for expenses related to the Tax Commission duties. Tax Commission members will receive a stipend of Fifty Dollars (\$50) for each Tax Commission meeting and a stipend of Seventy-Five Dollars (\$75) a day while attending hearings, meetings, conferences, and performing official duties not actually attending a meeting of the Tax Commission. Tax Commission members who are also a Tribal employee must take leave without pay to receive the stipend of Seventy-Five Dollars (\$75) a day while attending hearings, meetings, conferences and performing official duties not actually attending a meeting of the Tax Commission.

Section 2.20: Temporary and Permanent Removal from Office – Replacement

(1) Any Tax Commission member may be removed from office on the basis and under the procedures provided in the Tax Commission rules.

(2) Upon permanent removal of an official, as provided in Subsection 1 of this Section, the Tribal Council shall appoint a replacement for the remainder of the official's term of office.

Section 2.21: Tribal Court Jurisdiction

The Tribal Court is hereby empowered to hear appeals from final decisions and final actions of the Tax Commission upon exhaustion of such administrative remedies as are provided by the Tax Commission. Such appeals must be filed within thirty (30) days of the final decision or action being appealed. In the event of an appeal, the Tribal court shall have judicial review jurisdiction of the action taken by the Tax Commission to determine whether the action was arbitrary, capricious, or not in accordance with the laws of the Tribe and shall not exercise de novo review.

Section 2.22: Consent to Suit

For the limited purpose of review of the Tax Commission or Tax Department decisions or actions, the Tax Commission and Tax Department shall be subject to suit for equitable relief only in the Tribal court.

The Tax Commission and Tax Department shall not, however, be subject to suit for any other purpose or in any other forum. The Tribe and the Tribal Council shall not be subject to suit for any purpose.

CHAPTER 3 – TAX ON THE SALES AND USE OF PROPERTY (Parts A, B, C, D, and E)

Part A – General Provisions

Section 3.1: Definitions and Further Defined Terms

Definitions: As used in this Chapter, the following terms and phrases shall have the following meaning:

- (1) “Business” means any activity engaged in by any person or caused to be engaged in by him with the object of gain, benefit or advantage, either direct or indirect.
- (2) “Consumer” means any person who purchases, receives, uses or possesses tangible personal property for any purpose other than the sale of such tangible personal property.
- (3) “Fungible Goods” means tangible personal property which, by nature or use, is the equivalent of any other like unit of the same tangible personal property.
- (4) “Gross Receipts” means the total amount of the sale, lease or rental price, as the case may be, of the retail sales of retailers, valued in money, whether received in money or otherwise, without any deduction on account of any of the following:
 - (a) The cost of the property sold; provided, that in accordance with such rules and regulations as the Tax Commission may prescribe, a deduction may be taken if the retailer has purchased property for some purpose other than resale, has reimbursed his vendor for the tax which the vendor is required to pay to the Tribe, or has paid a use tax with respect to the property, and has resold the property prior to making any use of the property other than retention, demonstration or display while holding it for sale in the regular course of business. If such a deduction is taken by the retailer, no refund or credit shall be allowed to such retailer’s vendor with respect to the sale of the property.
 - (b) The cost of the materials used, labor or service cost, interest paid losses or any other expense.
 - (c) Cost of transportation of the property prior to its sale to a Purchaser.

For purposes of the foregoing, the total amount of the sale or lease or rental price includes all of the following:

- (a) Any services that are part of the sale.
- (b) All receipts, cash, credits and property of any kind.
- (c) Any amount for which credit is allowed by the seller to the purchaser.

Gross Receipts does not include any of the following:

(a) Cash discounts allowed and taken on sales.

(b) Sale price of property returned by customers when the full sale price is refunded either in Cash or credit; but this exclusion shall not apply in any instance when the customer, in order to obtain the refund, is required to purchase other property at a price greater than the amount charged for the property that is returned.

(c) The price received for labor or services used in installing or applying the property sold.

(d) The amount of any tax (not including, however, any manufacturers or Importers excise tax) Imposed by the United States upon or with respect to retail sales, whether imposed upon the Retailer or the consumer.

(5) For purposes of the sales tax, if the Retailers establish to the satisfaction of the Tax Commission that the sales tax has been added to the total amount of the sale price and has not been absorbed by them, the total amount of the sale price shall be deemed to be the amount received exclusive of the tax imposed.

(6) Occasional Sale” means:

(a) A sale of property not held or used by a retailer in the course of an activity for which he is required to hold a retailer’s permit under tribal law or Nevada law; provided, that such a sale is not one of a series of sales sufficient in number, scope and character to constitute an activity requiring the holding of a retailer’s permit. (Ex. yard sales, fund raisers, raffles, food sales, seasonal sales [Halloween, Christmas, etc.]) and like activities.

(b) Any transfer of all or substantially all of the property held or used by a person in the course of such an activity when, after such transfer, the real or ultimate ownership of such property is substantially similar to that which existed before such transfer.

For the purposes of the foregoing, stockholders, bondholders, partners or other persons holding an interest in a corporation or other entity are regarded as having the “real or ultimate ownership” of the property of such corporation or other entity.

(7) “Purchase” means any transfer, exchange or barter, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property for consideration. A purchase includes, but is not limited to:

(a) A transaction whereby the possession of property is transferred but the retailer retains the title thereto as security for the payment of the price.

(b) A transfer for consideration of tangible personal property which has been produced, fabricated or printed to the special order of the customer or of any publication.

(8) “Retail sale” and “sale at retail” means a sale for any purpose other than a resale in the regular course of business of tangible personal property. Retail sale or sale at retail includes:

The delivery on the Reservation of tangible personal property by an owner or former owner thereof or by a factor, or agent of such owner, former owner or factor, if the delivery is to a consumer or person for re-delivery to a consumer, pursuant to a retail sale made by a Retailer not engaged in business on the Reservation, is a retail sale on the Reservation by the person making the delivery. He shall include the retail selling price of the property in his gross receipts.

(9) "Retailer" means:

- (a) Every person who makes any retail sale or sales of tangible personal property, and every person engaged in the business of making retail sales at auction of tangible personal property owned by the person or others; except those engaged in an occasional sale.
- (b) Every person engaged in the business of making sales for storage, use or other consumption or in the business of making sales at auction of tangible personal property owned by the person or others for storage, use or other consumption.

When the Tax Department determines that it is necessary for the efficient administration of this Chapter to regard any salesmen, representatives, peddlers or canvassers as the agents of the dealers, distributors, supervisors or employers under whom they operate or from whom they obtain the tangible personal property sold by them, irrespective of whether they are making sales on their own behalf or on behalf of such dealers, distributors, supervisors or employers, the Tax Department may so regard them and may regard the dealers, distributors, supervisors or employers as retailers for purposes of this Chapter.

(10) "Sale" means any transfer of a title or possession, exchange, barter, lease or rental, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property for consideration.

(a) "Transfer of possession", "lease", or "rental" includes only transactions found by the Tax Department to be in lieu of a transfer of title, exchange or barter.

(b) "Sale" includes, but is not limited to:

- (1) The producing, fabricating, processing, printing or imprinting of tangible personal property for a consideration for consumers who furnish, either directly or indirectly, the materials used in the producing, fabricating, processing, printing or imprinting.
- (2) The furnishing and distributing of tangible personal property for a consideration by social clubs and fraternal organizations to their members or others.
- (3) The furnishing, preparing, or serving for a consideration of food, meals or drinks.
- (4) A transaction whereby the possession of property is transferred, but the retailer retains the title as security for the payment of the price.
- (5) A transfer for consideration of the title or possession tangible personal property which has been produced, fabricated or printed to the special order of the customer,

or of any publication.

(11) "Sales Price" means the total amount for which tangible personal property is sold, valued in money, whether paid in money or otherwise, without any deduction on account of any of the following:

- (a) The cost of property sold;
- (b) The cost of materials used, labor or service cost, interest charged, losses, or any other expenses;
- (c) The cost of transportation of the property prior to its purchase;

For purposes of the foregoing, the total amount for which property is sold includes all the following:

- (i) Any services that are part of the sale.
- (ii) Any amount for which credit is given to the purchaser by the seller.

Notwithstanding the foregoing, "Sales Price" does not include any of the following:

- (i) Cash discounts allowed and taken on sales;
- (ii) The amount charged for property returned by customers when the entire amount charged, therefore, is refunded either in cash or credit; but this exclusion shall not apply in any instance when the customer, in order to obtain the refund, is required to purchase other property at a price greater than the amount charged for the property at a price greater than the amount charged for the property that is returned;
- (iii) The amount charged for labor or services rendered in installing or applying the property sold; and
- (iv) The amount of any tax (not including, however, any manufacturers' or Importers' excise Tax imposed by the United States upon or with respect to retail sales, whether imposed the Retailer or the consumer.

(12) "Seller" means every person engaged in the business of selling tangible personal property of a kind, the gross receipt from the retail sale of which are required to be included in the measure of the sales tax.

(13) "Storage" means any keeping or retention on this Reservation for any purpose, except sale in the regular course of business, or subsequent use solely outside the Reservation, of tangible personal property purchased from a Retailer.

1. "Storage" and "Use": Exclusion. "Storage" and "Use" do not include the keeping, retaining or exercising any right or power over tangible personal property for the purpose of subsequently transporting it outside of the Reservation for use thereafter solely outside the Reservation, or for the purpose of being processed, fabricated or manufactured into, attached to, or

incorporated into other tangible personal property to be transported outside the Reservation and thereafter used solely outside the Reservation.

(14) "Tangible personal property" means personal property which may be seen, weighed, measured, felt or touched, or which is in any other manner perceptible to the senses.

Section 3.2: Rules and Regulations

The Tax Commission is empowered to make and adopt any regulations consistent with the provisions of this Chapter it deems necessary to the efficient administration of the Tribe's sales and use tax.

Section 3.3: Assumption of Tax by Retailer

(1) Prohibited Act. No retailer may advertise or hold out or state to the public or to any customer, directly or indirectly, that the taxes imposed by this Chapter, or any part thereof, will be assumed or absorbed by the retailer, or that such taxes will not be added to the selling price of the property sold, leased or rented, or that if added, it or any part thereof will be refunded.

(2) Penalty. Any person violating Section 3.3(1) is guilty of a misdemeanor, or subject to a civil fine not to exceed Five Thousand Dollars (\$5,000.00).

Section 3.4: Presumptions

(1) Taxability. It is presumed that all gross receipts are subject to this Chapter. The burden of proving the contrary is upon the person who makes the sale unless such person acquired from the purchaser a certificate to the effect that the property is purchased for resale or for use in accordance with Section 3.5.

(2) Use. It is presumed that tangible personal property delivered outside the Reservation to a purchaser known by the retailer to be a resident of the Reservation was purchased for storage, use or other consumption on the Reservation and stored, used or otherwise consumed on the Reservation. This presumption may be controverted by:

(A) A statement in writing, signed by the purchaser or the purchaser's authorized representative and retained by the retailer that the property was purchased for use at a designated point or points outside the Reservation.

(B) Other evidence satisfactory to the Tax Department that the property was not purchased for storage, use or other consumption on the Reservation.

Section 3.5: Resale Certificates

(1) Effect. A resale certificate relieves the retailer from the burden of proof of non-taxability only if taken in good faith from a person: who is engaged in business of selling tangible personal property who holds a certificate pursuant to this Chapter and who, at the time of purchasing the tangible personal property, intends to sell it in the regular course of business.

(2) Form and Content. Resale certificates shall be substantially in the form prescribed by the Tax Department and shall:

- (A) Be signed by and bear the name and address of the purchaser.
- (B) Indicate the number on the certificate issued to the purchaser.
- (C) Indicate the general character of the tangible personal property sold by the purchaser in the regular course of business.

(3) Purchaser's Tax Liability. If a purchaser is given a resale certificate in connection with the purchase of tangible personal property and either; (1) makes any storage, use or other consumption of the property other than retention, demonstration or display while holding it for sale in the regular course of business; or (2) makes any other use of the property on the Reservation, then the storage, use or other consumption is taxable to the purchaser as of the time the property is first so used, stored or consumed and the sales price of the property to him is the measure of the tax.

- (A) Only when there is an unsatisfied tax liability on this basis is the retailer liable for sales tax with respect to the sale of the property to the purchaser; or
- (B) If the sole use of the property other than retention, demonstration or display in the regular course of business is the rental of the property while holding it for sale, the purchaser may elect to include in his gross receipts the amount of the rental charged, rather than the sales price of the property to him.

(4) Improper Use of Resale Certificate; Penalty. Any person who is given a resale certificate for property which the person knows at the time of purchase is not to be resold in the regular course of business; or who claims that the property will be transported outside the Reservation and thereafter uses it on the Reservation for the purpose of evading payment to the seller of the amount of the sales tax applicable to the transaction may be found guilty of a misdemeanor, and shall be subject to a civil fine not to exceed the Five Thousand Dollars (\$5,000.00).

(5) Resale Certificate; Commingling Fungible Goods. If a purchaser gives a resale certificate with respect to the purchase of fungible goods and thereafter commingles those goods with other fungible goods not so purchased but of such similarity that the identity of the constituent goods in the commingled mass cannot be determined, sales from the mass of commingled goods shall be deemed to be sales of the goods so purchased until a quantity of commingled goods equal to the quantity of purchased goods so commingled has been sold.

Section 3.6: Display of Tax

The Tax Commission may by regulation require that the taxes of this Chapter be displayed by retailers separately from the list price, the price advertised on the premises, the marked price, or other price on the sales check or other proof of purchase.

Section 3.7: Exempt Articles

Any other portions of this Chapter notwithstanding, the taxes imposed herein shall be inapplicable to purchase, sale, or use of those items and articles listed below:

- (1) Products grown, developed, or harvested through agricultural methods. Such products shall include, but not be limited to, food grown for human or animal consumption.
- (2) Art and craft items made outside of a business enterprise which is engaged in the primary occupation of making art and craft items for resale to the public or a retailer.
- (3) Household appliances, furniture and sheds, etc., purchased by a person for use in such person's place of residence.
- (4) Automobiles, whether acquired within or outside of the Reservation.
- (5) Food items purchased by a person for home preparation and consumption, except prepackaged or prepared food items requiring no further preparation and alcoholic beverages.
- (6) Animals raised or acquired for use as livestock including, but not limited to, horses, cattle, swine, sheep, goats, chickens and all animals of like character.
- (7) Machinery purchased or designed for use in conjunction with a farming or ranching activity.

Part B – Sales Tax

Section 3.8: Imposition and Rate of Tax

(1) A tax is hereby imposed on all retail sales occurring within the Reservation. The rate of such tax shall be equal to or greater than the Nevada State and local tax rate in effect in each County within the Reservation at the time and point of sale (WR-50-10). Any rate greater than Nevada State and local tax rate shall be set by tribal resolution. The tax imposed hereunder shall be reported and paid pursuant to Section 3.18(1) and submitted to the Tax Department per the rules set by the Tax Commission.

Section 3.9: Incidence of Tax and Debt of Retailer

The sales tax imposed by this Chapter is imposed on the consumer and shall be collected by retailers from consumers insofar as it can be done. The tax to be collected by a retailer constitutes a debt owed by the retailer to the Tribe.

Section 3.10: Retailer's Licenses

(1) Application for Tribal Business License. Every person desiring to sell or conduct business as a Retailer of tangible personal property within the Reservation shall file with the Tax Department an application for a business license for each place of business.

(A) Every application for a Tribal Business License shall:

- (1) Be made upon a form prescribed by the Tax Department.
- (2) Set forth the name under which the applicant transacts or intends to

transact business and the location of the applicant's place or places of business.

(3) Set forth such other information as the Tax Department may require.

(B) Applications shall be signed by the applicant if he or she is an individual business.

If the applicant is a partnership, the application shall include the names and addresses of all partners. If the applicant is a corporation, association, or other organization, the application shall include the names and addresses of the president, vice president, secretary, managing officer or officers, and the entity's agent for the purpose of service of process.

(C) Fee. At the time of making an application, the applicant shall pay to the Tax Department the annual Tribal Business License fee prescribed in Chapter 7.

Part C - Use Tax

Section 3.11: Imposition and Rate

(1) An Excise Tax is hereby imposed on the storage, use or other consumption on the Reservation of Tangible personal property purchased from any retailer for storage, use or other consumption on the Reservation. The rate of such tax shall be equal to or greater than the Nevada State and local rate in effect in each County within the Reservation at the time and point of the taxable event. Any rate greater than Nevada State and local tax rate shall be established by Tribal Resolution.

(2) The tax is imposed with the respect to all property which was acquired off the Reservation in a transaction that would have been a taxable sale if it had occurred on the Reservation.

Section 3.12: Liability for Tax; Extinguishment of Liability

Every person storing, using or otherwise consuming on the Reservation tangible personal property purchased from a retailer is liable for the tax. A person's liability is not extinguished until the tax has been paid to the Tribe except that a receipt from a retailer maintaining a place of business on the Reservation or from a retailer who is authorized by the Tax Commission, under such rules and regulations as it may prescribe, to collect the use tax and who is, for the purposes of this Chapter relating to the use tax regarded as a retailer maintaining a place of business on the Reservation given to the purchaser pursuant to Section 3.13, is sufficient to relieve the purchaser from further liability for the tax which the receipts refers.

Section 3.13: Collection by Retailer; Purchaser's Receipt

Every retailer maintaining a place of business on the Reservation and making sales of tangible personal property for storage, use or other consumption on the Reservation, not exempted under this Chapter shall at the time of making sales or, if the storage use or other consumption of the tangible personal a taxable, collect the tax from the purchaser and give the purchaser a receipt thereof in the manner and form prescribed by the Tax Commission.

Section 3.14: Registration of Retailers

Every retailer who sells tangible personal property for storage, use or other consumption on the Reservation shall register with the Tax Commission and provide: (1) The name and address of all agents operating on the Reservation; (2) location of all distribution or sales houses or offices or other places of business on the Reservation; and (3) other information as the Tax Commission may require.

Section 3.15: Presumption of Purchase of Use and Resale Certificate

(1) Presumption of Purpose of Use. For the purpose of the proper administration and to prevent evasion of the use tax and the duty to collect the use tax, it is presumed that tangible personal property sold by any person for delivery on the Reservation is subject to the use tax until the contrary is established. The burden of providing the contrary is upon the person who makes the sale unless that person takes from the purchaser a certificate to the effect that the property is purchased for resale.

(2) Resale Certificate. A resale certificate relieves the person selling the property from the burden of proof only if taken in good faith from a person who is engaged in the business of selling tangible personal property and who holds the license provided by this Chapter and who, at the time of purchasing the tangible personal property, intends to sell it in the regular course of business or is unable to ascertain at the time of purchase whether the property will be sold or will be used for some other purpose.

Section 3.16: Presumption of Purchase from Retailer

It is presumed that tangible personal property shipped or brought to the Reservation by the purchaser on or after the effective date of this Chapter was purchased from a retailer on or after the effective date of this Chapter for storage, use or other consumption on the Reservation.

(Added: WR-93-05)

Section 3.17: Presumption of Use; Off-Reservation Delivery

(1) It is presumed that tangible personal property delivered outside the Reservation to a purchaser known by the retailer to be a resident of the Reservation was purchased from a retailer for storage, use or other consumption on the Reservation and stored, use or otherwise consumed on the Reservation.

(2) This presumption may be controverted by:

(A) A statement in writing, signed by the purchaser or his authorized representative, and retained by the vendor, that the property was purchased for use at the designated point or points outside the Reservation.

(B) Other evidence satisfactory to the Tax Commission that the property was not purchased for storage, use or other consumption on the Reservation.

Part D – Returns and Payments

Section 3.18: Tax Due Date, Extensions and Reimbursements

(1) Date Due. Unless an extension of time has been granted pursuant to Subsection (2) of this Section, or pursuant to action of the Tax Department, the taxes imposed by this Chapter are payable to the Tax Department monthly on or before the last day of the next succeeding month.

(2) Extension of Time. The Tax Department, for good cause and on application by taxpayer, may extend the time for making any return or paying any amount required to be paid for a period not to exceed one (1) month from such return's or payment's original due date.

(3) Reimbursement for Collection of Tax. A retailer may deduct and withhold one and one-half percent (1.5%) of taxes due the Tribe as reimbursement for the costs of collecting such taxes.

Section 3.19 Tax Returns

(1) Time for Filing. On or before the last day of the next succeeding month following a month in which tax is due, a return for the preceding period must be filed with the Tax Department in such form and under such rules as the Tax Commission may prescribe; provided, that the reporting and payment period of a retailer or purchaser whose taxable sales or use do not exceed \$10,000.00 per month may file the same with the Tax Department on calendar quarters.

(A) The Tax Department, if it deems such action necessary to insure payment to, or to facilitate the collection by the Tribe of taxes, may require returns and the payment of taxes for periods other than calendar months or quarters, depending upon the principal place of business of a retailer or purchaser.

(2) Persons Required to File. A tax return must be filed by each retailer and by each person purchasing tangible personal property for the storage, use or other consumption of which is subject to tax, and who has not paid the tax due to a retailer required to collect the tax. Returns must be signed by the person required to file the return or by the person's authorized agent but need not be verified by oath.

(A) The person required to file the return shall deliver the return together with remittance of the amount of the tax due to the Tax Department.

(B) For the purpose of the tax, gross receipts from rentals or leases of tangible personal property must be reported and the tax paid in accordance with such regulations as the Tax Commission may prescribe.

(3) Contents of Return. Returns shall show the amount of taxes due for the period covered by the return, such information as the Tax Department may require, and:

(A) Tax returns shall show the gross receipts of the retailer during the preceding and present reporting period.

(B) Tax returns filed by purchasers shall show the total sales price of the property purchased by the purchaser and the storage, use or consumption of property that became subject to the tax during the reporting period.

Section 3.20: Deferral of Tax Payment

(1) Deferment. Other provisions of the Tribe's Tax Code, notwithstanding, a person may apply to the Tax Department for a tax payment deferment, without interest, for the sale of capital goods where the sale price for such goods is equal to or exceeds \$100,000.00. If the Tax Department determines that the applicant would be eligible under Nevada law, N.R.S. §372.397, the Tax Department may allow the deferment. Upon allowance of deferment, the Tax Department shall verify the sale, the price paid and the date of sale, and assign the applicable period for payment of the deferred tax. The Tax Department may require security for the payment in an amount which does not exceed the amount of tax deferred.

(2) Deferment Period. The payment of tax due on the sale of capital goods shall be deferred as set out below.

- (A) If the sale price is at least \$100,000.00 but less than \$350,000.00, the tax shall be paid within twelve (12) months of the date of sale.
- (B) If the sale price is at least \$350,000.00 but less than \$600,000.00, the tax shall be paid within (24) twenty- four months of the date of sale.
- (C) If the sale price is at least \$600,000.00 but less than \$850,000.00, the tax shall be paid within thirty-six (36) months of the date of sale.
- (D) If the sale price is at least \$850,000.00 but less than \$1,000,000.00, the tax shall be paid within forty-eight (48) months of the date of sale.
- (E) If the sales price is \$1,000,000.00 or more, the tax must be paid within sixty (60) months of the date of sale.

Payment of the deferred tax shall be made in each month of the deferred period at a rate which is at least sufficient to result in payment of the total obligation within the permitted deferral period.

(3) Regulations. The Tax Commission shall adopt regulations governing:

- (A) The aggregation of related purchases which are made to expand a business, establish a new business, or renovate or replace capital equipment.
- (B) The period within which such purchases may be aggregated.

Section 3.21: Liability of Successors and Assignees

(1) Duty and Liability. If a retailer who is liable for any amount under this Chapter sells his business or stock of goods, or quits the business, the successors or assigns shall withhold a sufficient amount of the purchase price to cover the amount due until the former owner produces a receipt from the Tax Department showing that such sum has been paid or presents a certificate from the Tax Department stating that no amount is due.

- (A) If the purchaser of a business or stock of goods fails to withhold the purchase price as required, the purchaser becomes personally liable for the payment of the amount required to be withheld by him to the extent of the purchase price, valued in money.

(B) The time within which the obligation of a successor or assignee may be enforced begins at the time the retailer sells out his business or stock of goods or at the time that the determination against the retailer becomes final, whichever event occurs later.

(2) Issuance of Certificate. Within sixty (60) days after receiving a written request from a purchaser or seller of a business or business stocks or goods for certificate, or within sixty (60) days from the date a former owner's records are made available for audit, whichever period expires later, but not later than ninety (90) days after receiving the request, the Tax Department shall issue a certificate or mail notice to the purchaser or seller at his address as it appears in the records of the Tax Department, of the amount that must be paid as a condition of issuing the certificate.

In the event the Tax Department fails to mail the notice as required herein, the purchaser of a business or such business stocks or goods shall be released from any obligation to withhold sums due the Tribe from the purchase price.

Section 3.22: Tax Overpayment and Reports

(1) Tax Overpayment. Any overpayment of a tax by a purchaser to a retailer who is required to collect the tax and who gives the purchaser a receipt therefore pursuant to this Chapter shall be credited or refunded by the Tax Department to the purchaser.

(2) Reports. In its administration of this Chapter, the Tax Department may require the filing of reports by any person or class of persons having in his or their possession or custody information relating to sale of tangible personal property, the storage, use or other consumption of which is subject to the tax. The report must:

(A) Be filed with the Tax Department required.

(B) Set forth the names and addresses of purchasers of the tangible personal property, the sales price of the property, the date of sale, and such other information as the Tax Department may require.

Section 3.23: Effect of Delinquency Certificate

In any proceeding or action commenced to collect delinquent taxes hereunder, a certificate by the Tax Department showing the delinquency shall be prima facie evidence of the determination of the tax or the amount of the tax of the delinquency in the amounts set forth and of the compliance by the Tax Department with all the provisions of this Chapter in relation to the computation and determination of the amounts shown.

Section 3.24: Judicial Review

No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected, unless a claim for refund or credit has been filed and payment under protest has been made in accordance with the provisions of this Chapter.

Section 3.25: Records of Retailers

(1) Records. Contrary provisions of this Chapter notwithstanding:

- (A) Every retailer and every person purchasing tangible personal property, the storage, use or other consumption of which is subject to tax, who has not paid the tax due to a retailer, shall keep records, receipts, invoices and other pertinent papers in such form as the Tax Department may require.
- (B) Every retailer or person who files the returns required under this Chapter shall keep the records for not less than four (4) years from their making unless the Tax Department in writing authorizes their destruction at an earlier time.
- (C) Every retailer or person who fails to file the returns required under this Chapter shall keep the records for not less than eight (8) years from their making unless the Tax Department in writing authorizes their destruction.

(2) Release of Information. Successors, receivers, trustees, executors, administrators, assignees and guarantors may not be given information by the Tax Department as to the items included in the measure and amount of any unpaid tax or amounts of tax required to be collected, interest and penalties subject to the provisions of 2.14 (6). Relevant information may also be disclosed as evidence in an appeal by the taxpayer from a determination of tax due.

Section 3.26: Failure to File and False or Fraudulent Returns

(1) Failure to File. Any person who fails or refuses to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the Tax Department, or who renders a false or fraudulent return shall be subject to a civil fine of not more than Five Hundred Dollars (\$500.00) for each incident.

(2) False or Fraudulent Returns. Any person who makes, renders, signs or verifies any report or who makes any false or fraudulent return, with intent to defeat or evade the determination of an amount due required by law to be made.

Part E – Miscellaneous Provisions

Section 3.27: Disclosure of Information

(1) Disclosure of Records. It is prohibited and may be subject to judicial review, for an employee of the Tax Department or officer or employee of the Tribe to make known in any manner whatever the business affairs, operations or information obtained by an investigation of records and equipment of any retailer or any other person visited or examined in the discharge of official duty, or the amount of source of income, profits, losses, expenditures or any particular of them, set forth or disclosed in any return or to permit any return or copy of a return, or any book containing any abstract or particulars of it to be seen, copies or examined by any person not connected with the Tax Department.

(2) Agreements. The Tax Department may agree with the governing body of any county, city or town or with any other governmental entity for the continuing exchange of information concerning taxpayers.

(3) Examination of Records. The Tribal Council may, by general or special order, authorize examination of the records maintained by the Tax Department. The information so obtained may not be made public except to the extent and in the manner that the order may authorize that it be made public.

CHAPTER 4 - POSSESSORY INTEREST TAX

Section 4.1: Short Title and Application

The tax levied by this Chapter shall be called the "Possessory Interest Tax" and shall be levied on the various uses of trust land, which includes any interest obtained in a tract of trust land, whether by lease, permit, contract, easement, right-of-way, deed, or any other Agreement which authorizes a person to use the real and personal property for business, profit, or use regardless of whether the Tribe consents to such use or possession and within the jurisdiction of the Walker River Paiute Indian Reservation, except as otherwise exempted in Section 4.13 or 4.14 of this Chapter.

Section 4.2: Definitions

- (1) "Business" means any activity engaged in by any person, or caused to be engaged in by any person, with the object of gain, benefit or advantage, either direct or indirect.
- (2) "Regulations" shall mean any written rules and regulations adopted by the Tax Commission and administered by the Tax Department pursuant to this Tax Code.
- (3) "Taxable Year" means the calendar year in which taxes are due and payable relative to the calendar year used for basis of assessment. Payment of the tax will be prorated by the number of days within the calendar year that the business was in existence.
- (4) "Trust Land" means any land located within the Walker River Paiute Indian Reservation which is held in trust by the United States for the Tribe or its members.
- (5) "Use Basis" means the basis upon which the tax is calculated, utilizing the Capitalization of Net Income Method as set forth in Section 4.6.
- (6) "Utility" means any privately or publicly held for profit entity primarily engaged in supplying, transmitting, transporting, or distributing electricity, oil and oil products, gas, natural gas, natural gas products, water, carbon dioxide, liquid hydrocarbons, telephone, telegraph or other communication services, or transportation services including freight services.
- (7) "Net Income" means the amount of money a taxpayer has earned after subtracting all of the expenses of producing its' goods or services from the income or revenue it has realized from sales of those goods or services.
- (8) "Income" means money received, especially, in a regular basis, for work or through investments or leases.

Section 4.3: Property Exempt from Taxation

The following shall be exempt from the tax enacted by this Chapter.

- (1) Any possessory interest in any Tribally or individually-owned trust or fee land used solely for the purpose of a permanent residence.
- (2) Any possessory interest held by the Tribe or any Tribal member.
- (3) Any building, barn, home, storage tank or facility, fence, or other structure of a permanent or semi-permanent nature affixed to or placed upon trust or fee land solely for the purpose of a permanent residence.
- (4) Indian arts and crafts made or maintained for sale, whether wholesale or retail, by any Tribal member.
- (5) Any possessory interest held for commercial retail purposes, or a business purpose that entails the leasing or use of a building or building space for the sale of goods or services. This exemption does not include any lease or other agreement for mining purposes, for the construction and/or maintenance of billboards, or for telecommunication transmission purposes.
- (6) All other exemptions recognized by federal or tribal law.

Section 4.4: The Tax Cycle

The tax rate and methodology for the Possessory Interest Tax shall remain constant for a two-year tax period, i.e., tax cycle. The initial tax cycle of this Chapter commences with the effective date of this Chapter and terminates on December 31, 2019. Thereafter, the tax cycle shall take a full two-year period ending the last day in December of off numbered years.

Section 4.5: Imposition and Rate of Tax

The Possessory Interest Tax set forth herein shall be imposed on the ownership and use of a non-exempt possessory interest on January 1st of each taxable year and shall be assessed at the rate of three (3%) of the tax base as determined in accordance with the methodologies utilized in Section 4.6. The said tax rate may not be escalated by more than the annual rate of inflation as measured by the annual average rate of the Gross Domestic Product (GDP) Price Deflator of the preceding year for the succeeding tax cycles. Upon passage of any Act by the Tribal Council changing the tax rate and/or the methodologies, notice shall be given to all taxpayers and shall be published in newspapers of general circulation and posted or published at such places as the Tax Commission designates.

Section 4.6: Computation of Possessory Interest Tax

The Possessory Interest Tax shall be assessed as provided in this Chapter or any method adopted and approved by the Tribal Council and implemented by the Tax Department. The method reflects a reasonable tax on the use of the possessory interest which is subject to taxation.

- (1) Possessory Interest Subject to Tax.

(A) Any possessory interest in trust land on the Reservation is subject to the Tax, unless

exempted under Section 4.3, 4.13 or 4.14 of this Chapter.

(2) Date of Assessment. Every possessory interest which is subject to taxation under this Chapter shall be assessed as of the 1st of January of a given calendar year.

(3) Tax Base. The tax base of all taxable possessory interest shall be Eighty Percent (80%) of the use basis thereof as determined by the Tax Department in the manner described by the section, and such percentage shall be uniformly applied without exception.

(4) Financial Information. The financial information required for the calculation of the Possessory Interest Tax during the present tax year is that which belongs to the previous tax year. All financial information is subject to audit by the Tax Department.

(5) Calculation of Use Basis. The use basis of the possessory interest shall include the dollar value of the trust land covered by the possessory interest and the capitalized value of net income attributable to the use of the land, as determined pursuant to Section 4.6(B)(1), and in accordance with forms and worksheets provided by the Tax Department.

(A) Statement of Taxpayer. Every Taxpayer owning a non-exempt possessory interest, which is in operational mode or is capable of being in operational mode on the assessment date of any year, shall no later than April 15 of each year prepare, sign, and file with the Tax Department a statement on forms provided by the Tax Department, showing:

(1) The name and address of the taxpayer and the nature of the Taxpayer's business.

(2) A description of the possessory interest of the Taxpayer, including, length, width and acreage.

(3) The gross operating revenue, the gross operating expenses, and the net income, and other financial information necessary to compute the tax in accordance with this section, including, but not limited to audited financial statements. For the utilities subject to the jurisdiction of the federal regulatory authorities, the information incorporated in their related forms they file with those authorities shall be adequate. For others, the similar information that they file with the State regulatory authorities shall suffice.

(4) A statement of the amount of the tax due.

(B) The Taxpayers shall calculate their possessory interest and tax liabilities in accordance with the capitalization of net income method. The amount of the Possessory Interest Tax for all categories shall thus be determined by computing the capitalized value of the net income (exclusive of any non-utility income for utilities) in proportion to the value of the trust land upon which the possessory interest is located, as described in subsection (1) hereunder. The capitalization rate shall be set at 13% except, when and if the taxpayer demonstrates in writing that a different and higher number is justified. Reasonable expenses to be incurred in producing the proportional annual net income shall be allowed as deductions, in accordance with rules prescribed by the Tax Department.

(1) The value of trust land for the purposes of this subparagraph shall be set at

\$4,270 per acre; and the said value may not be escalated by more than the annual rate of inflation as measured by the average rate of the Gross Domestic Product (GDP) Price Deflator of the preceding year for the succeeding tax cycles.

Section 4.7: Assessment of Taxes

- (1) Tax Department shall be authorized to assess taxes against a Taxpayer and such assessments are presumed to be correct.
- (2) When it appears that the return filed by the Taxpayer does not reflect the tax due under this Chapter, the Tax Department may audit the Taxpayer for the deficiency, interest, penalties, and costs.
- (3) If no return is filed, the Tax Department is authorized to make an estimate of the tax due, and to assess the Taxpayer for that tax, interest, penalties, and costs, subject to the provisions of Section 4.9(4).
- (4) If the Taxpayer fails to provide information within its possession or control, which is relevant to an assessment of taxes due, and which it is required to provide under this Chapter. The Tax Department is authorized to make an estimate of the tax due and to assess the Taxpayer unless it is shown by the Taxpayer that the estimate on the basis of the best information available to the Tax Department, was clearly erroneous.
- (5) All Taxpayers subject to this Possessory Interest Tax shall remit the taxes due for a calendar year.

Section 4.8: Tax Declaration and Designated Person

Every person or entity owning any non-exempt possessory interest on the Reservation shall designate a person as the individual empowered by the Taxpayer to act on behalf of the Taxpayer with respect to all matters involving the Possessory Interest Tax. Said designated person shall complete the forms distributed by the Tax Department and shall provide the information required therein. The Tax Department shall be notified of the person who has been designated to act on behalf of the Taxpayer entity.

Section 4.9: Reporting Requirements

Each Taxpayer shall comply with the following reporting requirements and such other requirements by rules or regulations adopted by the Tax Commission:

- (1) Forms. The Tax Department shall provide Taxpayers with forms for reporting, calculating and paying the Possessory Interest Tax to the Tribe.
- (2) Reporting Date. Each Taxpayer shall file its Possessory Interest Tax return and remit payment with the return no later than April 15th.
- (3) Extension of Time. The Tax Department, upon the written request of the Taxpayer prior to the due date of the return and/or payment, plus any applicable interest, and for good cause shown, may extend the time for making and filing any return, and may grant such reasonable additional time within which to make and file returns as it may deem proper, but any extension granting the Taxpayer a reporting

date without penalty in excess of thirty (30) days, shall be conditional upon deposit with the Tax Department of an amount to be determined by the Tax Department that shall be approximately equal to the estimated tax liability for the reporting periods for which the extension is granted. In the case of an extension of more than thirty days, the deposit shall be deposited in the Tribe's Treasury and a credit reported to the Taxpayer's account, which may be applied to Taxpayer's liability upon cancellation of the permanent extension or upon reporting of the tax liability where an extension of more than thirty days has been granted.

(4) Failure to Report: Administrative Valuation. If a Taxpayer fails to file complete Possessory Interest Tax reporting information, or to otherwise provide requested information or documents within its possession or control which are relevant to an assessment of the Possessory Interest Tax due under this Chapter, the Tax Department may proceed to assess the tax due based on available information. This assessment shall be binding on the Taxpayer unless it shows that the assessment on the basis of the best information available to the Tax Department, was clearly erroneous or unless the Tax Department for other good cause shown relieves the Taxpayer from the operation of this subparagraph.

(5) Reporting Requirement of Exempt Persons. No Taxpayer or entity shall be required to file Possessory Interest Tax returns for any possessory interest which is exempt under Sections 4.3, 4.13 or 4.14 and other relevant provisions of Tribal Law, provided that the Tax Department may require any Taxpayer or entity to provide the information necessary to establish the claimed exemption.

(6) Authority of the Tax Commission. The Tax Commission may by form or regulation require any taxpayer to file the information or documents deemed necessary for the proper and efficient administration of the tax.

(7) Administrative Reports. The Tax Department shall report all Possessory Interest Tax activities and collections to the Tribal Council at least annually.

(8) Amended Returns. Amended returns for assessment may be filed and will be considered for a period of one year from the date of the original report. After one year, all reports will be considered final, except to the extent there has been an underpayment of taxes reported or due, in which case the penalty and interest provisions of Section 2.15 of this Tax Code shall apply. Any refunds of overpayments as a result of corrected assessment will be paid to the Taxpayer.

Section 4.10: Payment of Taxes Due

The assessed tax shall be paid no later than April 15th of each year, unless another due date is specified by the Tax Department. Any taxes assessed shall be paid by check or money order made payable to the Walker River Paiute Tribe Tax Department. Payment is timely made if it is postmarked before midnight on the date on which the tax is due or if it is delivered to the Tax Department by certified mail or in person and a receipt given before midnight on the due date.

Section 4.11: Extension of Time for Paying Tax, Interest and Penalties

Taxpayers obtaining an extension of time to make payment must pay interest pursuant to Section 4.9(3) and Section 2.15.

Section 4.12: Lien for Taxes; Lien Against Possessory Interest

The Possessory Interest Tax shall be a lien against the possessory interest of the Taxpayer in favor of the Tribe to secure payment of the tax and any penalties and interest that become due. The lien under this section shall arise as of March 1 of the tax year, without notice or demand, and shall be a first lien and superior to any interest in the property.

Section 4.13: Exemptions: Utility Service Lines

To the extent used for purposes of exemption under this section, a possessory interest used to operate a utility service line, utility delivery facility or utility distribution facility shall be exempt from this tax. A possessory interest used to operate utility transmission lines shall be subject to this tax. The Tax Commission is authorized to establish regulations defining service, delivery, distribution, transmission lines and facilities, subject to approval by the Tribal Council.

Section 4.14: Method of Claiming Exemption

Any taxpayer owning both taxable and exempt possessory interests shall file with the Tax Department a claim for any exemption. The claims for exemption shall be filed on the form provided by the Tax Department at the time of filing the valuation reports required by Section 4.9, and shall be accompanied by a map clearly indicating the specific property for which exemption is claimed. Any taxpayer owning an exempt possessory interest shall be required to claim such exemptions only by written request addressed to the Tax Department.

Section 4.15: Appeal Procedures for Protested Taxes

Any protest to an assessment, a denial of a claim for exemption, a determination of value, or any other matter relating to the Possessory Interest tax may be raised only in conformity with the relevant provisions of Chapters 1 and 2 of the Walker River Tribal Tax Code.

CHAPTER 5: TAX ON PURCHASE OR POSSESSION OF CIGARETTES AND TOBACCO PRODUCTS

Section 5.1: Definitions

As used in this Chapter, the following terms and phrases shall have the following meaning:

(1) "Cigarette" means all rolled Tobacco or any substitute thereof wrapped in paper or any substitute thereof other than tobacco.

(2) "Cigarette Vending Machine Operator" means any person licensed by the Tribe to sell cigarettes within the Reservation by means of coin-operated machines.

(3) "Contraband Cigarettes" and "Contraband Tobacco Products" means any cigarettes or tobacco products exported or imported into the Reservation by any person in violation of any provisions of this Chapter or which are, in any way, held in possession or constructive possession of any person not authorized under this Chapter to possess or constructively possess cigarettes or tobacco products.

(4) "Consumer" means any person who receives or possesses cigarettes or tobacco products for the purpose of consumption or otherwise disposing of cigarettes or tobacco products for any purposes other than by an exchange value.

(5) "Dealer" and "Cigarette Dealer" means all persons engaged or wishing to be engaged, in the retail sale of cigarettes or tobacco products on the Reservation, including cigarette vending machine operators, and wholesalers.

(6) "Retailer" means any person who offers to sell cigarettes at retail or who is engaged in selling cigarettes at retail.

(7) "Sale" or "Sells" means all sales, barter, exchanges, or other transfers of ownership of cigarettes or tobacco products from one person to another or the use or possession of cigarettes or tobacco products within the Reservation from outside the reservation on which the tax provided for by this Chapter has not been paid.

(8) "Stamp" means that identifying mark approved by the Tax Department evidencing that the tax levied by this Chapter has been paid.

(9) "Tobacco Product" means any consumable product other than cigarettes made from or containing any species of the tobacco plant.

(10) "Wholesaler" means:

(A) Any person who brings or causes to be brought into the Reservation cigarettes purchased from the manufacturer or another wholesaler, and who stores, sells, or otherwise disposes of cigarettes for sale within the Reservation; and

(B) Any person who manufactures or produces cigarettes for resale within the Reservation and who sells or distributes cigarettes within the Reservation.

Section 5.2: Imposition and Rate of Cigarette Tax

A tax is hereby levied on the purchase or possession of cigarettes by a consumer within the Reservation at the rate equal to that imposed under Nevada law, N.R.S. Section 370.165, as such Nevada law may be amended from time to time. The tax shall be collected by the Tax Department under such rules and regulations as the Tax Commission shall prescribe, consistent with the provisions of this Chapter

Section 5.3: Collection of Cigarette Tax and Stamp Requirement

(1) Collection of Tax. The cigarette tax imposed by this Chapter may be represented and pre-collected by the affixing of a stamp, or other evidence of payment approved by the Tax Commission to each package, packet or container in which cigarettes are sold.

(A) The tax must be pre-collected by the wholesaler from a retailer or the retailer must recover the tax from the consumer by adding the tax to the selling price.

(B) Each person who sells cigarettes at retail shall predominately display on the sales premises a notice that the tax is included in the selling price and is payable under the requirements of this Chapter.

(2) Sale of Unstamped Cigarettes. Except as specifically authorized by this Chapter or rule of the Tax Commission, no person shall give, sell, or offer to give or sell cigarettes within the Reservation unless there is affixed to each of the packages, packets or containers a stamp or other marking approved by the Tax Commission for the amount of tax due on all of the cigarettes contained in the package or other container.

(3) Evidence of Tax Payment. Payment of the tax levied by this Chapter are evidenced by stamps or other marking applied to each package, packet or container of cigarettes.

Section 5.4: Imposition and Rate of Tobacco Product Tax

A tax is hereby levied on the purchase or possession of tobacco products by a consumer within the Reservation at the rate equal to that imposed under Nevada law, N.R.S. Section 370.450, as such Nevada law may be amended from time to time. The tax shall be collected by the Tax Department under such rules and regulations as the Tax Commission shall prescribe, consistent with the provisions of this Chapter.

Section 5.5: Collection of Tobacco Product Tax

The Tobacco Product Tax imposed by this Chapter shall be added to the sale price of the product and collected from the consumer. The retailer selling tobacco products shall remit the taxes collected from the consumer under such rules and regulations as the Tax Commission may prescribe.

Section 5.6: Payment of Tax

Every Retailer purchasing or possessing cigarettes or tobacco products subject to taxation under the provisions of this Chapter shall pay such tax and make such reports thereon to the Tax Department under such regulations as may be prescribed by the Tax Commission

Section 5.7: Contraband Cigarettes

(1) Seizure and Forfeiture. Any cigarettes which do not bear an approved stamp and which are found in the custody or control of any person upon which a tax stamp is required by this Chapter; and any vehicles or tangible personal property, including vending machines, used in the transportation, storage, consumption, or concealment of such cigarettes are subject to seizure, forfeiture, and sale.

(2) Rebuttable Presumption. The seizure and forfeiture provision of this Section shall apply to any person possessing cigarettes for the purpose of sale; provided, that possession shall create a rebuttable presumption, and be prima facie evidence, that such cigarettes are possessed with the intent to sell.

Section 5.8: Rules and Regulations

The Tax Commission shall make all necessary regulations for the administration and enforcement of this Chapter, including, but not limited to:

- (1) Regulations for the keeping of records to insure compliance with this Chapter by persons dealing with the sale of cigarettes and tobacco products on the Reservation;
- (2) Regulations authorizing persons other than dealers to possess unstamped cigarettes;
- (3) Establishing or approving a cigarette stamp and procedures governing affixing of the same; and/or
- (4) Creating a procedure for the collection of the cigarette tax other than by means of cigarette stamps.

Section 5.9: State Tax Exemption

The provisions of this Chapter shall not apply to consumers in possession of cigarettes or tobacco products which were purchased outside the Reservation and on which the applicable cigarette or tobacco tax of an appropriate government entity has been paid.

Section 5.10: License Requirements

All business license requirements and procedures shall be consistent with the Tribal Business License Code, Chapter 7, as amended.

Section 5.11: Retailer's Report and License Suspension and Revocation

- (1) Monthly Reports. Each Retailer licensed to do business on the Reservation shall report to the Tax Department.
 - (A) The inventory of all cigarettes and tobacco products in his possession or control at the close of business on the last day of each month; and
 - (B) The total amount and value of all cigarettes and tobacco products sold on the Reservation by the Retailer during the preceding month.
 - (C) The report shall be made by the last day of the preceding month on forms provided by the Tax Department. A Retailer may be allowed fifteen (15) additional days to file the report, if such Retailer makes prior written application to the Tax Department and the Tax Department finds good cause for such extension.
 - (1) Failure to Make Report. If any Retailer in cigarettes upon which a pre-collected or advance tax is required to be paid fails to report to the Tax Department or its agents on or before the date such report is due, the Tax Department may, in addition to any other authorized penalty or sanction, suspend such Retailer's license until the report is received and found to be correct.
 - (2) Suspension and Revocation of License. The Tax Department may temporarily suspend or permanently revoke the license of any Retailer for violating, or causing or permitting to be violated, any of the provisions of this Chapter.

Section 5.12 Preservation of Records

Each Retailer authorized to sell cigarettes or tobacco products shall maintain records of all cigarette or tobacco products received, sold or distributed by him. Each dealer shall also obtain and keep receipts, freight bills, invoices and other documents necessary to substantiate those records. Records and documents shall be kept at the Retailer's place of business on the Reservation for not less than four (4) years unless the Tax Department authorizes, in writing, their earlier removal or destruction.

Section 5.13: Wholesaler Requirements and Privileges

(1) Place of Business and Inventory. Each applicant for a wholesale dealer's license and each wholesale licensee must comply with the provisions of this Chapter, and report to the Tax Department, the place of business and inventory, as required.

(2) Wholesaler Bond. Except as otherwise provided in this Chapter or waived by the Tax Department, each licensed wholesaler shall furnish a bond to the Tax Department conditioned on the payment of all taxes required to be pre-collected by him under the provision of this Chapter. Each bond shall be in a principal sum equal to the largest amount of tax pre-collected by the wholesaler in any quarter of the preceding year, or if the information to establish that amount is not available, then in a sum required from a licensee operating under conditions deemed comparable by the Tax Department. No bond may be for less than \$1,000.00. When cash or a certificate of deposit or investment certificate is used, the amount shall be rounded up to the next larger integral multiple of \$100.00.

(3) Form of Wholesaler Bond. The bond or undertaking of a wholesaler shall be acceptable to and approved by the Tax Commission; provided, that a deposit of cash or negotiable United States Government Bonds may be accepted in lieu of an undertaking. The Tax Department shall deposit all United States Government Bonds and cash deposits with the Finance Department of the Tribe.

(4) Reduction and Increase of Bond. Upon application and a satisfactory showing, the Tax Department may increase or decrease the amount of the required bond, based on the amount of tax pre-collected by a wholesaler.

(5) Waiver of Bond. The Tax Department may waive the requirement of a bond whenever a licensed wholesaler has maintained a satisfactory record of payment of taxes for a period of five (5) consecutive years.

(6) Privileges of License. A wholesaler's license shall permit the holder thereof to sell cigarettes and tobacco products to Retailers, or to other license wholesalers, or to cigarette vending machine operators anywhere within the Reservation.

Section 5.14: Vending Machine License and Seizure

(1) License. Cigarette Vending Machine Operators Licenses shall:

(A) Be required for each vending machine placed on the Reservation; and

(B) Be attached to cigarette vending machines in such a manner as to be clearly visible to the public.

(2) Seizure. Any operating vending machine from which cigarettes may be purchased that does not have attached thereto a clearly visible vending machine license or which contains unstamped cigarettes is subject to seizure, forfeiture, and sale.

Section 5.15: Prohibited Purchase

No Retailer or cigarette vending machine operator shall purchase cigarettes or tobacco products from other than a wholesaler licensed by the Tax Department; provided, that purchases may be made from wholesalers off the Reservation who are licensed under Federal or Nevada State Law.

CHAPTER 6: INTOXICATING LIQUOR TAX

Section 6.1: Definitions and Applicability:

Definitions:

As used in this Chapter, the following terms and phrases shall have the following meaning:

- (1) "Beer" means any beverage obtained by the alcoholic fermentation of any infusion or decoction of barley, malt, hops, or any other similar product, or any combination thereof, in water;
- (2) "Gross Receipts" means the total amount of the retail sale valued in money whether received in money or otherwise, without any deduction on account of the cost of the liquor sold or any other expenses;
- (3) "Liquor" means beer, wine, gin, whiskey, cordials, ethyl alcohol or rum, and every liquid containing one-half of 1 percent or more of alcohol by volume and which is used for beverage purposes;
- (4) "Original Package" means any container or receptacle first used for holding liquor, which container or receptacle is sealed;
- (5) "Retail" means a sale of liquor in the regular course of business;
- (6) "Retailer" means any person or entity owning and/or operating an establishment where beers, wines and liquors, in original packages or by the drink, are sold to a consumer.

Applicability of this Chapter:

This Chapter shall not apply to common carriers, while engaged in interstate commerce, which sell or furnish liquor on their trains, buses or airplanes.

Section 6.2: Liquor Taxes

(1) Imposition and Rate of Tax. A tax is hereby imposed on all retail sales occurring within the Reservation. The rate of such tax shall be 5% percent of the gross receipts received by a Retailer for liquor sold at retail on the Walker River Paiute Reservation.

(2) Incidence of Tax and Debt of Retailer. The tax imposed by this Chapter is imposed on the consumer and shall be collected by Retailers from consumers insofar as it can be done. The tax to be collected by a retailer constitutes a debt owed by the Retailer to the Tribe.

(3) Tax Commission Rules. Unless addressed herein, the Tax Commission shall make all necessary and convenient rules:

(A) Prescribing the form of reports and claims made by Taxpayers; and

(B) Prescribing the time for making such reports and settlements thereon.

Section 6.3: Tax Due Date, Extensions and Reimbursements

(1) Date Due. Unless an extension of time has been granted pursuant to Section (2) of this Section, or pursuant to action of the Tax Department, the taxes imposed by this Chapter are payable to the Tax Department monthly on or before the last day of the next succeeding month.

(2) Extension of Time. The Tax Department, for good cause and on application by the Taxpayer, may extend the time for making any return or paying any amount required to be paid for a period not to exceed one (1) month from such return's or payment's original due date.

(3) Reimbursement for Collection of Tax. A Taxpayer may deduct and withhold one and one-half percent (1.5%) of taxes due the Tribe as reimbursement for the costs of collecting such taxes.

Section 6.4: Tax Returns

(1) Time for Filing. On or before the last day of the next succeeding month following a month in which tax is due, a return for the preceding period must be filed with the Tax Department in such form and under such rules as the Tax Commission may prescribe; provided, that the reporting and payment period of a Taxpayer whose taxable sales do not exceed \$10,000.00 per month may file the same with the Tax Department on calendar quarters.

(2) If the Tax Department deems it necessary to insure payment to or to facilitate the collection of taxes may require returns and payment of taxes for periods other than calendar months or quarter, depending upon the principal place of business and circumstances of a Retailer.

(3) Persons Required to File. A tax return must be filed by each Retailer who has sales that are subject to tax under this Chapter. Returns must be signed by the person required to file the return or by the person's authorized agent but need not be verified by oath. The person required to file the return shall deliver the return together with remittance of the amount of the tax due to the Tax Department.

(4) Contents of Return. Returns shall show the amount of taxes due for the period covered by the return, such information as the Tax Department may require, and the Retailer's gross receipts for sales of liquor during the preceding and present reporting periods.

Section 6.5: Liability of Successors and Assignees

(1) Duty and Liability. If a Retailer who is liable for any amount under this Chapter sells his business or stock of goods, or quits the business, the successors or assigns shall withhold a sufficient amount of the purchase price to cover the amount due until the former owner produces a receipt from the Tax Department showing that such sum has been paid or presents a certificate from the Tax Department stating that no amount is due.

(A) If the purchaser or assignee of a business or stock of goods fails to withhold the purchase price as required, the purchaser or assignee becomes personally liable for the payment of the amount required to be withheld by him to the extent of the purchase price.

(B) The time within which the obligation of a successor or assignee may be enforced begins at the time the Retailer sells out his business or stock of goods or at the time that the determination against the Retailer becomes final.

(2) Issuance of Certificate. Within sixty (60) days after receiving a written request from a purchaser or seller of a business or a business' stocks or goods for a certificate stating that no taxes are due, or within sixty (60) days from the date a former owner's records are made available for audit, whichever period expires later, but not later than ninety (90) days after receiving the request, the Tax Department shall issue a certificate or mail notice to the purchaser or seller at his address as it appears in the records of the Tax Department, of the amount that must be paid as a condition of issuing the certificate.

In the event the Tax Department fails to mail the notice as required herein, the purchaser of a business or such business' stocks or goods shall be released from any obligation to withholding any sums due the Tribe from the purchase price.

Section 6.6: Records of Retailers

(1) Records. Contrary provisions of this Chapter notwithstanding:

(A) Every Retailer shall keep records, receipts, invoices and other pertinent papers on such form(s) as required by the Tax Department.

(B) Every Retailer or person who files the returns required under this Chapter shall keep the records for not less than four (4) years from their making unless the Tax Department in writing authorizes their destruction at an earlier time.

(C) Every Retailer or person who fails to file the returns required under this Chapter shall keep the records for not less than eight (8) years from their making unless the Tax Department in writing authorizes their destruction at an earlier time.

(2) Release of Information. Successors, receivers, trustees, executors, administrators, assignees and guarantors, if directly interested, may be given information by the Tax Department as to the items included in the methodology and amount of any unpaid tax or amounts of tax required to be collected,

interest and penalties. Relevant information may also be disclosed as evidence in an appeal by the taxpayer from a determination of tax due.

Section 6.7: Failure to File and Fraudulent Returns

(1) Failure to File. Any person who fails or refuses to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the Tax Department, shall be subject to a civil fine of not more than five thousand dollars (\$5,000.00) for each incident.

(2) False or Fraudulent Returns. Any person who makes, renders, signs or verifies any report or who makes any false or fraudulent return, with intent to defeat or evade the determination of an amount due required by law to be made, shall for each offense be subject to a fine of not less than three hundred dollars (\$300.00) nor more than five thousand dollars (\$5,000.00), or be imprisoned for not more than one (1) year, or be punished by both fine and imprisonment.

(2) Administrative Procedures; Appeal Procedures for Protested Taxes. Refer to Title 20, Chapters 1 and 2 of the Walker River Paiute Tribe Tribal Tax Code.

CHAPTER 7 - TRIBAL BUSINESS LICENSE

Section 7.1: Regulating Business and Trade

(1) The Walker River Paiute Tribe has a primary interest in regulating the conduct of business and trade on the Walker River Paiute Indian Reservation. It is, therefore, appropriate that all persons who exercise the privilege of engaging in business on the Walker River Paiute Indian Reservation register and obtain a Tribal Business License from the Tax Department.

(2) The Tribe has jurisdiction to adopt and to enforce this Tribal Business License Chapter upon all persons conducting business on the Walker River Paiute Indian Reservation. Tribal jurisdiction on the Reservation in this area is necessary to protect the culture, social structure, economy, health, safety, welfare, resources and population of the Walker River Paiute Indian Reservation.

Section 7.2: Short Title

Chapter 7 of the Code shall be referred to as the “Tribal Business License or Business License”.

Section 7.3: Definitions

As used in this Chapter, the following terms and phrases shall have the following meaning:

(1) “Business” means any activity engaged in by any person or caused to be engaged in by any person, with the object of gain, benefit, or advantage, either direct or indirect.

(2) “Business Licensee”, or “Licensee” means any person or entity that is subject to the provisions of the Tribal Business License Chapter.

(3) "Engaging in Business, or Business Activity" means commencing, conducting, or continuing in business, and relates to a person who is involved in trade or commerce inclusive of service activities regardless of whether they are, or are intended to be, for profit. It shall also include a sale of real or personal property on the Walker River Paiute Indian Reservation by a person generally engaged in such business whether within or outside the exterior boundaries of the Walker River Paiute Indian Reservation which are under the jurisdiction of the Tribe, and other such land as may hereafter be added thereto under any law of the United States of America, except as otherwise provided by law.

(4) "Person" means an individual, partnership, firm, association, joint stock company, joint venture, syndicate, corporation, or other identifiable entity and includes an officer or employee of a corporation or other entity, a member or employee of a partnership, or any individual who is under a duty to perform any act required herein.

(5) "Real Property" means all lands or interests in land including all mines, quarries, and minerals in and under the land, and all rights and privileges thereunto appertaining; and improvements.

(6) "Personal Property" means everything which is subject to ownership and which is not included within the term of "real property." Personal Property includes machinery, equipment, and other articles related to a commercial or industrial operation which are either affixed or not affixed to the real property for proper utilization of such articles.

(7) "Improvements" means all structures, buildings, furniture, fences, and water rights erected upon or affixed to land whether or not title to such land has been acquired.

Section 7.4: Tribal Council Sets All License Fees

All license fees, and amendments thereto, shall be set by the Walker River Paiute Tribal Council, only after consideration of the recommendations of the Tax Commission and shall be expressly set in this Chapter.

Section 7.5: Sovereign Immunity

The Tribe and all its constituent parts, subordinate organizations, boards, committees, commissions and departments, are immune from suit in any jurisdiction except to the extent that such immunity has been expressly and unequivocally waived by the Tribe or the United States of America. This business license Chapter shall not be construed in any way as a waiver of the Tribe's Sovereign Immunity, except as specifically stated herein.

Section 7.6: Businesses Exempt from Business License Fee

The following types of businesses are exempt from the business license fee requirements as set by this Chapter:

(1) Businesses whose primary activity is to utilize federal trust land for farming and agricultural purposes: and

(2) All other exemptions recognized by federal law and statutes: and

(3) All non-profit, charitable institutions or organizations which engage in business activity in order to raise funds for social, educational, religious or other purposes that are for the benefit of the community.

(4) Occasional sales such as yard sales, garage sales, bake sales and minors who raise money for school supplies/events, clothes, sporting fees and recreational/educational trips, etc.

(5) Businesses owned and operated by the Tribe which is not operated in a Partnership, Limited Liability Company, or C or S Corporations.

Section 7.7: Business License Required

All persons who engage or carry on any trade, business, profession, or business activity of any sort on the Reservation shall obtain a business license as required. Any person who engages in more than one business must obtain a business license for each trade, business, profession, or business activity of any sort on the Reservation.

Section 7.8: Business License Term and Fees

(1) A business license is valid for the period wherein it is granted from the date approved by the authorizing approving official on the business license application, and the business license fee established in section 7.8 (3)(4)(5) must accompany the application for the specific business license.

(2) A business license application form may be obtained during regular business hours at the Tax Department of the Tribe, Schurz, Nevada 89427. The license required to be obtained shall be in addition to all other licenses, fees, taxes, permits, contracts, leases, rights-of-ways, easements, and grants required by Tribal and/or Federal Law, unless specifically stated otherwise.

(3) Annual Business License – An annual business license shall be valid for one (1) year from date of issuance. A license fee of Seventy-Five Dollars \$75.00 must accompany the application.

(4) Temporary Business License – A temporary business license shall be valid for three (3) months from date of issuance. A license fee of Forty Dollars \$40.00 must accompany the application.

(5) Peddler's License – A Peddler's permit shall be valid for one (1) day only. A license fee of Twenty Dollars \$20.00 must accompany the application.

Section 7.9 Business License Issuance Procedures

(1) Within ten (10) working days after receipt of a completed application, other required documentation and fee as provided in section 7.8(3)(4)(5) the Tax Department upon approval of the appropriate authorizing officials shall issue to the applicant a business license to engage in business activity for which the entity has been licensed.

(2) Notwithstanding Subsection (1) of this section, no license shall be granted to any licensee until it has presented proof to the Tax Department that it has complied with all tribal requirements established as conditions of commencing business on the Reservation, including, but not limited to, the following:

- (A) Pursuant to the Tribe's contract and employment preference ordinance, evidence that the entity submitted to the Tribal Employment Rights Office (TERO) the compliance plans required by the Ordinance and has had such plans approved by TERO;
- (B) Evidence that the person is in compliance with any Land Use Ordinance, if applicable, and has obtained such permits and approvals required by the Ordinance; and
- (C) Evidence that the person has complied with the Tribe's Environmental Department requirements, any other federal requirements, and any other tribal laws, where applicable.

(3) Notwithstanding Subsection (1) of this section, where the Tax Department has reason to believe that a person applying for or possessing a license shall, if permitted to, commence or continue doing business on the Reservation that presents a danger to the health, safety, welfare, or morals of the residents of the Reservation, the Tax Commission shall provide the said person with a written notice setting out the reasons it believes that the person presents such danger and noticing the date for a meeting on the matter; said meeting to be held no later than ten (10) working days, after delivery of the said notice. At said meeting, the person shall be given an opportunity to demonstrate that its business activity does not present a danger to the health, safety, welfare or morals of the residents of the Reservation. If the Tax Commission finds that a danger does exist, it shall notify said person in writing, no later than 5 days after the meeting, stating the reasons for its finding, and shall deny or revoke the person's Business License. The person may appeal the Tax Commission's decision to the Walker River Tribal Court pursuant to Chapter 1 and 2 of this Tax Code.

Section 7.10: Business License Renewal Procedure

(1) A copy of this Chapter along with the application may be obtained during regular business hours at the Taxation Department of the Tribe, Schurz, NV 89427 or by calling the Tax Department office at 775-773-2478 and one can be mailed to you.

(2) When renewing a Business License, the application accompanied by the license fee and any other required documentation must be received by the Tax Department on or before the expiration of the Business License.

(3) All Business Licensees are responsible for renewing their Business License before the date of expiration.

Section 7.11: Forms Required

(1) Prior to engaging in any business, all person(s) shall file with the Tax Department the necessary completed forms as required by this Chapter.

(2) Prior to engaging in any business on the Reservation, all persons shall have in their possession; (a) Proof of Business License Purchase; and (b) a Business License duly issued by the Tax Department.

Section 7.12: Display of License

All persons shall display the issued Business License in a conspicuous place at the business location listed on the Business License.

Section 7.13: Penalty and Enforcement and Appeal

Transacting Business Without a License:

(1) Any person doing business on the Reservation without a Business License or fails to renew a Business License as provided for in this Chapter, shall immediately obtain a Business License and pay the required fees, and/or be fined \$50.00 per day for each day it operates on the Reservation without a license, unless good cause is shown to the Tax Department as to why such a license had not been obtained in a timely manner.

(2) If the Tax Department becomes aware that a person is doing business on the Reservation without a business license, the Tax Department shall deliver written notice informing the person that he is operating on the Reservation in violation of this Chapter and that he shall, within two (2) working days of the written notice obtain the license and pay said fee. If the Tax Department has reason to believe that the health, safety, welfare, or morals of the residents of the Reservation are endangered by the business activity, the Tax Department may order such business to cease all business activity. Such order may be appealed to the Tax Commission within two (2) working days of the notice. The Tax Commission must hold a hearing within thirty days (30) of said appeal notice. If the Business License holder is not satisfied with the Tax Commission's decision, he may appeal the decision to the Tribal Court. All Tribal Court actions fall under the Tribal Court's procedures and codes.

(3) Any person licensed to do business on the Reservation and whose Business License has been revoked by the Tribal Court shall immediately cease all business activity on the Reservation. The Tribal Court may grant the Business a reasonable period of the time to conclude its' business activity if the business does not endanger the health, safety, welfare or morals of the residents of the Reservation. Where notice to cease their business activity is issued by the Tribal Court, the notice shall be served by the Tribal Police to the Business or forwarded by registered mail.

Section 7.14: Exclusion

(1) Any person doing business on the Reservation fails to comply with a Tribal Court order to cease his business activity on the Reservation, either pursuant to this Chapter or any other Tribal Code, and fails to comply, the Tax Commission shall petition the Tribal Court on its own motion, by a show cause order as why the Business should not be held in Contempt of Court. The Tribal Court shall hold a hearing upon the matter as soon as possible. If the person fails to show good cause, the Tribal Court shall order the Tribal Police to take appropriate action.

(2) In conjunction with this Subsection where the person(s) engaging in business are not Tribal members, the Tribal Court may order the police to physically remove all person(s) operating the business from the Reservation. For property that cannot be removed, such as a building, the Tribal Court shall order the police to confiscate said property or padlock the property or other means so that it can no longer be used to carry out the business.

(3) Violation of Code: The Tax Commission may file civil action to enforce the provisions of this Chapter against any person(s) doing business in violation of this Code and/or in violation of any court orders relating to this Chapter for civil contempt or other relief as deemed necessary. All real and personal property used in operating the business may be impounded, padlocked, or otherwise incapacitated so that it cannot be used to carry out any further business activity on the Reservation.

(4) Injunction Relief: The Tax Commission may seek injunctive relief to address any violations of this Chapter including an order restraining a person from continuing to engage in business on the Reservation.

(5) Revocation of License: A Business License issued under this Chapter may be revoked after notice and hearing before the Tribal Court for any of the following reasons:

(A) Fraud, misrepresentation, or incorrect statement contained in the application for Business License or other documents submitted to obtain a Business License;

(B) Violations of this Chapter or any other Tribal laws or regulations;

(C) Conducting business in an unlawful manner to constitute a breach of the peace or to endanger the healthy, safety, welfare or morals of residents of the Reservation.

(6) Recovery of Property: A person may recover all property incapacitated or impounded resulting from a proceeding under this Chapter by paying to the Tribe the costs incurred by the Tribe in carrying out any legal proceedings, and a civil fine not to exceed \$300.00 for each day that the person fails to obtain a Tribal Business License which was ordered by the Tribal Court.

(7) Reinstatement of License: Any person excluded, incapacitated or prohibited from doing business on the Reservation may be granted a new Business License to engage in business activity on the Reservation if:

(A) No less six months have passed since the date of the exclusion or incapacitation order; and/or

(B) The person has paid all cost incurred by the Tribe in carrying out the exclusion or incapacitation order, and has paid such civil fines as the Tribal Court deemed appropriate.

(C) Notwithstanding any other provision of this subsection (7) of this section, the Tax Department may, for good cause, deny such licensee a new license, may attach such conditions as are appropriate upon granting a license, or may waive or mitigate the provision of Subsection (1) of this section.

Section 7.15: Conflict with other Applicable Law

In the event of a conflict between the provision of this Chapter and any other provision of applicable law that by its terms is applicable to business licensing, this Chapter shall supersede and replace any prior code or ordinance adopted by the Tribe that specifically address Business Licenses.

CHAPTER 8 - TRANSIENT LODGING

8.1: Definitions

1. "Transient Lodging" means the provision of lodging, shelter, or a place to camp for any person who pays consideration in return for the right to occupy a dwelling or space for a period of up to thirty (30) days, whether said person pays to stay in a hotel, RV Park, campground, or any other place offering temporary lodging to persons for consideration. A person considered a transient must pay the transient lodging tax when he holds over in occupancy beyond the thirty (30) day limit without lawful authority to do so.

8.2: Mandatory Tax on Revenues from Rental of Transient Lodging; Imposition and Collection; Schedule of Payment; and Interest for Late Payment

(1) There is hereby imposed a tax rate of (6.85%) of the gross receipts from the rental of transient lodging on the Reservation upon all persons in the business of providing lodging.

(2) The tax imposed pursuant to Subsection (1) must be collected and administered by the Tax Commission.

(3) The tax imposed pursuant to Subsection (1) shall be collected from the paying guests and shall be shown as an addition to the charge for the rental of transient lodging. The person providing the Transient Lodging is liable to the Tax Commission for the tax, whether or not it is actually collected from the paying guest. The tax imposed hereunder shall be reported and paid monthly pursuant to rules established by the Tax Commission.

CHAPTER 9: TAXES ON FUEL

9.1: Administration

Taxes on fuel shall be administered and collected in accordance with the provisions of the Intergovernmental Agreement between the State of Nevada and the Walker River Paiute Tribe, a copy of which is on file with the Tax Department, and Chapters 1 and 2 of this Tax Code.

CHAPTER 10: MARIJUANA TAX

Taxes on marijuana shall be administered and collected in accordance with the provisions of the Marijuana Compact Between the Walker River Paiute Tribe and the State of Nevada, a copy of which is on file with the Tax Department, the provisions of Title 23 of the Walker River Paiute Tribe Law & Order Code, including but not limited to Sections 23.870 and 23.875, and Chapters 1 and 2 of this Tax Code.

WALKER RIVER PAIUTE TRIBE
Administrative Tax Code

Administrative Tax Code

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WALKER RIVER ADMINISTRATIVE TAX CODE

INTRODUCTION

Developed for the purpose of properly overseeing the Walker River Tax Code and the implementation through the procedures and guidelines set forth.

The Walker River Administrative Code (WRAC) is subject to revisions as needed to keep updated information current to the Tribe, Taxpayers, and the State.

**WALKER RIVER TAX DEPARTMENT
DEPARTMENT DESCRIPTION**

The Walker River Tax Department is located in Schurz, Nevada.

Walker River Paiute Tribe
P.O. Box 411
4022 Hwy 95 North
Schurz, Nevada 89427
Tel: 775-773-2411
Fax: 775-773-2585

The Tax Department consists of the following:

Tax Director
Revenue Clerk
Five appointed Tax Commissioners
Tax Attorney
CPA Firm

Tax Director assumes primary responsibility for implementation of procedures and regulations governing the Tribal Tax Code. Conducts assessment of all property or all other objects subject to taxation. Implement and control day to day operations of the Tax Department.

Revenue Clerk under the direct supervision of the Tax Director and assist the Tax Director in the implementation of procedures for collections of various Tribal Taxes and fees currently being assessed and imposed of day to day operations of the Tax Department.

GENERAL PROVISIONS

Process for payments by mail:

1. Mail payments to: Walker River Paiute Tribe
Taxation Department
P.O. Box 411
Schurz, Nevada 89427

2. All payments must be accompanied by the tax return.
3. All partial payments should be approved by the Tax Director and accompanied by the tax return on partial payments. Partial payments are subject to interest and penalties.
4. Make check or money order payable to the Walker River Paiute Tribe.
5. Tax return must be dated and signed by business owner or representative Of Business, or President of Corporation, or delegated representative of Corporation.
6. Cash payments must be made in person to the Tax Department or Finance Department and must be accompanied with the return. A written receipt will be provided to the taxpayer for "proof of payment" at the time of payment.
7. Any business or individual requesting information or a balance of their account must do so in writing to the Tax Department or in person at the ta office.

TAX ON THE SALES AND USE OF PROPERTY - CHAPTER 3

Lease, Rental, Transaction in Lieu of Sale; Lease, Rental Agreement with Option to Purchase:

(1) If tangible personal property is sold, but the transaction is designated as a lease or rental for the purpose of retaining title in the seller as security for the payment of the purchase price, or for the purposes of avoiding the full tax, the transaction is a sale and the tax applies to the transaction in the same manner as if it were designated a conditional sale.

(2) If the property is substantially consumed during the period of the lease the transaction is a sale to which the tax applies.

(3) An agreement entered into with the understanding that the lessee will become the owner of the property upon completion of the prescribed payments constitutes a sale to which the tax applies.

(4) An agreement, which provides for the lease or rental of tangible personal property and grants the lessee an option to purchase the property results in a sale when the option is exercised. For example, if an agreement provides for a lease for 1 year at \$50 per month, with an option to buy upon completion of the rental payments of \$600 for an additional amount of \$400, the total sales price \$1000 and the tax applies to that amount. If the tax has been paid on the rental receipts of \$600, when the option is exercised the tax is due son the amount of \$400. In the above example no mention is made of certain charges no subject to the ta for the sake of simplicity and conciseness.

Lease, Rental, Of Tangible Personal Property:

(1) A person who purchases tangible personal property outside of the Reservation for lease or rental within the Reservation shall:

- a. Pay the use tax due on the Reservation based on the cost of the property; or
- b. Pay the tax measured by his gross receipts from the lease or rental of the property on the Reservation.

(2) A person who purchases tangible personal property within the Reservation for lease or rental within the Reservation shall:

- a. Pay the sales tax on the sales price of the property to him; or
- b. Give the seller a retail certificate for the property and elect to pay the tax measured by the gross receipts from the lease or rental of the property within the Reservation.

(3) If a person who sells and rents or leases tangible personal property within the Reservation gives a resale certificate to the vendor from whom he purchases property, when the property is:

- a. Sold, the tax applies to the sales price.
- b. Committed to lease or rental transactions, the tax applies to his lease or rental receipts.

(4) If the purchaser:

- a. Pays the tax to his vendor on the sales price of the property to him, no further tax is due, and tax must not be collected from the customer on the lease or rental price.
- b. Elects to measure the tax by his lease or rental receipts, he may seek reimbursement for the tax from his customers measured by the lease or rental price.

(5) The tax applies to the sales price of the property within the Reservation following its use in rental or lease service, without any deduction or credit for the tax paid on the original cost of the property or the taxes paid on lease or rental receipts.

Charges for Freight, Transportation or Delivery

(1) Except as otherwise provided in, any charge for freight, transportation or delivery included in the sale of tangible personal property is subject to sales and use taxes.

(2) Any charge for freight, transportation or delivery that appears on the invoice of the seller is part of the selling price even if stated separately and is not deductible from the price of the property as shown on the invoice.

(3) A charge for freight, transportation or delivery is not taxable if:

- a. It is invoiced to the purchaser by the freight carrier; and
- b. Title to the property passes before shipment.

(4) A charge for freight, transportation or delivery that is not connected with the sale of tangible personal property is a charge for a service and is not subject to sales and use taxes.

Construction Contractors: Definitions

1. "Construction Contractor" means any person who acts solely in his professional capacity or through others to construct, alter, repair, add to, remodel or otherwise improve any real property and the term:

a. Includes subcontractor, and any specialty contractor.

b. Does not include:

1. An employee who receives wages as his sole compensation;
2. A licensed architect;
3. A registered professional engineer; or
4. A manufacturer of; modular homes, sectionalized housing, prefabricated homes or any other factory-built home or unit, who joins, installs or affixes the prefabricated unit to the real property.

2. "Construction contract for improvement to real property" means a contract for erecting, constructing or affixing a structure or other improvements on or to real property, or the remodeling, altering or adding to or repairing of an improvement to real property. The contract maybe formal or informal, verbal or written. The term includes all types of contracts, including without limitation.

- a. Advertised contracts
- b. Negotiated contracts
- c. Fixed price contracts
- d. Cost reimbursable contracts
- e. Lump-sum contracts
- f. Time and material contracts

Construction Contractors; Application of Tax to Tangible Personal Property Purchased for Performance of Contract

1. A construction contractor is the consumer of all tangible personal property purchased for use in improving real property pursuant to a construction contract for improvement to real property and the tax applies to the total sales price of the property to the contractor.

2. If any such purchase is made and the sales tax is not paid because the vendor did not have a valid Nevada seller's permit, or because a resale certificate was properly given or for any other reason, the use tax applies based upon the sales price of the property to the contractor.

3. Any tangible personal property purchased by a construction contractor for use in the performance of a construction contract for improvement to real property shall be deemed to have been purchased for use in improving real property.

4. If a construction contract for improvement to real property requires the construction contractor to perform repairs or improvements on real property, the tax applies pursuant to the provisions of section.

POSSESSORY INTEREST TAX – CHAPTER 4

010 WHEN TO FILE

Taxpayers should file their returns after January 1, but not later than April 15, of each tax year, unless an extension of time is timely requested and granted. Failure to file by April 15 will result in the assessment of penalties and interest.

020 APPLICATION FOR AUTOMATIC EXTENSION OF TIME

If you know you cannot file your return by the due date, file an Application for Automatic Extension of Time to File the Possessory Interest Tax Return prior to the due date. The extension gives you an extra month to file and pay the tax, but interest will be charged from the original due date of the return on any unpaid tax.

030 THE FORMS TO FILE

The taxpayer has to file Form 101, the Possessory Interest Tax Return. Fill in the return: Form 101, Schedules A and B. Form 101 must be signed and dated with all the appropriate forms and schedules attached.

040 HOW TO FILE FORM 101

1. Name, Address, Tax ID and Telephone Number: Line 1
Fill in your name, address and telephone number. The Tax Department will issue a Tax ID number for future returns.
2. Filing Status: Line 2
The nature of your business organization has to be identified.
3. The Nature of Activity: Line 3
The nature of your business activity has to be identified.
4. Land Value: Line 4
Attach Schedule A. Instructions for completing Schedule A are explained in Section 050.
5. Net Income: Line 5
Attach Schedule B. The instructions for completing Schedule B are explained in Section 050.
6. Capitalization Rate: Line 6

Apply the Capitalization of Income Method in determining your tax liability. Use a 13 percent Capitalization Rate, which is indicated on Line 6. Section 107(e)(2) allows you to use a higher Capitalization Rate if you demonstrate its relevance to your business. Documentation of the higher Capitalization Rate must be approved by the Tax Department prior to the due date of the tax return.

7. **Capitalized Value of Net Income: Line 7**
Line 5 (Net Income) divided by Line 6 (Capitalization Rate) will determine the Capitalization Value of Net Income.
8. **Total Assessed Value: Line 8**
The sum total of Line 4 (Land Value) and Line 7 (Capitalized Value of Net Income).
9. **Tax Base: Proportion of the Assessed Value: Line 9**
The Total Assessed Value, subject to the tax rate, is different for different categories of business activity, owing to the nature of the activity. The proportion of the Assessed Value (which we call the Tax Base) is set at 80 percent for tax purposes. (See Section 107(c)).
10. **Tax Rate: Line 10**
Section 106 of the Chapter on the Possessory Interest Tax has set the Tax Rate at three percent (3%) of the Tax Base (the amount on Line 9 of Form 101). In order to provide stability and reasonableness, the Tax Rate will be kept constant during the present tax cycle. The Tax Department may increase the said tax rate not more than the rate of inflation after the end of the present tax cycle should the budget require it.
11. **Taxes Due the Walker River Paiute Tribe: Line 11**
This is the amount you owe to the Tribe to be paid no later than April 15 of the tax year, unless an extension is given. Late payment is subject to the payment of interest.
12. **Tax Credit from Tax Estimates: Line 12**
If you have made any payments on taxes due this year on the basis of your estimated tax schedule, add them and put the total payments on Line 12.
13. **Net Tax Due: Line 13**
If the amount on Line 11 is larger than the amount on Line 12, a tax payment equal to the difference is due.
14. **Net Refund: Line 14**
If amount on Line 12 exceeds the amount on Line 11, a tax refund equal to the difference is owed to you.

050 INSTRUCTIONS TO COMPLETE SCHEDULES A and B

The Possessory Interest Tax utilizes the Capitalization of Net Income Method to assess taxpayers' liability and has set the Capitalization Rate at 13 percent (13%), or more if applicable. This method consists of two parts:

1. The actual possessory interest in trust land, within the boundaries of the Walker River Paiute Tribe by lease, permit, contract, easement, right-of-way, deed, or other agreement, under which a person uses that property for business or profit.
2. Net income to the facilities related to the items in (1). The proportionate net income is calculated in Schedule A, and the Net Income to Facility in Schedule B.

The tax is calculated in accordance with the methodology set forth in Section 107 of the Tax Code. Schedules A and B are provided to assist the taxpayer in the preparation of Form 101.

060 HOW TO FILE SCHEDULE A

The Tax Department utilizes two forms for Schedule A, one for Utilities and others for holding easements on rights-of-way, and one for persons holding leases. Make sure you have the right form before proceeding.

1. Name, Address, Tax ID and Telephone Number: Line 1
Fill in your name, address and telephone number. The Tax Department will issue a Tax ID number for future returns.
2. Filing Status: Line 2
The nature of your business organization has to be identified.
3. The Nature of Activity: Line 3
The nature of your business activity has to be identified.
4. Total System Miles (For All Utilities/Railroads): Line 4
 - a. For Utilities and Railroads, the total miles from the reports filed with the regulatory authorities would be adequate for this purpose.
 - b. For Billboard and Telecommunications or similar Lessees, report total billboards or telecommunication towers the taxpayer operates in the United States pursuant to a lease or other agreement. For other nonexempt Lessees, consult the Tax Department for proper method of reporting.
5. Miles Not Included in Federal Reports (For All Utilities/Railroads): Line 5

The total miles for a utility that are not included in its report to the utility authority. For non-utility and railroad rights-of-way, this line does not apply to you. Fill in a zero.

6. Exempt Portion: Line 6

Section 114 of the Tribal Possessory Interest Tax Ordinance of the Walker River . Paiute Tribe states: "To the extent used for purposes of exemption under this section, a possessory interest used to operate a utility service line, utility delivery facility or utility distribution facility shall be exempt from this tax. A possessory interest used to operate utility transmission lines shall be subject to this tax. The Tax Department is authorized to establish regulations defining service, delivery, distribution and transmission lines and facilities, subject to approval by the Tribal Council." This exemption includes: railroads and mining activities where the rail spur serves the mining/processing activity on the Reservation; and the distribution system (service lines and distribution facilities) of an electric power company providing service to end users. Identify exempt portion separately if more than one.

7. Total System Miles on the Walker River Paiute Tribe's Reservation

a. (For All Utilities/Railroads): Line 7

The total system miles on the Walker River Paiute Tribe Reservation is an item that is contained in the rights-of-way easement grants. It can be found in the approved Bureau of Indian Affairs maps and application.

b. Line 7 (Billboard and Telecommunication Lessees). Report total billboards or telecommunication towers on the Reservation. For other Lessees, consult the Tax Department for proper method of reporting.

8. Total of Lines 4 and 5: Line 8 (Utilities only)

Total miles of the system in the utility reports to its regulatory authority and those miles which are not reported to the authority.

9. Easement on the Walker River Paiute Reservation: Line 9

The various dimensions of the easement or leasehold, as appropriate, from documents mentioned in Line 7.

10. Easement or Lease in Acres: Line 10

The easement in miles of length and feet of width, can be transformed to acres by dividing the sum total of the width in feet and length in feet by a denominator of 43,560. For instance, a 10-mile long pipeline is equal to 52,800 feet. If the width is 75 feet, then the easement in acreage would be:

$$\frac{52,800 \times 75}{43,560} \qquad 90.91 \text{ acres}$$

Lessees report total acreage of lease(s).

11. Line 10 Minus Line 6 in Acres: Line 11
The exempt section of the possessory interest may be subtracted from the easement or lease on the Reservation.
12. Land Value at Comparable Price: Line 12
The rental or use value of land is set according to the Tax Code of the Walker River Paiute Tribe at \$4,270.00 per acre for the present tax cycle. Multiply Line 11 by Line 12.
13. Proportion of Net Income for the Walker River Paiute Tribe: Divide Line 7 by Line 8.

070 HOW TO FILE SCHEDULE B

1. Name, Address, Tax ID and Telephone Number: Line 1
Fill in your name, address and telephone number: The Tax Department will issue a Tax ID number for future returns.
2. Filing Status: Line 2
The nature of your business organization has to be identified.
3. The Nature of Activity: Line 3
The nature of your business activity has to be identified.
4. Gross Operating Income: Line 4
The amount on this line is found in the utilities' reports to the regulatory authorities and/or company financial reports. All other taxpayers report gross operating income based on audited financial statements.
5. Gross Operating Expenses: Line 5
The amount on this line is found in the utilities' reports to the regulatory authorities and/or company financial reports. All other taxpayers report gross operating expenses based on audited financial statements.
6. Other Expenses: Line 6
The amount on this line is found in the utilities' reports to the regulatory authorities and/or company financial reports. Identify other expenses if more than one. Other taxpayers should have all their expenses reported on an audited financial statement.
7. Net Income Including Non-Utility Income: Line 7

The amount on this line is found in the utilities' reports to the regulatory authorities, or in the audited financial statement. Utilities must include all nonutility income on this line.

8. **Non-Utility Income: Line 8**
The amount on this line is found in the utilities' reports to the regulatory authorities. This line is for utilities only, other taxpayers report zero.

9. **Net Income Excluding Non-Utility Income for the Utility System At Large: Line 9**
Line 7 (Net Income Including Non-Utility Income) minus Line 8 (Non-Utility Income) for utilities.

10. **Land Value: Line 10**
The value of land for all classes of possessory interest is taken from Schedule A, Line 12.

11. **Proportionate Net Income: Line 11**
The magnitude of proportion of a utility net income is to be transferred from Line 13 of Schedule A.

12. **Net Income Excluding Non-Utility Income for the Walker River Paiute Tribe:**
Line 12

Multiply the percentage on Line 11 by the amount on Line 9.

13. **Recapture Value @ 10% of the Land Value: Line 13**
The Tax Department has taken the average mortgage rate of and will give an interest deduction for the Net Income to Facility. Multiply Line 10 of Schedule B by 10%.

14. **Net Income to Facility: Line 14**
Line 12 minus Line 13 will determine the Net Income to Facility, and this amount should be transferred to Line 5 of Form 101. Negative net income must be reported as zero.

TAXES ON FUEL - CHAPTER 9

Fuel Purchase

Tribal Members purchasing fuel on the Reservation are exempt from state fuel taxes and shall be entitled to a credit in accordance with the provisions of the Intergovernmental Agreement between the State of Nevada and the Walker River Paiute Tribe.

Responsibility of The Tribal Member

When purchasing any motor vehicle fuel/special fuel on the Walker River Reservation, it is the Tribal Member's responsibility to present his or her Tribal enrollment card to the salesclerk/cashier when requested to obtain non-taxed motor vehicle/special fuel exemption.

Reserved Right of Business Selling Motor Vehicle/Special Fuel

A business selling motor vehicle fuel on the Reservation has the right to refuse authorizing a credit without proper identification (tribal enrollment card) and purchaser must pay the sales tax.

Abuse or Improper Use of Receipts for Sales of Non-Taxed Motor Vehicle/Special Fuel

The Tax Commission shall reserve the right to refuse to honor any tribal member identification that is suspected to be forged or used in a manner intended to defraud the Tax Commission.

Each business located on the Reservation, who sells motor vehicle/special fuel shall report names and enrollment number on the sales receipt being improperly used any discovered abuse of sales of non-taxed motor vehicle/special fuel in their business establishments to the Tax Department.

Report Problems to The Tax Department

Any Tribal Member being refused sales on non-taxed motor vehicle/special fuel, must clear up any misunderstanding or problems with the Tax Department. The businesses will not be held responsible for problems unless they are cleared up first with the Tax Commission. The Tax Commission will then address the problem with the businesses.