



## DEPARTMENT OF THE INTERIOR INFORMATION SERVICE

BUREAU OF INDIAN AFFAIRS

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### CHILSON ANNOUNCES DECISION ON ROSEBUD TAX QUESTION

Acting Secretary of the Interior Hatfield Chilson today announced Departmental approval of a resolution adopted by the Rosebud Sioux Indian Tribe of South Dakota calling for cancellation of grazing leases and permits granted in the future to nonmembers operating on the reservation if they fail to pay a tax imposed by the tribal organization.

Within the past year, there have been two important court decisions which have a bearing on this matter. In one of these, Iron Crow v. Oglala Sioux Tribe, 231 F.(2d) 89 (8th Cir. 1956), the court decided that a tribe organized under the Indian Reorganization Act has a right to collect taxes from nonmembers doing business on the reservation. In the other, Oglala Sioux v. Barta, D. C., 146 F. Supp. 917, it was determined that such a tribe has capacity to sue in the Federal District Court for the collection of taxes which the tribe has validly imposed on nonmember permittees or lessees of tribal land.

In view of these decisions, said Mr. Chilson, the Department would not be justified in refusing to approve reasonable tax programs of Indian tribes imposed on persons or property within their jurisdiction.

The Department has approved the inclusion of a "cancellation clause" in the new Rosebud permits and leases, he added, in order to provide a simple means of enforcing collection and to avoid burdensome litigation which might otherwise be necessary. Actual collection of the tax, however, will be a tribal responsibility.

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