

119TH CONGRESS
2D SESSION

H. R. 7705

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.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 2026

Ms. MOORE of Wisconsin (for herself, Mr. SCHWEIKERT, Mr. THOMPSON of California, Mr. YAKYM, Ms. DELBENE, Mr. COLE, Ms. DAVIDS of Kansas, Mr. VALADAO, Mr. PANETTA, 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 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

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 2026”.

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. New markets tax credit for tribal area investments.
- Sec. 7. Inclusion of Indian areas as difficult development areas for purposes of certain buildings.
- Sec. 8. Tribal general welfare and trust programs clarification.
- Sec. 9. Indian employment tax credit.
- Sec. 10. Exclusion from gross income for payments under Indian health service loan repayment program.
- Sec. 11. 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
 17 recognize that Indian Tribes are governments, re-

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

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

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

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

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

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

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

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

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

13 “(1) IN GENERAL.—In applying section 146 to
 14 bonds issued by Indian Tribal Governments—

15 “(A) there shall be a national bond volume
 16 cap for each calendar year after 2026 equal to
 17 \$400,000,000, and

18 “(B) the volume cap for any Indian Tribal
 19 Government shall be the portion of such na-
 20 tional bond volume cap which is allocated by
 21 the Secretary (under such regulations as the
 22 Secretary may prescribe) to such Indian Tribal
 23 Government.

24 “(2) APPLICATION OF GEOGRAPHIC RESTRIC-
 25 TION.—In the case of national bond volume cap allo-
 26 cated under paragraph (1), section 146(k)(1) shall

1 not apply to the extent that such cap is used with
2 respect to financing for a facility located on qualified
3 Indian lands.

4 “(3) RESTRICTION ON FINANCING OF CERTAIN
5 GAMING FACILITIES.—No portion of proceeds from
6 an obligation issued by an Indian Tribal Government
7 (or subdivision thereof) under section 103 may be
8 used with respect to the financing of any portion of
9 a building in which class II or class III gaming (as
10 defined in section 4 of the Indian Gaming Regu-
11 latory Act (25 U.S.C. 2703)) is conducted or housed
12 or any property actually used in the conduct of such
13 gaming.

14 “(4) DEFINITIONS AND SPECIAL RULES.—

15 “(A) INDIAN TRIBAL GOVERNMENT.—For
16 purposes of this subsection, subsection (e), and
17 so much of subsection (a) as relates to para-
18 graph (4) of such subsection, the term ‘Indian
19 Tribal Government’ means the recognized gov-
20 erning body of any Indian or Alaska Native
21 tribe, band, nation, pueblo, village, community,
22 component band, or component reservation, in-
23 dividually identified (including parenthetically)
24 pursuant to section 104 of the Federally Recog-
25 nized Indian Tribe List Act of 1994 (25 U.S.C.

1 5131), including any agency, instrumentality,
2 or subdivision of such governing body, and,
3 under regulations prescribed by the Secretary,
4 any entity established under Federal, State, or
5 Tribal law which is wholly owned or controlled
6 by any of the foregoing.

7 “(B) QUALIFIED INDIAN LANDS.—For
8 purposes of this subsection, the term ‘qualified
9 Indian lands’ means—

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

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

16 “(iii) each region in effect under sub-
17 section (a) or (b) of section 7 of the Alaska
18 Native Claims Settlement Act (43 U.S.C.
19 1606),

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

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

“(I) the active conduct of a trade or business by an Indian Tribe on, contiguous to, within reasonable proximity of, or with a substantial connection to lands described in clause (i), (ii), (iii), or (iv), or

“(II) infrastructure (including roads, power lines, water systems, railroad spurs, and communication facilities) serving lands described in clause (i), (ii), (iii), or (iv).

Such term shall not include any land which is not within the United States.

“(C) INTERTRIBAL CONSORTIA, ETC.—

Under regulations prescribed by the Secretary, an Indian Tribal Government (including any subdivision thereof), or any combination of such Indian Tribal Governments operating pursuant to a written agreement, may authorize any person to plan for, coordinate or otherwise administer services, finances, functions, or activities on its behalf under this subsection, except that

the authorized person shall have the rights and responsibilities of the authorizing Indian Tribal Government (or Indian Tribal Governments) only to the extent provided in the authorizing resolution.

“(D) INFLATION ADJUSTMENT.—In the case of any calendar year after 2027, the \$400,000,000 amount in paragraph (1)(A) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting ‘calendar year 2026’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof.

If any increase determined under the preceding sentence is not a multiple of \$100,000, such increase shall be rounded to the nearest multiple of \$100,000.”.

(c) ALASKA NATIVE INTERTRIBAL CONSORTIUM TAX-EXEMPT BONDS.—Section 7871 of such Code, as amended by subsection (a), is amended by adding at the end the following new subsection:

“(e) ALASKA NATIVE INTERTRIBAL CONSORTIUM TAX-EXEMPT BONDS.—

1 “(1) BONDS TREATED AS EXEMPT FROM
2 TAX.—In the case of an Alaska Native Intertribal
3 Consortium tax-exempt bond—

4 “(A) such bond shall be treated for pur-
5 poses of this title in the same manner as if such
6 bond were issued by an Indian Tribal Govern-
7 ment, and

8 “(B) in applying section 146 to any issuer
9 of such bond—

10 “(i) there shall be a national bond vol-
11 ume cap for each calendar year after 2026
12 equal to \$45,000,000, and

13 “(ii) the volume cap of such issuer
14 shall be the portion of such national bond
15 volume cap which is allocated by the Sec-
16 retary (under such regulations as the Sec-
17 retary may prescribe) to such issuer.

18 “(2) ALASKA NATIVE INTERTRIBAL CONSOR-
19 TIUM TAX-EXEMPT BOND.—For purposes of this sec-
20 tion—

21 “(A) IN GENERAL.—The term ‘Alaska Na-
22 tive Intertribal Consortium tax-exempt bond’
23 means any bond issued by an Alaska Native
24 Intertribal Consortium if—

1 “(i) such bond is a qualified bond (as
2 defined in section 141(e), determined with-
3 out regard to paragraph (2) thereof),

4 “(ii) none of the net proceeds of such
5 bond are used for the purpose of providing
6 any facility, project, or program for which
7 the proceeds of any bond to which sub-
8 section (b) applies are also used, and

9 “(iii) such bond is designated as an
10 Alaska Native Intertribal Consortium tax-
11 exempt bond by such Alaska Native Inter-
12 tribal Consortium.

13 “(B) EXCEPTIONS.—The term ‘Alaska Na-
14 tive Intertribal Consortium tax-exempt bond’
15 shall not include any bond issued as part of an
16 issue if—

17 “(i) any portion of the proceeds of
18 such issue are used to finance any portion
19 of a building in which class II or class III
20 gaming (as defined in section 4 of the In-
21 dian Gaming Regulatory Act) is conducted
22 or housed or any other property actually
23 used in the conduct of such gaming, or

24 “(ii) any portion of the proceeds of
25 such issue are used to provide (including

1 the provision of land for) any private or
2 commercial golf course, country club, mas-
3 sage parlor, hot tub facility, suntan facil-
4 ity, racetrack or other facility used for
5 gambling, or any store the principal busi-
6 ness of which is the sale of alcoholic bev-
7 erages for consumption off premises.

8 “(C) LIMITATION ON AMOUNT OF BONDS
9 DESIGNATED.—The maximum aggregate face
10 amount of bonds issued by any Alaska Native
11 Intertribal Consortium which may be des-
12 ignated by such Consortium under subpara-
13 graph (A)(ii) shall not exceed the amount of na-
14 tional Alaska Native Intertribal Consortium
15 tax-exempt bond limitation allocated to such
16 Consortium under paragraph (1).

17 “(3) ALASKA NATIVE INTERTRIBAL CONSOR-
18 TIUM.—For purposes of this subsection—

19 “(A) IN GENERAL.—The term ‘Alaska Na-
20 tive Intertribal Consortium’ means—

21 “(i) any combination of Alaska Native
22 Tribal Governments operating pursuant to
23 a written agreement, and

24 “(ii) any Alaska Native regional non-
25 profit organization.

1 “(B) ALASKA NATIVE TRIBAL GOVERN-
2 MENT.—The term ‘Alaska Native Tribal Gov-
3 ernment’ means any Indian Tribal Government
4 with respect to one or more regions in effect
5 under subsection (a) or (b) of section 7 of the
6 Alaska Native Claims Settlement Act (43
7 U.S.C. 1606).

8 “(C) ALASKA NATIVE REGIONAL NON-
9 PROFIT ORGANIZATION.—The term ‘Alaska Na-
10 tive regional non-profit organization’ means—

11 “(i) the Aleutian Pribilof Islands As-
12 sociation, Inc.,

13 “(ii) the Arctic Slope Native Associa-
14 tion,

15 “(iii) the Association of Village Coun-
16 cil Presidents,

17 “(iv) the Bristol Bay Native Associa-
18 tion,

19 “(v) the Chugachmiut, Inc.,

20 “(vi) the Cook Inlet Tribal Council,

21 “(vii) the Copper River Native Asso-
22 ciation,

23 “(viii) the Kawerak, Inc.,

24 “(ix) the Kodiak Area Native Associa-
25 tion,

1 “(x) the Maniilaq,
2 “(xi) the Tanana Chiefs Conference,
3 “(xii) the Alaska Native Tribal Health
4 Consortium,
5 “(xiii) the Bristol Bay Area Health
6 Corporation,
7 “(xiv) the Norton Sound Health Cor-
8 poration,
9 “(xv) the Southeast Alaska Regional
10 Health Consortium,
11 “(xvi) the Yukon Kuskokwim Health
12 Corporation, and
13 “(xvii) under regulations prescribed
14 by the Secretary, such other organizations
15 as may be identified by the Secretary,
16 upon request by an Indian Tribal Govern-
17 ment and after consultation with the Bu-
18 reau of Indian Affairs, as Alaska Native
19 regional non-profit organizations for pur-
20 poses of this subsection.

21 “(4) APPLICATION OF CERTAIN RULES REGARD-
22 ING INTERTRIBAL CONSORTIA.—The rules of sub-
23 section (b)(4)(C) shall apply with respect to Alaska
24 Native Intertribal Consortiums under this subsection

1 in the same manner such rules apply to Indian Trib-
2 al Governments under subsection (b).

3 “(5) SPECIAL RULES FOR ALASKA NATIVE COR-
4 PORATION.—

5 “(A) IN GENERAL.—If any Alaska Native
6 Corporation participates with respect to any
7 bond, such bond shall not be treated as an
8 Alaska Native Intertribal Consortium tax-ex-
9 empt bond unless such Corporation provides a
10 written certification to the Secretary that the
11 facilities or services provided with the proceeds
12 of such bond will promote the economic, social,
13 or cultural well-being of such Corporation’s
14 shareholders pursuant to the Alaska Native
15 Claims Settlement Act (43 U.S.C. 1601 et
16 seq.).

17 “(B) PARTICIPATION.—For purposes of
18 subparagraph (A), an Alaska Native Corpora-
19 tion shall be treated as participating with re-
20 spect to any bond if such Corporation—

21 “(i) is part of any Alaska Native re-
22 gional non-profit organization which is
23 part of the Alaska Native Intertribal Con-
24 sortium that issues such bond,

1 “(ii) is authorized pursuant to para-
2 graph (4) to provide any service described
3 in subsection (b)(4)(C) with respect to
4 such bond, or

5 “(iii) receives any of the proceeds of
6 such bond.

7 “(C) ALASKA NATIVE CORPORATION.—For
8 purposes of this paragraph, the term ‘Alaska
9 Native Corporation’ means any Regional Cor-
10 poration, any Village Corporation, any Urban
11 Corporation, and any Group Corporation (as
12 such terms are defined in section 3 of the Alas-
13 ka Native Claims Settlement Act (43 U.S.C.
14 1602)).

15 “(6) INFLATION ADJUSTMENT.—In the case of
16 any calendar year after 2027, the \$45,000,000
17 amount in paragraph (1)(B)(i) shall be increased by
18 an amount equal to—

19 “(A) such dollar amount, multiplied by

20 “(B) the cost-of-living adjustment deter-
21 mined under section 1(f)(3) for such calendar
22 year by substituting ‘calendar year 2026’ for
23 ‘calendar year 2016’ in subparagraph (A)(ii)
24 thereof.

1 If any increase determined under the preceding sen-
2 tence is not a multiple of \$100,000, such increase
3 shall be rounded to the nearest multiple of
4 \$100,000.”.

5 (d) TERMINATION OF TRIBAL ECONOMIC DEVELOP-
6 MENT BONDS.—Section 7871(d)(3) of such Code, as
7 amended by subsection (a), is amended by adding at the
8 end the following new subparagraph:

9 “(D) TERMINATION.—For purposes of this
10 section, the term ‘tribal economic development
11 bond’ shall not include any bond issued after
12 December 31, 2029.”.

13 (e) CONFORMING AMENDMENTS.—

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

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

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

19 (2) Section 45(c)(9)(B) of such Code is amend-
20 ed to read as follows:

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

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

3 (f) EFFECTIVE DATES.—

4 (1) IN GENERAL.—Except as otherwise pro-
5 vided in this subsection, the amendments made by
6 this section shall apply to obligations issued in cal-
7 endar years beginning after December 31, 2026.

8 (2) EXCISE TAXES.—The amendments made by
9 subsections (a) and (e)(1)(A) shall take effect on
10 and after the first day of the first calendar quarter
11 beginning more than 60 days after the date of the
12 enactment of this Act.

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

16 (a) TREATMENT OF PLANS.—

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

21 (A) striking “or political subdivision of a
22 State” and inserting “, political subdivision of
23 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). A plan described
 12 in the preceding sentence may, at the election of the em-
 13 ployer, continue to be maintained without regard to the
 14 preceding sentence or be amended if necessary to be main-
 15 tained in compliance with this section.”.

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.—An Indian tribal govern-
6 ment, an agency, instrumentality, or subdivision of
7 an Indian tribal government, and an entity estab-
8 lished under Federal, State, or Tribal law which is
9 wholly owned or controlled by any of the foregoing,
10 shall not be subject to a Federal agency enforcement
11 action based solely on the amendments made by the
12 Pension Protection Act of 2006 to the Internal Rev-
13 enue Code of 1986 or the Employee Retirement In-
14 come and Security Act of 1974 with respect to any
15 period prior to the publication of regulations with re-
16 spect to such amendments.

17 (2) INDIAN TRIBAL GOVERNMENT.—For pur-
18 poses of this subsection, the term “Indian tribal gov-
19 ernment” has the meaning given such term in sec-
20 tion 7701(a)(40) of the Internal Revenue Code of
21 1986.

22 (3) REGULATORY GUIDANCE.—The Secretary of
23 the Treasury (or the Secretary’s delegate) and the
24 Secretary of Labor shall, in consultation with Tribal
25 Advisory Committee established pursuant to section

1 3 of the Tribal General Welfare Exclusion Act of
 2 2014 and Indian tribal governments and relevant
 3 governmental agencies, issue such regulations or
 4 other guidance as may be necessary to carry out this
 5 subsection.

6 (c) UNIFORM PROTECTIONS AND FIDUCIARY STAND-
 7 ARDS FOR TRIBAL PLANS.—

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

10 **“SEC. 7531. UNIFORM PROTECTIONS AND FIDUCIARY**
 11 **STANDARDS FOR TRIBAL PENSION PLANS.**

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

15 “(b) PERSONAL LIABILITY.—

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

1 subject to such other equitable or remedial relief as
2 the court may deem appropriate, including removal
3 of such fiduciary.

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

9 “(c) NONDISCRIMINATION.—

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

23 “(2) NONDISCRIMINATION.—Contributions or
24 benefits provided under a Tribal pension plan shall

1 not discriminate in favor of highly compensated em-
2 ployees (within the meaning of section 414(q)).

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

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

9 “(A) is a governmental plan (as defined in
10 section 414(d)),

11 “(B) has at least 500 active participants,
12 and

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

20 “(2) UNIFORM PROTECTIONS AND FIDUCIARY
21 STANDARDS FOR TRIBAL PENSION PLANS.—The
22 term ‘uniform protections and fiduciary standards
23 for Tribal pension plans’ means that in connection
24 with a fiduciary’s duties with respect to a Tribal

1 pension plan the fiduciary shall discharge those du-
2 ties—

3 “(A) solely in the interest of the partici-
4 pants and beneficiaries,

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

7 “(C) to defray reasonable expenses of ad-
8 ministering the plan,

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

15 “(E) by diversifying the investments of the
16 plan so as to minimize the risk of large losses,
17 unless under the circumstances it is clearly pru-
18 dent not to do so, and

19 “(F) in accordance with the documents
20 and instruments governing the plan insofar as
21 such documents and instruments are consistent
22 with the requirements of the preceding subpara-
23 graphs.

24 “(3) CONTROL OVER ASSETS BY PARTICIPANT
25 OR BENEFICIARY.—In the case of a Tribal pension

1 plan which provides for individual accounts and per-
2 mits a participant or beneficiary to exercise control
3 over the assets in their account, if a participant or
4 beneficiary exercises control over the assets in their
5 account—

6 “(A) such participant or beneficiary shall
7 not be deemed to be a fiduciary by reason of
8 such exercise, and

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

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

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

1 “(2) be sufficiently accurate and comprehensive
2 to reasonably apprise such participants and bene-
3 ficiaries of their rights and obligations under the
4 plan, and

5 “(3) specify any material modification in the
6 terms to the plan made after the previous summary
7 plan description.

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

11 “(1) by a participant or beneficiary to recover
12 benefits due under the terms of the plan, to enforce
13 rights under the terms of the plan, or to clarify
14 rights to future benefits under the terms of the plan;

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

18 “(3) by a participant, beneficiary, or fidu-
19 ciary—

20 “(A) to enjoin any act or practice which
21 violates any provision of the uniform protec-
22 tions and fiduciary standards for Tribal pension
23 plans, or

24 “(B) to obtain other appropriate equitable
25 relief—

1 “(i) to redress such violations, or

2 “(ii) to enforce any provisions of the
3 uniform protections and fiduciary stand-
4 ards for Tribal pension plans or the terms
5 of the plan.

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

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

1 may seek enforcement in the district court of the United
2 States for the district where the plan has its principal of-
3 fice, or in the United States District for the District of
4 Columbia. When applicable, the district courts of the
5 United States shall have jurisdiction without respect to
6 the amount in controversy or the citizenship of the parties.

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

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

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

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

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

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

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

16 (f) TRANSITION PROVISIONS.—The Secretary of the
17 Treasury (or the Secretary’s delegate) shall, in consulta-
18 tion with the Tribal Advisory Committee established under
19 section 3 of the Tribal General Welfare Exclusion Act of
20 2014 (26 U.S.C. 139E note), and in consultation with In-
21 dian tribal governments, develop guidance on the transi-
22 tion of plans to meet requirements added or changed by
23 the amendments made by this section, including publica-
24 tion of transition relief if appropriate. The Secretary of

1 the Treasury (or the Secretary’s delegate) is authorized
 2 to extend deadlines imposed by the Internal Revenue Code
 3 of 1986 to reflect any such transition relief (and to coordi-
 4 nate such transition relief with relevant governmental
 5 agencies) as well as time for plan sponsors to adopt
 6 amendments and implement required changes.

7 **SEC. 5. TREATMENT OF TRIBAL FOUNDATIONS AND CHAR-**
 8 **ITIES LIKE CHARITIES FUNDED AND CON-**
 9 **TROLLED BY OTHER GOVERNMENTAL**
 10 **FUNDERS AND SPONSORS.**

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

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

1 law which is wholly owned or controlled by any of the fore-
 2 going.”.

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

6 **SEC. 6. NEW MARKETS TAX CREDIT FOR TRIBAL AREA IN-**
 7 **VESTMENTS.**

8 (a) ADDITIONAL ALLOCATIONS FOR TRIBAL AREA.—

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

12 “(4) ADDITIONAL ALLOCATIONS FOR TRIBAL
 13 AREA INVESTMENTS.—

14 “(A) IN GENERAL.—In the case of each
 15 calendar year after 2026, there is (in addition
 16 to any limitation under any other paragraph of
 17 this subsection) a new markets tribal area tax
 18 credit limitation of \$175,000,000 which shall be
 19 allocated by the Secretary as provided in para-
 20 graph (2) except—

21 “(i) that such allocation shall only be
 22 allocated with respect to qualified tribal
 23 area investments, and

24 “(ii) in addition to the priorities de-
 25 scribed in paragraph (2), the Secretary

1 may give priority to any entity with a
2 record of having successfully provided cap-
3 ital or technical assistance in tribal statis-
4 tical areas.

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

7 “(i) IN GENERAL.—If the new mar-
8 kets tribal area tax credit limitation under
9 subparagraph (A) for any calendar year
10 exceeds the amount of such limitation allo-
11 cated by the Secretary for such calendar
12 year, such limitation for the succeeding
13 calendar year shall be increased by the
14 amount of such excess.

15 “(ii) LIMITATION ON CARRYOVER.—
16 No amount of new markets tribal area tax
17 credit limitation may be carried under
18 clause (i) past the 5th calendar year fol-
19 lowing the calendar year in which such
20 amount of new markets tribal area tax
21 credit limitation arose.

22 “(iii) TRANSFER OF EXPIRED NEW
23 MARKETS TRIBAL AREA TAX CREDIT LIM-
24 ITATION TO GENERAL LIMITATION.—In the
25 case of any amount of new markets tribal

1 area tax credit limitation which would (but
2 for clause (ii)) be carried under clause (i)
3 to the 6th calendar year following the cal-
4 endar year in which such amount of new
5 markets tribal area credit limitation arose,
6 the new market tax credit limitation under
7 paragraph (1) for such 6th calendar year
8 shall be increased by the amount of such
9 new markets tribal area tax credit limita-
10 tion.

11 “(C) ALLOCATIONS RESTRICTED TO
12 QUALIFIED TRIBAL AREA INVESTMENTS.—For
13 purposes of this section—

14 “(i) subsection (b)(2) shall be applied
15 separately with respect to the new markets
16 tax credit limitation under paragraph (1)
17 and the new markets tribal area tax credit
18 limitation under this paragraph,

19 “(ii) any designation under subsection
20 (b)(1)(C) shall indicate the source and
21 amount of the limitation to which such
22 designation relates, and

23 “(iii) in the case of any investment
24 which is designated under subsection
25 (b)(1)(C) using amounts of the new mar-

1 ket tribal area tax credit limitation allo-
2 cated under this paragraph, subsection
3 (b)(1)(B) shall be applied by substituting
4 ‘qualified tribal area investments’ for
5 ‘qualified low-income community invest-
6 ments’.

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

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

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

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

22 “(iv) any equity investment in, or loan
23 to, any qualified community development
24 entity if substantially all of the proceeds of
25 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, 2026.

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. 7. 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, 2026.

1 **SEC. 8. TRIBAL GENERAL WELFARE AND TRUST PROGRAMS**

2 **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. 9. 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, 2026.

21 **SEC. 10. 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 serting “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. 11. 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, 2026.

○