

Congress of the United States
Washington, DC 20515

September 12, 2013

The Honorable Jack Lew
Secretary
U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Secretary Lew:

On December 5, 2012, the Treasury Department and the Internal Revenue Service released IRS Notice 2012-75, which proposed a new revenue procedure establishing guidelines and safe harbors for the application of the "general welfare exclusion" to governmental programs funded and operated by Indian tribes. The notice both acknowledges the unique role of sovereign tribal governments, and brings helpful clarity and consistency in the application of tax law in this area.

We also appreciate your willingness to solicit the input of tribal leaders in order to make the administrative guidance even more useful and comprehensive for tribal governments. We urge you to carefully review comments received to ensure the final administrative guidelines are fair and comprehensive.

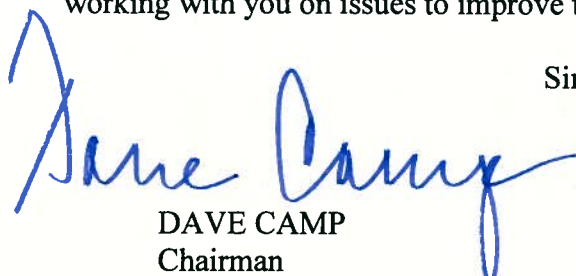
Many tribes have expressed concerns that the IRS auditing process of tribal governmental programs fails to reflect an understanding of the law and policy underlying the federal-tribal government relationship. Therefore, we ask that Treasury provide any necessary guidance to the IRS about the relevant law to enable the IRS and its field agents to work with tribal governments in a manner that improves and enhances the federal-tribal government relationship.

Finally, in order to ensure the Treasury and IRS policy considerations are informed by both federal and tribal participation, we would encourage you to establish a tribal advisory committee to work with the Treasury Department on this matter.


While Congress may address these issues in the legislative process, we would strongly encourage you to continue building upon the framework you have established in Notice 2012-75 and work with a tribal advisory committee to finalize the proposed revenue procedure.

Thank you for your efforts to address this most critical issue. We look forward to working with you on issues to improve the quality of life for Indian Country.

Sincerely,



DAVE CAMP
Chairman
Committee on Ways and Means



SANDER LEVIN
Ranking Member
Committee on Ways and Means