

118TH CONGRESS  
2D SESSION

# H. R. 8318

To amend the Internal Revenue Code of 1986 to treat Indian Tribal Governments in the same manner as State governments for certain Federal tax purposes, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2024

Ms. MOORE of Wisconsin (for herself, Mr. SCHWEIKERT, Mr. KILDEE, Mr. KELLY of Pennsylvania, Ms. DELBENE, Mr. COLE, Mr. KILMER, and Mr. MOOLENAAR) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Internal Revenue Code of 1986 to treat Indian Tribal Governments in the same manner as State governments for certain Federal tax purposes, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Tribal Tax and Investment Reform Act of 2024”.

1 (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Treatment of Indian tribes as States with respect to excise taxes and bond issuance.
- Sec. 4. Treatment of pension and employee benefit plans maintained by Tribal Governments.
- Sec. 5. Treatment of Tribal foundations and charities like charities funded and controlled by other governmental funders and sponsors.
- Sec. 6. Improving effectiveness of Tribal child support enforcement agencies.
- Sec. 7. Recognizing Indian tribal governments for purposes of determining under the adoption credit whether a child has special needs.
- Sec. 8. New markets tax credit for tribal area investments.
- Sec. 9. Inclusion of Indian areas as difficult development areas for purposes of certain buildings.
- Sec. 10. Tribal general welfare and trust programs clarification.
- Sec. 11. Indian employment tax credit.
- Sec. 12. Exclusion from gross income for payments under Indian health service loan repayment program.
- Sec. 13. Exclusion of certain amounts received under Indian Health Professions Scholarships Program.

3 **SEC. 2. FINDINGS.**

4 The Congress finds the following:

5 (1) There is a unique Federal legal and political  
 6 relationship between the United States and Indian  
 7 Tribes.

8 (2) Indian Tribes have the responsibility and  
 9 authority to provide governmental programs and  
 10 services to Tribal citizens, develop Tribal economies,  
 11 and build community infrastructure to ensure that  
 12 Indian reservation lands serve as livable, permanent  
 13 homes.

14 (3) The United States Constitution, United  
 15 States Federal Court decisions, Executive orders,  
 16 and numerous other Federal laws and regulations

1 recognize that Indian Tribes are governments, re-  
2 taining the inherent authority to tax and operate as  
3 other governments, including (inter alia) financing  
4 projects with government bonds and maintaining eli-  
5 gibility for general tax exemptions via their govern-  
6 ment status.

7 (4) Codifying tax parity with respect to Tribal  
8 Governments is consistent with Federal treaties rec-  
9 ognizing the sovereignty of Tribal Governments.

10 (5) That Indian Tribes face historic disadvan-  
11 tages in accessing the underlying capital to build the  
12 necessary infrastructure for job creation, and that  
13 certain statutory restrictions on Tribal governance  
14 further inhibit Tribes' ability to develop strong gov-  
15 ernance and economies.

16 (6) Indian Tribes are sometimes excluded from  
17 the Internal Revenue Code of 1986 in key provisions  
18 which results in unfair tax treatment for Tribal citi-  
19 zens or unequal enforcement authority for Tribal en-  
20 forcement agencies.

21 (7) Congress is vested with the authority to  
22 regulate commerce with Indian Tribes, and hereby  
23 exercises that authority in a manner which furthers  
24 Tribal self-governance, and in doing so, further af-

1 firms the United States government-to-government  
2 relationship with Indian Tribes.

3 **SEC. 3. TREATMENT OF INDIAN TRIBES AS STATES WITH**  
4 **RESPECT TO EXCISE TAXES AND BOND**  
5 **ISSUANCE.**

6 (a) REPEAL OF ESSENTIAL GOVERNMENTAL FUNC-  
7 TION REQUIREMENTS.—Section 7871 of the Internal Rev-  
8 enue Code of 1986 is amended by striking subsections (b)  
9 and (e) and redesignating subsections (c), (d), and (f) as  
10 subsections (b), (c), and (d), respectively.

11 (b) SPECIAL RULES FOR TAX-EXEMPT BONDS.—  
12 Subsection (b) of section 7871 of such Code, as redesign-  
13 nated by subsection (a), is amended to read as follows:

14 “(b) SPECIAL RULES FOR TAX-EXEMPT BONDS.—

15 “(1) IN GENERAL.—In applying section 146 to  
16 bonds issued by Indian Tribal Governments, the  
17 Secretary shall annually—

18 “(A) establish a national bond volume cap  
19 based on the greater of—

20 “(i) the amount determined under  
21 section 146(d)(1)(A), determined by sub-  
22 stituting ‘the national Tribal population es-  
23 timates supplied annually by the Secretary  
24 of the Interior, as measured by the total

1           number of enrolled Tribal citizens of each  
2           tribe’ for ‘State population’, and

3           “(ii) the minimum State ceiling  
4           amount in section 146(d)(1)(B) (as ad-  
5           justed in accordance with the cost of living  
6           provision in section 146(d)(2)), and

7           “(B) under regulations prescribed by the  
8           Secretary, allocate such national bond volume  
9           cap among all Indian Tribal Governments seek-  
10          ing such an allocation in a particular year.

11          “(2) APPLICATION OF GEOGRAPHIC RESTRIC-  
12          TION.—In the case of national bond volume cap allo-  
13          cated under paragraph (1), section 146(k)(1) shall  
14          not apply to the extent that such cap is used with  
15          respect to financing for a facility located on qualified  
16          Indian lands.

17          “(3) RESTRICTION ON FINANCING OF CERTAIN  
18          GAMING FACILITIES.—No portion of proceeds from  
19          an obligation issued by an Indian Tribal Government  
20          (or subdivision thereof) under section 103 may be  
21          used with respect to the financing of any portion of  
22          a building in which class II or class III gaming (as  
23          defined in section 4 of the Indian Gaming Regu-  
24          latory Act (25 U.S.C. 2703)) is conducted or housed

1 or any property actually used in the conduct of such  
2 gaming.

3 “(4) DEFINITIONS AND SPECIAL RULES.—For  
4 purposes of this subsection—

5 “(A) INDIAN TRIBAL GOVERNMENT.—The  
6 term ‘Indian Tribal Government’ means the  
7 recognized governing body of any Indian or  
8 Alaska Native tribe, band, nation, pueblo, vil-  
9 lage, community, component band, or compo-  
10 nent reservation, individually identified (includ-  
11 ing parenthetically) pursuant to section 104 of  
12 the Federally Recognized Indian Tribe List Act  
13 of 1994 (25 U.S.C. 5131).

14 “(B) INTERTRIBAL CONSORTIA, ETC.—  
15 Under regulations prescribed by the Secretary,  
16 an Indian Tribal Government (or a partnership  
17 of Indian Tribal Governments) may authorize  
18 an intertribal consortium, an organization, or  
19 an Alaska Native regional or village corpora-  
20 tion, as defined in, or established pursuant to,  
21 the Alaska Native Claims Settlement Act, to  
22 plan for, coordinate or otherwise administer  
23 services, finances, functions, or activities on its  
24 behalf under this subsection, except that the  
25 authorized entity shall have the rights and re-

1           sponsibilities of the authorizing Indian Tribal  
2           Government (or Indian Tribal Governments)  
3           only to the extent provided in the authorizing  
4           resolution.

5           “(C) QUALIFIED INDIAN LANDS.—The  
6           term ‘qualified Indian lands’ means—

7                   “(i) Indian lands within the meaning  
8                   of section 29(j)(8) of the Stevenson-Wydler  
9                   Technology Innovation Act of 1980 (15  
10                  U.S.C. 3722b(j)(8)),

11                  “(ii) land held in fee simple by an In-  
12                  dian Tribal Government,

13                  “(iii) land held by incorporated Native  
14                  groups, regional corporations, and village  
15                  corporations under the provisions of the  
16                  Alaska Native Claims Settlement Act (43  
17                  U.S.C. 1601 et seq.),

18                  “(iv) Hawaiian Home Lands (as de-  
19                  fined in section 801 of the Native Amer-  
20                  ican Housing Assistance and Self-Deter-  
21                  mination Act of 1996 (25 U.S.C. 4221),  
22                  and

23                  “(v) under regulations prescribed by  
24                  the Secretary, lands where the facility is to  
25                  be placed in service in connection with—

1                   “(I) the active conduct of a trade  
2                   or business by an Indian Tribe on,  
3                   contiguous to, within reasonable prox-  
4                   imity of, or with a substantial connec-  
5                   tion to lands described in clause (i),  
6                   (ii), (iii), or (iv), or

7                   “(II) infrastructure (including  
8                   roads, power lines, water systems,  
9                   railroad spurs, and communication fa-  
10                  cilities) serving lands described in  
11                  clause (i), (ii), (iii), or (iv).”.

12                  (c) CONFORMING AMENDMENTS.—

13                  (1) Section 7871(a) of such Code is amended—

14                         (A) in paragraph (2) by striking “subject  
15                         to subsection (b),”, and

16                         (B) in paragraph (4) by striking “sub-  
17                         section (c)” and inserting “subsection (b)”.

18                  (2) Subparagraph (B) of section 45(c)(9) of  
19                  such Code is amended to read as follows:

20                         “(B) INDIAN TRIBE.—For purposes of this  
21                         paragraph, the term ‘Indian Tribe’ means any  
22                         Indian Tribe, band, nation, or other organized  
23                         group or community which is recognized as eli-  
24                         gible for the special programs and services pro-



1           vided by the United States to Indians because  
2           of their status as Indians.”.

3           (d) EFFECTIVE DATE.—

4           (1) TAX-EXEMPT BONDS.—The amendments  
5           made by this section shall apply to obligations issued  
6           in calendar years beginning after the date of the en-  
7           actment of this Act.

8           (2) EXCISE TAXES.—The amendments made by  
9           this section with respect to any excise tax referred  
10          to in section 7871(a)(2) of such Code shall take ef-  
11          fect on and after the first day of the first calendar  
12          quarter beginning more than 60 days after the date  
13          of the enactment of this Act.

14 **SEC. 4. TREATMENT OF PENSION AND EMPLOYEE BENEFIT**  
15                                   **PLANS MAINTAINED BY TRIBAL GOVERN-**  
16                                   **MENTS.**

17          (a) AMENDMENTS TO THE INTERNAL REVENUE  
18          CODE OF 1986.—

19           (1) QUALIFIED PUBLIC SAFETY EMPLOYEE.—  
20          Section 72(t)(10)(B) of the Internal Revenue Code  
21          of 1986 (defining qualified public safety employee) is  
22          amended by—

23                   (A) striking “or political subdivision of a  
24                   State” and inserting “, political subdivision of  
25                   a State, or Indian tribal government”; and

1           (B) striking “such State or political sub-  
2           division” and inserting “such State, political  
3           subdivision, or Indian tribal government”.

4           (2) GOVERNMENTAL PLAN.—The last sentence  
5           of section 414(d) of such Code (defining govern-  
6           mental plan) is amended to read as follows: “The  
7           term ‘governmental plan’ includes a plan established  
8           or maintained for its employees by an Indian tribal  
9           government, an agency, instrumentality, or subdivi-  
10          sion of an Indian tribal government, or an entity es-  
11          tablished under Federal, State, or Tribal law which  
12          is wholly owned or controlled by any of the fore-  
13          going.”.

14          (3) EXEMPT GOVERNMENTAL DEFERRED COM-  
15          PENSATION PLAN.—Section 3121(v)(3) of such Code  
16          (defining governmental deferred compensation plan)  
17          is amended by inserting “by an Indian tribal govern-  
18          ment, an agency, instrumentality, or subdivision of  
19          an Indian tribal government, or an entity established  
20          under Federal, State, or Tribal law which is wholly  
21          owned or controlled by any of the foregoing,” after  
22          “political subdivision thereof,”.

23          (4) GRANDFATHER OF CERTAIN DEFERRED  
24          COMPENSATION PLANS.—Section 457 of such Code

1 is amended by adding at the end the following new  
2 subsection:

3 “(h) CERTAIN TRIBAL GOVERNMENT PLANS GRAND-  
4 FATHERED.—Plans established before the date of enact-  
5 ment of this subsection and maintained by an Indian tribal  
6 government, an agency, instrumentality, or subdivision of  
7 an Indian tribal government, or an entity established  
8 under Federal, State, or Tribal law which is wholly owned  
9 or controlled by any of the foregoing, in compliance with  
10 subsection (b) shall be treated as if established by an eligi-  
11 ble employer under subsection (e)(1)(A). Such plans may  
12 be maintained in compliance with section 457 or may be  
13 converted to or merged into a section 401(k) cash or de-  
14 ferred arrangement maintained by such government, agen-  
15 cy, instrumentality, subdivision, or entity.”.

16 (5) LONG-TERM, PART-TIME WORKERS.—Sec-  
17 tion 401(k)(15)(C) of such Code is amended to read  
18 as follows:

19 “(C) APPLICATION OF STANDARDS TO  
20 CERTAIN EMPLOYEES AND PLANS.—The provi-  
21 sions of paragraph (2)(D)(ii) shall not apply  
22 to—

23 “(i) employees described in section  
24 410(b)(3), and

1                   “(ii) a governmental plan within the  
2                   meaning of section 414(d)).”.

3           (b) ENFORCEMENT MORATORIUM RELATED TO PEN-  
4   SION PROTECTION ACT OF 2006.—

5           (1) IN GENERAL.—No Indian tribal govern-  
6           ment, an agency, instrumentality, or subdivision of  
7           an Indian tribal government, or an entity established  
8           under Federal, State, or Tribal law which is wholly  
9           owned or controlled by any of the foregoing, shall be  
10          subject to a Federal agency enforcement action  
11          based on changes under the Internal Revenue Code  
12          of 1986 or Employee Retirement Income and Secu-  
13          rity Act of 1974 enacted under the Pension Protec-  
14          tion Act of 2006, for any periods prior to the publi-  
15          cation of agency regulations thereunder.

16          (2) INDIAN TRIBAL GOVERNMENT.—For pur-  
17          poses of this subsection, the term “Indian tribal gov-  
18          ernment” has the meaning given such term in sec-  
19          tion 7701(a)(40) of the Internal Revenue Code of  
20          1986.

21          (3) REGULATORY GUIDANCE.—The Secretary  
22          shall work with the Tribal Advisory Committee es-  
23          tablished pursuant to section 3 of the Tribal General  
24          Welfare Exclusion Act of 2014, and in consultation  
25          with Indian tribal governments and relevant govern-

1 mental agencies, to develop regulatory guidance  
2 under this section.

3 (c) UNIFORM PROTECTIONS AND FIDUCIARY STAND-  
4 ARDS FOR TRIBAL PLANS.—

5 (1) IN GENERAL.—Chapter 77 of such Code is  
6 amended by adding at the end the following:

7 **“SEC. 7531. UNIFORM PROTECTIONS AND FIDUCIARY**  
8 **STANDARDS FOR TRIBAL PENSION PLANS.**

9 “(a) IN GENERAL.—A Tribal pension plan shall be  
10 subject to the uniform protections and fiduciary standards  
11 for Tribal pension plans.

12 “(b) PERSONAL LIABILITY.—

13 “(1) IN GENERAL.—Any person who is a fidu-  
14 ciary with respect to a Tribal pension plan who  
15 breaches any of the responsibilities, obligations, or  
16 duties imposed upon fiduciaries by the uniform pro-  
17 tection and fiduciary standards for Tribal pension  
18 plans, shall be personally liable to make good to  
19 such plan any losses to the plan resulting from each  
20 such breach, and to restore to such plan any profits  
21 of such fiduciary which have been made through use  
22 of assets of the plan by the fiduciary, and shall be  
23 subject to such other equitable or remedial relief as  
24 the court may deem appropriate, including removal  
25 of such fiduciary.

1           “(2) NO LIABILITY FOR PRIOR BREACH.—No fi-  
2           duciary shall be liable with respect to a breach of fi-  
3           duciary duty under this section if such breach was  
4           committed before the fiduciary became a fiduciary or  
5           after the fiduciary ceased to be a fiduciary.

6           “(c) NONDISCRIMINATION.—

7           “(1) NO INTERFERENCE WITH PROTECTED  
8           RIGHTS.—It shall be unlawful for any person to dis-  
9           charge, fine, suspend, expel, discipline, or discrimi-  
10          nate against a participant or beneficiary for exer-  
11          cising any right to which the participant or bene-  
12          ficiary is entitled under the provisions of a Tribal  
13          pension plan or under the uniform protection and fi-  
14          duciary standards for Tribal pension plans, or for  
15          the purpose of interfering with the attainment of  
16          any right to which such participant or beneficiary  
17          may become entitled under such plan or the uniform  
18          protection and fiduciary standards for Tribal pen-  
19          sion plans.

20          “(2) NONDISCRIMINATION.—Contributions or  
21          benefits provided under a Tribal pension plan shall  
22          not discriminate in favor of highly compensated em-  
23          ployees (within the meaning of section 414(q)).

24          “(d) DEFINITIONS AND SPECIAL RULES.—For pur-  
25          poses of this section—

1           “(1) TRIBAL PENSION PLAN.—The term ‘Tribal  
2 pension plan’ means any qualified employer retire-  
3 ment plan (as defined in section 72(d)(1)(G))  
4 which—

5           “(A) is a governmental plan (as defined in  
6 section 414(d)),

7           “(B) has at least 500 active participants,  
8 and

9           “(C) is established or maintained for the  
10 employees of an Indian tribal government, an  
11 agency, instrumentality, or subdivision of an In-  
12 dian tribal government, or an entity established  
13 under Federal, State, or Tribal law which is  
14 wholly owned or controlled by any of the fore-  
15 going.

16           “(2) UNIFORM PROTECTION AND FIDUCIARY  
17 STANDARDS FOR TRIBAL PENSION PLANS.—The  
18 term ‘uniform protections and fiduciary standards  
19 for Tribal pension plans’ means that in connection  
20 with a fiduciary’s duties with respect to a Tribal  
21 pension plan the fiduciary shall discharge those du-  
22 ties—

23           “(A) solely in the interest of the partici-  
24 pants and beneficiaries,

1           “(B) for the exclusive purpose of providing  
2           benefits to participants and beneficiaries,

3           “(C) to defray reasonable expenses of ad-  
4           ministering the plan,

5           “(D) with the care, skill, prudence, and  
6           diligence under the circumstances then pre-  
7           vailing that a prudent person acting in a like  
8           capacity and familiar with such matters would  
9           use in the conduct of an enterprise of a like  
10          character and with like aims,

11          “(E) by diversifying the investments of the  
12          plan so as to minimize the risk of large losses,  
13          unless under the circumstances it is clearly pru-  
14          dent not to do so, and

15          “(F) in accordance with the documents  
16          and instruments governing the plan insofar as  
17          such documents and instruments are consistent  
18          with the requirements of the preceding subpara-  
19          graphs.

20          “(3) CONTROL OVER ASSETS BY PARTICIPANT  
21          OR BENEFICIARY.—In the case of a Tribal pension  
22          plan which provides for individual accounts and per-  
23          mits a participant or beneficiary to exercise control  
24          over the assets in their account, if a participant or



1 beneficiary exercises control over the assets in their  
2 account—

3 “(A) such participant or beneficiary shall  
4 not be deemed to be a fiduciary by reason of  
5 such exercise, and

6 “(B) no person who is otherwise a fidu-  
7 ciary shall be liable under this section for any  
8 loss, or by reason of any breach, which results  
9 from such participant’s or beneficiary’s exercise  
10 of control.

11 “(e) NOTICE REQUIREMENTS.—The plan adminis-  
12 trator for any Tribal pension plan shall cause to be fur-  
13 nished to each participant covered under the plan a sum-  
14 mary plan description. The summary plan description and  
15 any notice of material modifications shall be provided or  
16 made available to participants within a reasonable period  
17 following the effective date of a participant’s coverage or  
18 the effective date of material changes to the plan, as appli-  
19 cable. The summary plan description shall—

20 “(1) be written in a manner calculated to be  
21 understood by the average plan participant,

22 “(2) be sufficiently accurate and comprehensive  
23 to reasonably apprise such participants and bene-  
24 ficiaries of their rights and obligations under the  
25 plan, and

1           “(3) specify any material modification in the  
2 terms to the plan made after the previous summary  
3 plan description.

4           “(f) PERSONS EMPOWERED TO BRING A CIVIL AC-  
5 TION.—In the case of a Tribal pension plan, a civil action  
6 may be brought—

7           “(1) by a participant or beneficiary to recover  
8 benefits due under the terms of the plan, to enforce  
9 rights under the terms of the plan, or to clarify  
10 rights to future benefits under the terms of the plan;

11           “(2) by a participant, beneficiary, or fiduciary  
12 for relief for any loss for which a fiduciary is person-  
13 ally liable under this section; and

14           “(3) by a participant, beneficiary, or fidu-  
15 ciary—

16           “(A) to enjoin any act or practice which  
17 violates any provision of the uniform protection  
18 and protections and fiduciary standards for  
19 Tribal pension plans, or

20           “(B) to obtain other appropriate equitable  
21 relief—

22           “(i) to redress such violations, or

23           “(ii) to enforce any provisions of the  
24 uniform protections and fiduciary stand-

1                   ards for Tribal pension plans or the terms  
2                   of the plan.

3           “(g) STATUS OF TRIBAL PENSION PLAN AS ENTI-  
4 TY.—A Tribal pension plan may sue or be sued under this  
5 section as an entity. Service of summons, subpoena, or  
6 other legal process of a court upon a trustee or an admin-  
7 istrator of a Tribal pension plan in such capacity shall  
8 constitute service upon the Tribal pension plan. Any  
9 money judgment under this section against a Tribal pen-  
10 sion plan shall be enforceable only against the plan as an  
11 entity and shall not be enforceable against any other per-  
12 son or entity.

13           “(h) JURISDICTION.—Enforcement actions related to  
14 the uniform protections and fiduciary standards for Tribal  
15 pension plans shall be in the applicable Tribal court unless  
16 the Indian tribal government has opted to limit Tribal  
17 court jurisdiction for such actions in favor of Federal  
18 court enforcement. In the absence of an established Tribal  
19 court, or for Indian tribal governments who have elected  
20 to limit their Tribal court’s jurisdiction to exclude claims  
21 for enforcing the uniform protections and fiduciary stand-  
22 ards for Tribal pension plans, a participant or beneficiary  
23 may seek enforcement in the district court of the United  
24 States for the district where the plan has its principal of-  
25 fice, or in the United States District for the District of

1 Columbia. When applicable, the district courts of the  
2 United States shall have jurisdiction without respect to  
3 the amount in controversy or the citizenship of the parties.

4 “(i) ATTORNEY’S FEES AND COSTS.—The court, in  
5 its discretion, may allow an award of reasonable attorney’s  
6 fees and costs to a participant, beneficiary, or fiduciary  
7 who prevails in an action to enforce the uniform protec-  
8 tions and fiduciary standards for Tribal pension plans.

9 “(j) COORDINATION WITH OTHER TRIBAL LAWS  
10 AND PROTECTIONS.—Nothing in this section shall pre-  
11 empt or otherwise prevent an Indian Tribe from adopting  
12 additional laws and protections not inconsistent with this  
13 section.

14 “(k) REGULATIONS.—The Secretary shall work with  
15 the Tribal Advisory Committee established pursuant to  
16 section 3 of the Tribal General Welfare Exclusion Act of  
17 2014, and in consultation with Indian tribal governments  
18 and relevant governmental agencies, to develop regulatory  
19 guidance under this section, as well as the enforcement  
20 of such standards.”.

21 (2) CLERICAL AMENDMENT.—The table of sec-  
22 tions for chapter 77 of such Code is amended by  
23 adding at the end the following new item:

“Sec. 7531. Uniform protections and fiduciary standards for Tribal pension plans.”.

1 (d) CONFORMING AMENDMENT.—The last sentence  
2 of section 3(32) of the Employee Retirement Income Secu-  
3 rity Act of 1974 (29 U.S.C. 1002(32)) is amended to read  
4 as follows: “The term ‘governmental plan’ includes a plan  
5 established or maintained for its employees by an Indian  
6 tribal government, an agency, instrumentality, or subdivi-  
7 sion of an Indian tribal government, or an entity estab-  
8 lished under Federal, State, or Tribal law which is wholly  
9 owned or controlled by any of the foregoing.”.

10 (e) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to years beginning after the date  
12 of the enactment of this Act.

13 (f) TRANSITION PROVISIONS.—The Secretary of the  
14 Treasury (or the Secretary’s delegate) shall, in consulta-  
15 tion with the Tribal Advisory Committee established under  
16 section 3 of the Tribal General Welfare Exclusion Act of  
17 2014 (26 U.S.C. 139E note), and in consultation with In-  
18 dian tribal governments, develop guidance on the transi-  
19 tion of plans to meet requirements added or changed by  
20 the amendments made by this section, including publica-  
21 tion of transition relief if appropriate. The Secretary of  
22 the Treasury (or the Secretary’s delegate) is authorized  
23 to extend deadlines imposed by the Internal Revenue Code  
24 of 1986 to reflect any such transition relief (and to coordi-  
25 nate such transition relief with relevant governmental

1 agencies) as well as time for plan sponsors to adopt  
2 amendments and implement required changes.

3 **SEC. 5. TREATMENT OF TRIBAL FOUNDATIONS AND CHAR-**  
4 **ITIES LIKE CHARITIES FUNDED AND CON-**  
5 **TROLLED BY OTHER GOVERNMENTAL**  
6 **FUNDERS AND SPONSORS.**

7 (a) IN GENERAL.—Section 170(b)(1)(A) of the Inter-  
8 nal Revenue Code of 1986 is amended by adding at the  
9 end the following: “For purposes of clause (vi), the term  
10 ‘governmental unit’ includes an Indian tribal government,  
11 an agency, instrumentality, or subdivision of an Indian  
12 tribal government, or an entity established under Federal,  
13 State, or Tribal law which is wholly owned or controlled  
14 by any of the foregoing.”.

15 (b) CERTAIN SUPPORTING ORGANIZATIONS.—Sec-  
16 tion 509(a) of such Code is amended by adding at the  
17 end the following: “For purposes of paragraph (3), an or-  
18 ganization described in paragraph (2) shall be deemed to  
19 include an Indian tribal government, an agency, instru-  
20 mentality, or subdivision of an Indian tribal government,  
21 or an entity established under Federal, State, or Tribal  
22 law which is wholly owned or controlled by any of the fore-  
23 going.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 the date of the enactment of this Act.

4 **SEC. 6. IMPROVING EFFECTIVENESS OF TRIBAL CHILD**  
5 **SUPPORT ENFORCEMENT AGENCIES.**

6 (a) AMENDMENT TO THE SOCIAL SECURITY ACT.—  
7 Section 464 of the Social Security Act (42 U.S.C. 664)  
8 is amended by adding at the end the following:

9 “(d) APPLICABILITY TO INDIAN TRIBES AND TRIBAL  
10 ORGANIZATIONS ELIGIBLE FOR A GRANT UNDER THIS  
11 PART.—This section, except for the requirement to dis-  
12 tribute amounts in accordance with section 457, shall  
13 apply to an Indian Tribe or Tribal organization eligible  
14 for a grant under section 455(f) in the same manner in  
15 which this section applies to a State with a plan approved  
16 under this part.”.

17 (b) AMENDMENT TO THE INTERNAL REVENUE  
18 CODE.—Subsection (c) of section 6402 of the Internal  
19 Revenue Code of 1986 is amended by adding at the end  
20 the following: “For purposes of this subsection, any ref-  
21 erence to a State shall include a reference to any Indian  
22 Tribe or Tribal organization described in section 464(d)  
23 of the Social Security Act.”.

1 **SEC. 7. RECOGNIZING INDIAN TRIBAL GOVERNMENTS FOR**  
2 **PURPOSES OF DETERMINING UNDER THE**  
3 **ADOPTION CREDIT WHETHER A CHILD HAS**  
4 **SPECIAL NEEDS.**

5 (a) **IN GENERAL.**—Section 23(d)(3) of the Internal  
6 Revenue Code of 1986 (defining child with special needs)  
7 is amended—

8 (1) in subparagraph (A), by inserting “or In-  
9 dian tribal government” after “a State”; and

10 (2) in subparagraph (B), by inserting “or In-  
11 dian tribal government” after “such State”.

12 (b) **EFFECTIVE DATE.**—The amendments made by  
13 this section shall apply to taxable years beginning after  
14 the date of the enactment of this Act.

15 **SEC. 8. NEW MARKETS TAX CREDIT FOR TRIBAL AREA IN-**  
16 **VESTMENTS.**

17 (a) **ADDITIONAL ALLOCATIONS FOR TRIBAL AREA.**—

18 (1) **IN GENERAL.**—Section 45D(f) of the Inter-  
19 nal Revenue Code of 1986 is amended by adding at  
20 the end the following new paragraph:

21 “(4) **ADDITIONAL ALLOCATIONS FOR TRIBAL**  
22 **AREA INVESTMENTS.**—

23 “(A) **IN GENERAL.**—In the case of each  
24 calendar year after 2024, there is (in addition  
25 to any limitation under any other paragraph of  
26 this subsection) a new markets tribal area tax



1 credit limitation of \$175,000,000 which shall be  
2 allocated by the Secretary as provided in para-  
3 graph (2) except—

4 “(i) that such allocation shall only be  
5 allocated with respect to qualified tribal  
6 area investments, and

7 “(ii) in addition to the priorities de-  
8 scribed in paragraph (2), the Secretary  
9 may give priority to any entity with a  
10 record of having successfully provided cap-  
11 ital or technical assistance in tribal statis-  
12 tical areas.

13 “(B) CARRYOVER OF UNUSED NEW MAR-  
14 KETS TRIBAL AREA TAX CREDIT LIMITATION.—

15 “(i) IN GENERAL.—If the new mar-  
16 kets tribal area tax credit limitation under  
17 subparagraph (A) for any calendar year  
18 exceeds the amount of such limitation allo-  
19 cated by the Secretary for such calendar  
20 year, such limitation for the succeeding  
21 calendar year shall be increased by the  
22 amount of such excess.

23 “(ii) LIMITATION ON CARRYOVER.—  
24 No amount of new markets tribal area tax  
25 credit limitation may be carried under

1 clause (i) past the 5th calendar year fol-  
2 lowing the calendar year in which such  
3 amount of new markets tribal area tax  
4 credit limitation arose.

5 “(iii) TRANSFER OF EXPIRED NEW  
6 MARKETS TRIBAL AREA TAX CREDIT LIM-  
7 TATION TO GENERAL LIMITATION.—In the  
8 case of any amount of new markets tribal  
9 area tax credit limitation which would (but  
10 for clause (ii)) be carried under clause (i)  
11 to the 6th calendar year following the cal-  
12 endar year in which such amount of new  
13 markets tribal area credit limitation arose,  
14 the new market tax credit limitation under  
15 paragraph (1) for such 6th calendar year  
16 shall be increased by the amount of such  
17 new markets tribal area tax credit limita-  
18 tion.

19 “(C) ALLOCATIONS RESTRICTED TO  
20 QUALIFIED TRIBAL AREA INVESTMENTS.—In  
21 the case of any new markets tribal area tax  
22 credit limitation—

23 “(i) subsection (b)(1)(B) shall be ap-  
24 plied by substituting ‘qualified tribal area

1 investments’ for ‘qualified low-income com-  
2 munity investments’, and

3 “(ii) subsections (b)(2) and (g)(3)(B)  
4 shall be applied separately with respect to  
5 such limitation.

6 “(D) QUALIFIED TRIBAL AREA INVEST-  
7 MENTS.—For purposes of this paragraph, the  
8 term ‘qualified tribal area investment’ means—

9 “(i) any capital or equity investment  
10 in, or loan to, any qualified active tribal  
11 community business,

12 “(ii) the purchase from another com-  
13 munity development entity of any loan  
14 made by such entity which is a qualified  
15 tribal area investment,

16 “(iii) financial counseling and other  
17 services specified in regulations prescribed  
18 by the Secretary to businesses located in,  
19 and residents of, tribal statistical areas,  
20 and

21 “(iv) any equity investment in, or loan  
22 to, any qualified community development  
23 entity if substantially all of the proceeds of  
24 such investment or loan are used by such

1 qualified community development entity to  
2 make qualified tribal area investments.

3 “(E) QUALIFIED ACTIVE TRIBAL COMMU-  
4 NITY BUSINESS.—For purposes of this para-  
5 graph—

6 “(i) IN GENERAL.—The term ‘quali-  
7 fied active tribal community business’ has  
8 the meaning which would be given the  
9 term ‘qualified active low-income commu-  
10 nity business’ under subsection (d)(2) if  
11 ‘tribal statistical area’ were substituted for  
12 ‘low-income community’ each place it ap-  
13 pears therein.

14 “(ii) INCLUSION OF CERTAIN QUALI-  
15 FIED ACTIVE LOW-INCOME COMMUNITY  
16 BUSINESSES WHICH SERVE TRIBAL  
17 AREAS.—The term ‘qualified active tribal  
18 community business’ includes any qualified  
19 active low-income community business  
20 which—

21 “(I) provides good or services to  
22 a significant population of Tribal,  
23 Alaska Native village, or Native Ha-  
24 waiian community members, who are

1 residents of a tribal statistical area,  
2 and

3 “(II) obtains a written statement  
4 from one or more relevant Indian trib-  
5 al governments (as defined in section  
6 7871(b)(4)(A)) (or, in the case of Na-  
7 tive Hawaiian community members,  
8 the Department of Hawaiian Home  
9 Lands, as defined in section 801 of  
10 the Native American Housing Assist-  
11 ance and Self-Determination Act of  
12 1996 (25 U.S.C. 4221)) that docu-  
13 ments the eligibility of such qualified  
14 active low-income community business  
15 with respect to the requirement of  
16 subclause (I).

17 “(F) TRIBAL STATISTICAL AREA.— For  
18 purposes of this paragraph, the term ‘tribal sta-  
19 tistical area’ means any low-income community  
20 which is located in any area determined by the  
21 Secretary, after consultation with the Bureau of  
22 the Census, as a Tribal Census Tract, Okla-  
23 homa Tribal Statistical Area, Tribal-Designated  
24 Statistical Area, Alaska Native Village Statis-  
25 tical Area, or Hawaiian Home Lands.”.

1           (2) EFFECTIVE DATE.—The amendment made  
2           by this subsection shall apply to new markets tribal  
3           area tax credit limitation determined for calendar  
4           years after December 31, 2024.

5           (b) EDUCATIONAL AND TECHNICAL ASSISTANCE RE-  
6           LATED TO QUALIFIED TRIBAL AREA INVESTMENTS.—  
7           Section 45D of such Code is amended by redesignating  
8           subsection (i) as subsection (j) and by inserting after sub-  
9           section (h) the following new subsection:

10          “(i) EDUCATION AND TECHNICAL ASSISTANCE RE-  
11          LATED TO INVESTMENTS WITH RESPECT TO TRIBAL STA-  
12          TISTICAL AREAS.—Not later than 180 days after the date  
13          of the enactment of this paragraph, the Secretary, after  
14          consultation with the Office of Tribal and Native Affairs,  
15          the Community Development Financial Institutions Fund,  
16          and other appropriate Federal agencies, shall establish a  
17          program to provide educational and technical assistance  
18          to qualified community development entities with respect  
19          to—

20                 “(1) applications for, and the appropriate use  
21          of—

22                         “(A) new markets tribal area tax credit  
23                         limitation, and

1           “(B) new markets tax credit limitation  
2           with respect to investments with respect to trib-  
3           al statistical areas, and

4           “(2) in the case of any qualified community de-  
5           velopment entity which has been allocated limitation  
6           described in subparagraph (A) or (B) of paragraph  
7           (1), technical issues specifically associated with in-  
8           vestments with respect to tribal statistical areas.”.

9   **SEC. 9. INCLUSION OF INDIAN AREAS AS DIFFICULT DE-**  
10                   **VELOPMENT AREAS FOR PURPOSES OF CER-**  
11                   **TAIN BUILDINGS.**

12       (a) IN GENERAL.—Subclause (I) of section  
13 42(d)(5)(B)(iii) of the Internal Revenue Code of 1986 is  
14 amended by inserting before the period the following: “,  
15 and any Indian area”.

16       (b) INDIAN AREA.—Clause (iii) of section  
17 42(d)(5)(B) of such Code is amended by redesignating  
18 subclause (II) as subclause (IV) and by inserting after  
19 subclause (I) the following new subclauses:

20                   “(II) INDIAN AREA.—For pur-  
21                   poses of subclause (I), the term ‘In-  
22                   dian area’ means any Indian area (as  
23                   defined in section 4(11) of the Native  
24                   American Housing Assistance and

1 Self Determination Act of 1996 (25  
2 U.S.C. 4103(11))).

3 “(III) SPECIAL RULE FOR  
4 BUILDINGS IN INDIAN AREAS.—In the  
5 case of an area which is a difficult de-  
6 velopment area solely because it is an  
7 Indian area, a building shall not be  
8 treated as located in such area unless  
9 such building is assisted or financed  
10 under the Native American Housing  
11 Assistance and Self Determination  
12 Act of 1996 (25 U.S.C. 4101 et seq.)  
13 or the project sponsor is an Indian  
14 Tribe (as defined in section  
15 45A(c)(6)), a tribally designated hous-  
16 ing entity (as defined in section 4(22)  
17 of such Act (25 U.S.C. 4103(22))), or  
18 wholly owned or controlled by such an  
19 Indian Tribe or tribally designated  
20 housing entity.”.

21 (c) EFFECTIVE DATE.—The amendments made by  
22 this section shall apply to buildings placed in service after  
23 December 31, 2024.



1 **SEC. 10. TRIBAL GENERAL WELFARE AND TRUST PRO-**  
2 **GRAMS CLARIFICATION.**

3 (a) **IN GENERAL.**—Section 1612(b) of the Social Se-  
4 curity Act (42 U.S.C. 1382a(b)) is amended by striking  
5 “; and” at the end of paragraph (25), by striking the pe-  
6 riod at the end of paragraph (26) and inserting “; and”,  
7 and by adding at the end the following new paragraph:

8 “(27) any Indian general welfare benefit (as de-  
9 fined in section 139E of the Internal Revenue Code  
10 of 1986).”.

11 (b) **EXCLUSION FROM RESOURCES.**—Section  
12 1613(a) of the Social Security Act (42 U.S.C. 1382b(a))  
13 is amended by striking “; and” at the end of paragraph  
14 (16) and by inserting after paragraph (17) the following  
15 new paragraphs:

16 “(18) for the 9-month period beginning after  
17 the month in which received, any Indian general wel-  
18 fare benefit (within the meaning of section 139E of  
19 the Internal Revenue Code of 1986); and

20 “(19) any grantor trust established by an In-  
21 dian tribe for the benefit of Indians and for which  
22 the Indian tribe is the grantor (within the meaning  
23 of subpart E of part 1 of subchapter J of chapter  
24 1 of the Internal Revenue Code of 1986).”.

1 **SEC. 11. INDIAN EMPLOYMENT TAX CREDIT.**

2 (a) EXTENSION.—Section 45A of the Internal Rev-  
3 enue Code of 1986 is amended by striking subsection (f).

4 (b) MODIFICATION OF DETERMINATION OF AMOUNT  
5 OF CREDIT.—Paragraph (2) of section 45A(a) of such  
6 Code is amended to read as follows:

7 “(2) the quotient of—

8 “(A) the sum of the qualified wages and  
9 qualified employee health insurance costs which  
10 were paid or incurred by the employer (or any  
11 predecessor) during the two most recent cal-  
12 endar years ending before the beginning of such  
13 taxable year, divided by

14 “(B) 2.”.

15 (c) INCREASED LIMITATION.—Section 45A(b)(3) of  
16 such Code is amended by striking “\$20,000” and insert-  
17 ing “\$30,000”.

18 (d) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to taxable years beginning after  
20 December 31, 2024.

21 **SEC. 12. EXCLUSION FROM GROSS INCOME FOR PAYMENTS**  
22 **UNDER INDIAN HEALTH SERVICE LOAN RE-**  
23 **PAYMENT PROGRAM.**

24 (a) IN GENERAL.—Paragraph (4) of section 108(f)  
25 of the Internal Revenue Code of 1986 is amended by in-

1 sserting “under section 108 of the Indian Health Care Im-  
 2 provement Act,” after “338I of such Act,”.

3 (b) CLERICAL AMENDMENT.—The heading for sec-  
 4 tion 108(f)(4) of such Code is amended by inserting “,  
 5 **INDIAN HEALTH SERVICE LOAN REPAYMENT PRO-**  
 6 **GRAM,**” before “**AND CERTAIN**”.

7 (c) EFFECTIVE DATE.—The amendments made by  
 8 this section shall apply to payments made after the date  
 9 of the enactment of this Act.

10 **SEC. 13. EXCLUSION OF CERTAIN AMOUNTS RECEIVED**  
 11 **UNDER INDIAN HEALTH PROFESSIONS**  
 12 **SCHOLARSHIPS PROGRAM.**

13 (a) IN GENERAL.—Paragraph (2) of section 117(c)  
 14 of the Internal Revenue Code of 1986 is amended by strik-  
 15 ing “or” at the end of subparagraph (B), by striking the  
 16 period at the end of subparagraph (C) and inserting “,  
 17 or”, and by adding at the end the following new subpara-  
 18 graph:

19 “(D) the Indian Health Professions Schol-  
 20 arships Program under section 104 of the In-  
 21 dian Health Care Improvement Act.”.

22 (b) EFFECTIVE DATE.—The amendment made by  
 23 subsection (a) shall apply to amounts received in taxable  
 24 years beginning after December 31, 2024.

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