

Approved by: _____ Date: _____

Tax Department Administrative Rule 2013-1

Date: January 3, 2013

Clarification of Filing Periods for Tribal Tax Returns

TDAR-13-1. This rule is to clarify questions regarding the filing period for sellers licensed for Tribal taxes under the Tax and Revenue Administration Ordinance (#05-100-08).

BACKGROUND

The Tax and Revenue Administration Ordinance imposes taxes on business activity within the Tribe’s jurisdiction. The sections on filing returns and payment are as follows; Lodging and Occupancy Tax - Section 4.05, Food and Beverage Tax - Section 5.04, Retail Sales Tax - Section 6.06 and Admissions Tax - Section 7.04. In each section, §(c) says, “The Tax Department may, when necessary to insure payment of the tax or to provide a more efficient administration of this ordinance, may, after notice and comment, adopt regulations requiring the filing of returns and payment of the tax for other than quarterly periods.”

Regulation #R100-08, as amended, specifies the required filing period based on the licensee’s total tax liability for a calendar year. Licensees with an annual tax liability; under \$1,000 will be placed on an annual filing basis, between \$1,000 and \$4,000 requires a quarterly filing basis, and greater than \$4,000 requires a monthly filing basis. Section 4-2 also allows a taxpayer to request a more frequent filing period if desired.

The seller’s required filing period can be found on their Tribal Tax License in the box labeled “F” (for filing period). The alpha character “Q” denotes “quarterly” filing, “M” denotes “monthly”, and “A” denotes “annual” filing.

DISCUSSION

When the Tax Ordinance was initially implemented January 1, 2006, a quarterly filing period was specified for all licenses issued. After the Tax Ordinance was implemented and additional Tribal Tax Licenses were issued for different Tribal entities, it was determined that the Tax Ordinance could be administered more efficiently by specifying the filing period based on the licensee’s total annual tax liability. Resolution 09-0715-195 amended Section 4 of the Tribal Tax Regulations to change the return/payment schedule and spell out the criteria used to establish required filing periods.

IMPLICATION FOR TRIBAL TAX

The Tax and Revenue Administration Ordinance #05-10008 at § 4.05(c), 5.04(c), 6.06(c) and 7.04(c) gives the Tax Department authority to change the return/payment schedule

for sellers licensed under the Ordinance. Regulation #R100-08, Section 4, specifies the criteria for filing periods that have been established to allow for more efficient administration of the Tax Ordinance. Licensees can verify what their required filing period is by checking the filing period designation on their Tribal Tax License or by calling the Tax Department at 231-398-6874.

FOR ADDITIONAL INFORMATION:

Questions can be addressed by calling (231) 398-6874, or writing:

Little River Band of Ottawa Indians

Tax Department

375 River Street

Manistee, MI 49660

Email: bczarnecki@lrboi.com

All pertinent facts must accompany any request for a ruling.