

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE CONCURRENT
RESOLUTION NO. 1010

By: Sadler of the House

and

Rabon of the Senate

AS INTRODUCED

A Concurrent Resolution encouraging the United State Congress not to repeal certain tax incentives on former Indian reservations; encouraging Congress to request the Internal Revenue Service to recognize and comply with certain federal law and issue certain ruling; and providing for distribution.

WHEREAS, in the Omnibus Budget Reconciliation Act of 1993, the United States Congress enacted two federal tax incentives for the benefit of Native Americans and businesses located on Indian reservations; and

WHEREAS, the tax incentives involve accelerated depreciation lives for assets placed in service on Indian reservations, and an employment credit for increases in compensation to enrolled members of Indian tribes; and

WHEREAS, the employment tax credit provides a twenty percent (20%) credit for certain increases in wages and benefits as compared to 1993 wages and benefits, and the accelerated depreciation effectively reduces the time required to write off an asset to sixty percent (60%) of the normal tax life; and

WHEREAS, the tax incentives are available only for a ten-year period ending in 2003; and

WHEREAS, the incentives are intended to benefit reservation tribal members and businesses located thereon; and

WHEREAS, in passing this legislation, Congress included in its definition of reservations, "former Indian reservations in Oklahoma", which most likely includes the entire state of Oklahoma; and

WHEREAS, these tax incentives could possibly provide one of the largest, most widespread economic benefits in Oklahoma history; and

WHEREAS, the Internal Revenue Service has refused to issue a ruling as to what part of this state falls within the definition of "former Indian reservations in Oklahoma". There is also an attempt being made by some members of Congress to repeal these tax incentives as they apply to Oklahoma; and

WHEREAS, Oklahoma has one of the largest Native American populations in the United States and these tax incentives would help enable the Indian tribes, their members, and all citizens of this state to become more economically feasible and competitive with the larger more economically diverse states of this union.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE 1ST SESSION OF THE 46TH OKLAHOMA LEGISLATURE, THE SENATE CONCURRING THEREIN:

THAT the Oklahoma Legislature encourages the United States Congress not to repeal the accelerated depreciation and income tax credit incentives designed for the benefit of Native Americans on former Indian reservations in Oklahoma because of the detrimental economic impact such a repeal would have on this state and our large Native American population.

THAT the United States Congress request the Internal Revenue Service to recognize and comply with the federal law and issue an official ruling permitting these tax incentives on all former Indian reservations located in Oklahoma, which would include most, if not all, of the state of Oklahoma.

THAT copies of this resolution be delivered to the President of the United States, the Honorable Bill Clinton, to the Speaker of the United States House of Representatives, to the President Pro Tempore of the United States Senate, and to each member of the Oklahoma Congressional Delegation.

46-1-6634

JAF