Indian Affairs - Office of Public Affairs

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The Department of the Interior published a final rule on governing review of per capita distributions in the Federal Register. The new regulation establishes procedures for the submission, review and approval of tribal revenue allocation plans for the distribution of net gaming revenues from tribal gaming activities. Assistant Secretary -Indian Affairs Kevin Gover in announcing these regulations stated, "These new rules will provide clarity and guidance to tribal governments in meeting the mandates of the Indian Gaming Regulatory Act."

The rule implements Section 11(b)(3) of the Indian Gaming Regulatory Act. The final regulation published March 17, 2000, is the result of an extensive process that began with the publication of a Proposed Rulemaking, published in the Federal Register in June, 1996 and an Extension of Comment Period published in March, 1997.

The Indian Gaming Regulatory Act includes a provision that mandates how net gaming revenues are to be used by the tribes. Section 2710(b)(2)(B) of the Indian Gaming Regulatory Act lists the following authorized uses:

- fund tribal government operations and programs;
- provide for the general welfare of the Indian tribe and its members;
- promote tribal economic development;
- donate to charitable organizations, or
- help fund operations of local government agencies.

The Indian Gaming Regulatory Act provides that net revenues from any Class II or Class III gaming activities conducted or licensed by any Indian tribe may be used to make per capita payments to members of the Indian tribe only if the tribe prepares, and the Secretary approves, a revenue allocation plan. The plan should provide adequate funding to tribal government operations and programs, promote tribal economic development, and protect the interests of minors and other legally incompetent people who are entitled to receive any of the per capita payments. The tribes also must alert recipients that the per capita payments are subject to federal income tax.

QUESTIONS AND ANSWERS

Tribal Revenue Allocation Plans (25 C.F .R. Part 290)

Q: What is a tribal revenue allocation plan?

A: It is the document that describes how a tribe will distribute net revenues from any tribal gaming for tribal use and how it will make per capita payments to members.

Q: What is the purpose of this rule?

A: The purpose of this rule is to establish procedures for the submission, review and approval of a tribal

revenue allocation plan used to distribute per capita payments to members from net gaming revenues from tribal gaming activities.

Q: Why is this rule necessary?

A The Secretary of the Interior is charged with the review and approval of tribal revenue allocation plans. This rule is necessary to establish a method for the submission, review and approval of tribal revenue allocation plans.

Q: Who must submit a tribal revenue allocation plan?

A: Any tribe that intends to make a per capita distribution from net gaming revenues to tribal members must submit a tribal revenue allocation plan.

Q: Is a tribe required to make per capita payments to its members from net gaming revenues?

A: Tribes are not required to make payments to tribal members from net gaming revenues, but if the tribe chooses to make per capita payments it must comply with the requirements of the Indian Gaming Regulatory Act.
