

119TH CONGRESS
1ST SESSION

S. _____

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 SENATE OF THE UNITED STATES

Ms. CORTEZ MASTO introduced the following bill; which was read twice and referred to the Committee on _____

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 2025”.

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

2

- 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.

1 **SEC. 2. FINDINGS.**

2 Congress finds the following:

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

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

12 (3) The United States Constitution, United
13 States Federal Court decisions, Executive orders,
14 and numerous other Federal laws and regulations
15 recognize that Indian Tribes are governments, re-
16 taining the inherent authority to tax and operate as
17 other governments, including (inter alia) financing

1 projects with government bonds and maintaining eli-
2 gibility for general tax exemptions via their govern-
3 ment status.

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

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

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

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

11 (A) APPLICATION OF PRIVATE ACTIVITY
12 BOND RULES.—Subsection (b) of section 7871
13 of such Code, as redesignated by subsection (a),
14 is amended to read as follows:

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

16 “(1) VOLUME CAP.—

17 “(A) IN GENERAL.—In applying section
18 146 to bonds issued by Indian Tribal Govern-
19 ments—

20 “(i) there shall be a national bond vol-
21 ume cap for each calendar year equal to
22 \$400,000,000, and

23 “(ii) the volume cap for any Indian
24 Tribal Government shall be the portion of
25 such national bond volume cap which is al-
26 located by the Secretary (under such regu-

1 lations as the Secretary may prescribe) to
2 such Indian Tribal Government.

3 “(B) INFLATION ADJUSTMENT.—In the
4 case of a calendar year after 2026, the
5 \$400,000,000 amount in subparagraph
6 (A)(i) shall be increased by an amount equal
7 to—

8 “(i) such dollar amount, multiplied by

9 “(ii) the cost-of-living adjustment de-
10 termined under section 1(f)(3) for such
11 calendar year by substituting ‘calendar
12 year 2025’ for ‘calendar year 2016’ in sub-
13 paragraph (A)(ii) thereof.

14 If any increase determined under the preceding
15 sentence is not a multiple of \$100,000, such in-
16 crease shall be rounded to the nearest multiple
17 of \$100,000.

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

24 “(3) RESTRICTION ON FINANCING OF CERTAIN
25 GAMING FACILITIES.—No portion of proceeds from

1 an obligation issued by an Indian Tribal Government
2 (or subdivision thereof) under section 103 may be
3 used with respect to the financing of any portion of
4 a building in which class II or class III gaming (as
5 defined in section 4 of the Indian Gaming Regu-
6 latory Act (25 U.S.C. 2703)) is conducted or housed
7 or any property actually used in the conduct of such
8 gaming.

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

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

20 “(B) INTERTRIBAL CONSORTIA, ETC.—
21 Under regulations prescribed by the Secretary,
22 an Indian Tribal Government (or a partnership
23 of Indian Tribal Governments) may authorize
24 an intertribal consortium, an organization, or a
25 Regional Corporation, Village Corporation,

1 Urban Corporation, or Group Corporation, (as
2 defined in, or established pursuant to, the Alas-
3 ka Native Claims Settlement Act), to plan for,
4 coordinate or otherwise administer services, fi-
5 nances, functions, or activities on its behalf
6 under this subsection, except that the author-
7 ized entity shall have the rights and responsibil-
8 ities of the authorizing Indian Tribal Govern-
9 ment (or Indian Tribal Governments) only to
10 the extent provided in the authorizing resolu-
11 tion.

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

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

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

20 “(iii) any land located within a region
21 established pursuant to section 7(a) of the
22 Alaska Native Claims Settlement Act (43
23 U.S.C. 1606(a)),

24 “(iv) Hawaiian Home Lands (as de-
25 fined in section 801 of the Native Amer-

1 ican Housing Assistance and Self-Deter-
2 mination Act of 1996 (25 U.S.C. 4221),
3 and

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

7 “(I) the active conduct of a trade
8 or business by an Indian Tribe on,
9 contiguous to, within reasonable prox-
10 imity of, or with a substantial connec-
11 tion to lands described in clause (i),
12 (ii), (iii), or (iv), or

13 “(II) infrastructure (including
14 roads, power lines, water systems,
15 railroad spurs, and communication fa-
16 cilities) serving lands described in
17 clause (i), (ii), (iii), or (iv).”.

18 (B) CONFORMING AMENDMENTS.—

19 (i) Section 7871(a) of such Code is
20 amended—

21 (I) in paragraph (2) by striking
22 “subject to subsection (b),”, and

23 (II) in paragraph (4) by striking
24 “subsection (c)” and inserting “sub-
25 section (b)”.

1 (ii) Subparagraph (B) of section
2 45(c)(9) of such Code is amended to read
3 as follows:

4 “(B) INDIAN TRIBE.—For purposes of this
5 paragraph, the term ‘Indian tribe’ means any
6 Indian Tribe, band, nation, or other organized
7 group or community which is recognized as eli-
8 gible for the special programs and services pro-
9 vided by the United States to Indians because
10 of their status as Indians.”.

11 (2) ALASKA NATIVE CORPORATION ECONOMIC
12 DEVELOPMENT BONDS.—

13 (A) IN GENERAL.—Section 7871 of the In-
14 ternal Revenue Code of 1986, as amended by
15 subsection (a), is amended by inserting at the
16 end the following new subsection:

17 “(e) ALASKA NATIVE CORPORATION ECONOMIC DE-
18 VELOPMENT BONDS.—

19 “(1) NATIONAL LIMITATION.—

20 “(A) IN GENERAL.—There is a national
21 Alaska Native Corporation economic develop-
22 ment bond limitation for each calendar year.
23 Such limitation shall be equal to the amount
24 \$45,000,000.

1 “(B) INFLATION ADJUSTMENT.—In the
2 case of a calendar year after 2026, the
3 \$45,000,000 amount in subparagraph (A) shall
4 be increased by an amount equal to—

5 “(i) such dollar amount, multiplied by

6 “(ii) the cost-of-living adjustment de-
7 termined under section 1(f)(3) for such
8 calendar year by substituting ‘calendar
9 year 2025’ for ‘calendar year 2016’ in sub-
10 paragraph (A)(ii) thereof.

11 If any increase determined under the preceding
12 sentence is not a multiple of \$100,000, such in-
13 crease shall be rounded to the nearest multiple
14 of \$100,000.

15 “(C) ALLOCATION.—

16 “(i) IN GENERAL.—The Secretary
17 shall allocate the national Alaska Native
18 Corporation economic development bond
19 limitation among the Alaska Native Cor-
20 porations selected by the Secretary, in con-
21 sultation with the Secretary of the Interior.

22 “(ii) ELIGIBILITY.—The Secretary
23 shall not make any allocation under clause
24 (i) to an Alaska Native Corporation unless
25 such Alaska Native corporation provides

1 the Secretary with a written certification
2 that any project undertaken using the pro-
3 ceeds of a an Alaska Native Corporation
4 economic development bond will promote
5 the economic, social, or cultural well-being
6 of the corporation's shareholders.

7 “(2) BONDS TREATED AS EXEMPT FROM
8 TAX.—In the case of an Alaska Native Corporation
9 economic development bond—

10 “(A) such bond shall be treated for pur-
11 poses of this title in the same manner as if such
12 bond were issued by a State,

13 “(B) the Alaska Native Corporation
14 issuing such bond shall be treated as a State
15 for purposes of section 141, and

16 “(C) section 146 shall not apply.

17 “(3) ALASKA NATIVE CORPORATION ECONOMIC
18 DEVELOPMENT BOND.—

19 “(A) IN GENERAL.— For purposes of this
20 section, the term ‘Alaska Native Corporation
21 economic development bond’ means any bond
22 issued by an Alaska Native Corporation—

23 “(i) the interest on which would be ex-
24 empt from tax under section 103 if issued
25 by a State or local government,

1 “(ii) substantially all of the net pro-
2 ceeds of which are used—

3 “(I) with respect to facilities on
4 land located within a region estab-
5 lished pursuant to section 7(a) of the
6 Alaska Native Claims Settlement Act
7 (43 U.S.C. 1606(a)), or

8 “(II) to provide facilities within
9 Alaska or services to residents of
10 Alaska,

11 “(iii) none of the net proceeds of
12 which are used for any project or activity
13 if the proceeds of a bond to which sub-
14 section (b) applies has also been used for
15 such project or activity, and

16 “(iv) which is designated by the Alas-
17 ka Native Corporation as an Alaska Native
18 Corporation economic development bond
19 for purposes of this subsection.

20 “(B) EXCEPTIONS.—Such term shall not
21 include any bond issued as part of an issue if
22 any portion of the proceeds of such issue are
23 used to finance—

24 “(i) any portion of a building in which
25 class II or class III gaming (as defined in

1 section 4 of the Indian Gaming Regulatory
2 Act) is conducted or housed or any other
3 property actually used in the conduct of
4 such gaming, or

5 “(ii) any portion of the proceeds of
6 such issue is to be used to provide (includ-
7 ing the provision of land for) any private
8 or commercial golf course, country club,
9 massage parlor, hot tub facility, suntan fa-
10 cility, racetrack or other facility used for
11 gambling, or any store the principal busi-
12 ness of which is the sale of alcoholic bev-
13 erages for consumption off premises.

14 “(C) LIMITATION ON AMOUNT OF BONDS
15 DESIGNATED.—The maximum aggregate face
16 amount of bonds which may be designated by
17 any Alaska Native Corporation under subpara-
18 graph (A) shall not exceed the amount of na-
19 tional Alaska Native Corporation economic de-
20 velopment bond limitation allocated to such cor-
21 poration under paragraph (1).

22 “(4) ALASKA NATIVE CORPORATION.—For pur-
23 poses of this subsection, the term ‘Alaska Native
24 Corporation’ means any Regional Corporation, any
25 Village Corporation, any Urban Corporation, and

1 any Group Corporation (as such terms are defined
2 in section 3 of the Alaska Native Claims Settlement
3 Act).”.

4 (B) TERMINATION OF TRIBAL ECONOMIC
5 DEVELOPMENT BONDS.—Section 7871(d)(3), as
6 redesignated by subsection (a), is amended by
7 adding at the end the following new subpara-
8 graph:

9 “(D) TERMINATION.—No bond which is
10 issued after December 31, 2028, may be des-
11 ignated as a tribal economic bond under sub-
12 paragraph (A).”.

13 (c) EFFECTIVE DATE.—

14 (1) IN GENERAL.—Except as provided in para-
15 graph (2), the amendments made by this section
16 shall apply to obligations issued in calendar years
17 beginning after the date of the enactment of this
18 Act.

19 (2) EXCISE TAXES.—The amendments made by
20 subsections (a) and (b)(1)(B)(i)(I) shall take effect
21 on and after the first day of the first calendar quar-
22 ter beginning more than 60 days after the date of
23 the enactment of this Act.

1 **SEC. 4. TREATMENT OF PENSION AND EMPLOYEE BENEFIT**
2 **PLANS MAINTAINED BY TRIBAL GOVERN-**
3 **MENTS.**

4 (a) TREATMENT OF PLANS.—

5 (1) QUALIFIED PUBLIC SAFETY EMPLOYEE.—

6 Section 72(t)(10)(B)(i) of the Internal Revenue
7 Code of 1986 (defining qualified public safety em-
8 ployee) is amended by—

9 (A) striking “or political subdivision of a
10 State” and inserting “, political subdivision of
11 a State, or Indian tribal government”; and

12 (B) striking “such State or political sub-
13 division” and inserting “such State, political
14 subdivision, or Indian tribal government”.

15 (2) GOVERNMENTAL PLAN.—The last sentence
16 of section 414(d) of such Code (defining govern-
17 mental plan) is amended to read as follows: “The
18 term ‘governmental plan’ includes a plan established
19 or maintained for its employees by an Indian tribal
20 government, an agency, instrumentality, or subdivi-
21 sion of an Indian tribal government, or an entity es-
22 tablished under Federal, State, or Tribal law which
23 is wholly owned or controlled by any of the fore-
24 going.”.

25 (3) EXEMPT GOVERNMENTAL DEFERRED COM-
26 PENSATION PLAN.—Section 3121(v)(3) of such Code

1 (defining governmental deferred compensation plan)
2 is amended by inserting “by an Indian tribal govern-
3 ment, an agency, instrumentality, or subdivision of
4 an Indian tribal government, or an entity established
5 under Federal, State, or Tribal law which is wholly
6 owned or controlled by any of the foregoing,” after
7 “political subdivision thereof.”.

8 (4) GRANDFATHER OF CERTAIN DEFERRED
9 COMPENSATION PLANS.—Section 457 of such Code
10 is amended by adding at the end the following new
11 subsection:

12 “(h) CERTAIN TRIBAL GOVERNMENT PLANS GRAND-
13 FATHERED.—Plans established before the date of enact-
14 ment of this subsection and maintained by an Indian tribal
15 government, an agency, instrumentality, or subdivision of
16 an Indian tribal government, or an entity established
17 under Federal, State, or Tribal law which is wholly owned
18 or controlled by any of the foregoing, in compliance with
19 subsection (b) shall be treated as if established by an eligi-
20 ble employer under subsection (e)(1)(A). A plan described
21 in the preceding sentence may, at the election of the em-
22 ployer, continue to be maintained without regard to the
23 preceding sentence or be amended if necessary to be main-
24 tained in compliance with this section.”.

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

4 “(C) APPLICATION OF STANDARDS TO
5 CERTAIN EMPLOYEES AND PLANS.—The provi-
6 sions of paragraph (2)(D)(ii) shall not apply
7 to—

8 “(i) employees described in section
9 410(b)(3), and

10 “(ii) a governmental plan.”.

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

13 (1) IN GENERAL.—An Indian tribal govern-
14 ment, an agency, instrumentality, or subdivision of
15 an Indian tribal government, and an entity estab-
16 lished under Federal, State, or Tribal law which is
17 wholly owned or controlled by any of the foregoing,
18 shall not be subject to a Federal agency enforcement
19 action based solely on the amendments made by the
20 Pension Protection Act of 2006 to the Internal Rev-
21 enue Code of 1986 or Employee Retirement Income
22 and Security Act of 1974 with respect to any period
23 prior to the publication of regulations with respect
24 to such amendments.

1 (2) INDIAN TRIBAL GOVERNMENT.—For pur-
2 poses of this subsection, the term “Indian tribal gov-
3 ernment” has the meaning given such term in sec-
4 tion 7701(a)(40) of the Internal Revenue Code of
5 1986.

6 (3) REGULATORY GUIDANCE.—The Secretary of
7 the Treasury (or the Secretary’s delegate) and the
8 Secretary of Labor shall, in consultation with the
9 Tribal Advisory Committee established pursuant to
10 section 3 of the Tribal General Welfare Exclusion
11 Act of 2014 and Indian tribal governments and rel-
12 evant governmental agencies, shall issue such regula-
13 tions or other guidance as may be necessary to carry
14 out this subsection.

15 (c) UNIFORM PROTECTIONS AND FIDUCIARY STAND-
16 ARDS FOR TRIBAL PLANS.—

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

19 **“SEC. 7531. UNIFORM PROTECTIONS AND FIDUCIARY**
20 **STANDARDS FOR TRIBAL PENSION PLANS.**

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

24 “(b) PERSONAL LIABILITY.—

1 “(1) IN GENERAL.—Any person who is a fidu-
2 ciary with respect to a Tribal pension plan who
3 breaches any of the responsibilities, obligations, or
4 duties imposed upon fiduciaries by the uniform pro-
5 tection and fiduciary standards for Tribal pension
6 plans, shall be personally liable to make good to
7 such plan any losses to the plan resulting from each
8 such breach, and to restore to such plan any profits
9 of such fiduciary which have been made through use
10 of assets of the plan by the fiduciary, and shall be
11 subject to such other equitable or remedial relief as
12 the court may deem appropriate, including removal
13 of such fiduciary.

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

19 “(c) NONDISCRIMINATION.—

20 “(1) NO INTERFERENCE WITH PROTECTED
21 RIGHTS.—It shall be unlawful for any person to dis-
22 charge, fine, suspend, expel, discipline, or discrimi-
23 nate against a participant or beneficiary for exer-
24 cising any right to which the participant or bene-
25 ficiary is entitled under the provisions of a Tribal

1 pension plan or under the uniform protection and fi-
2 duciary standards for Tribal pension plans, or for
3 the purpose of interfering with the attainment of
4 any right to which such participant or beneficiary
5 may become entitled under such plan or the uniform
6 protection and fiduciary standards for Tribal pen-
7 sion plans.

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

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

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

18 “(A) is a governmental plan (as defined in
19 section 414(d)),

20 “(B) has at least 500 active participants,
21 and

22 “(C) is established or maintained for the
23 employees of an Indian tribal government, an
24 agency, instrumentality, or subdivision of an In-
25 dian tribal government, or an entity established

1 under Federal, State, or Tribal law which is
2 wholly owned or controlled by any of the fore-
3 going.

4 “(2) UNIFORM PROTECTION AND FIDUCIARY
5 STANDARDS FOR TRIBAL PENSION PLANS.—The
6 term ‘uniform protections and fiduciary standards
7 for Tribal pension plans’ means that, in connection
8 with a fiduciary’s duties with respect to a Tribal
9 pension plan, the fiduciary shall discharge those du-
10 ties—

11 “(A) solely in the interest of the partici-
12 pants and beneficiaries,

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

15 “(C) to defray reasonable expenses of ad-
16 ministering the plan,

17 “(D) with the care, skill, prudence, and
18 diligence under the circumstances then pre-
19 vailing that a prudent person acting in a like
20 capacity and familiar with such matters would
21 use in the conduct of an enterprise of a like
22 character and with like aims,

23 “(E) by diversifying the investments of the
24 plan so as to minimize the risk of large losses,

1 unless under the circumstances it is clearly pru-
2 dent not to do so, and

3 “(F) in accordance with the documents
4 and instruments governing the plan insofar as
5 such documents and instruments are consistent
6 with the requirements of the preceding subpara-
7 graphs.

8 “(3) CONTROL OVER ASSETS BY PARTICIPANT
9 OR BENEFICIARY.—In the case of a Tribal pension
10 plan which provides for individual accounts and per-
11 mits a participant or beneficiary to exercise control
12 over the assets in their account, if a participant or
13 beneficiary exercises control over the assets in their
14 account—

15 “(A) such participant or beneficiary shall
16 not be deemed to be a fiduciary by reason of
17 such exercise, and

18 “(B) no person who is otherwise a fidu-
19 ciary shall be liable under this section for any
20 loss, or by reason of any breach, which results
21 from such participant’s or beneficiary’s exercise
22 of control.

23 “(e) NOTICE REQUIREMENTS.—The plan adminis-
24 trator for any Tribal pension plan shall cause to be fur-
25 nished to each participant covered under the plan a sum-

1 mary plan description. The summary plan description and
2 any notice of material modifications shall be provided or
3 made available to participants within a reasonable period
4 following the effective date of a participant's coverage or
5 the effective date of material changes to the plan, as appli-
6 cable. The summary plan description shall—

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

9 “(2) be sufficiently accurate and comprehensive
10 to reasonably apprise such participants and bene-
11 ficiaries of their rights and obligations under the
12 plan, and

13 “(3) specify any material modification in the
14 terms to the plan made after the previous summary
15 plan description.

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

19 “(1) by a participant or beneficiary to recover
20 benefits due under the terms of the plan, to enforce
21 rights under the terms of the plan, or to clarify
22 rights to future benefits under the terms of the plan,

23 “(2) by a participant, beneficiary, or fiduciary
24 for relief for any loss for which a fiduciary is person-
25 ally liable under this section, and

1 “(3) by a participant, beneficiary, or fidu-
2 ciary—

3 “(A) to enjoin any act or practice which
4 violates any provision of the uniform protection
5 and protections and fiduciary standards for
6 Tribal pension plans, or

7 “(B) to obtain other appropriate equitable
8 relief—

9 “(i) to redress such violations, or

10 “(ii) to enforce any provisions of the
11 uniform protections and fiduciary stand-
12 ards for Tribal pension plans or the terms
13 of the plan.

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

24 “(h) JURISDICTION.—Enforcement actions related to
25 the uniform protections and fiduciary standards for Tribal

1 pension plans shall be in the applicable Tribal court unless
2 the Indian tribal government has opted to limit Tribal
3 court jurisdiction for such actions in favor of Federal
4 court enforcement. In the absence of an established Tribal
5 court, or for Indian tribal governments who have elected
6 to limit their Tribal court's jurisdiction to exclude claims
7 for enforcing the uniform protections and fiduciary stand-
8 ards for Tribal pension plans, a participant or beneficiary
9 may seek enforcement in the district court of the United
10 States for the district where the plan has its principal of-
11 fice, or in the United States District for the District of
12 Columbia. When applicable, the district courts of the
13 United States shall have jurisdiction without respect to
14 the amount in controversy or the citizenship of the parties.

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

20 “(j) COORDINATION WITH OTHER TRIBAL LAWS
21 AND PROTECTIONS.—Nothing in this section shall pre-
22 empt or otherwise prevent an Indian Tribe from adopting
23 additional laws and protections not inconsistent with this
24 section.

1 “(k) REGULATIONS.—The Secretary, in consultation
2 with the Tribal Advisory Committee established pursuant
3 to section 3 of the Tribal General Welfare Exclusion Act
4 of 2014 and Indian tribal governments and relevant gov-
5 ernmental agencies, shall issue such regulations or other
6 guidance as may be necessary to carry out the provisions
7 of this section, including regulations or guidance with re-
8 spect to the enforcement of such standards.”.

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

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

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

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

1 (f) TRANSITION PROVISIONS.—The Secretary of the
2 Treasury (or the Secretary’s delegate) shall, in consulta-
3 tion with the Tribal Advisory Committee established under
4 section 3 of the Tribal General Welfare Exclusion Act of
5 2014 (26 U.S.C. 139E note), and in consultation with In-
6 dian tribal governments, develop guidance on the transi-
7 tion of plans to meet requirements added or changed by
8 the amendments made by this section, including publica-
9 tion of transition relief if appropriate. The Secretary of
10 the Treasury (or the Secretary’s delegate) is authorized
11 to extend deadlines imposed by the Internal Revenue Code
12 of 1986 to reflect any such transition relief (and to coordi-
13 nate such transition relief with relevant governmental
14 agencies) as well as time for plan sponsors to adopt
15 amendments and implement required changes.

16 **SEC. 5. TREATMENT OF TRIBAL FOUNDATIONS AND CHAR-**
17 **ITIES LIKE CHARITIES FUNDED AND CON-**
18 **TROLLED BY OTHER GOVERNMENTAL**
19 **FUNDERS AND SPONSORS.**

20 (a) IN GENERAL.—Section 170(b)(1)(A) of the Inter-
21 nal Revenue Code of 1986 is amended by adding at the
22 end the following: “For purposes of clause (vi), the term
23 ‘governmental unit’ includes an Indian tribal government,
24 an agency, instrumentality, or subdivision of an Indian
25 tribal government, or an entity established under Federal,

1 State, or Tribal law which is wholly owned or controlled
2 by any of the foregoing.”.

3 (b) CERTAIN SUPPORTING ORGANIZATIONS.—Sec-
4 tion 509(a) of such Code is amended by adding at the
5 end the following: “For purposes of paragraph (3), an or-
6 ganization described in paragraph (2) shall be deemed to
7 include an Indian tribal government, an agency, instru-
8 mentality, or subdivision of an Indian tribal government,
9 or an entity established under Federal, State, or Tribal
10 law which is wholly owned or controlled by any of the fore-
11 going.”.

12 (c) 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. 6. IMPROVING EFFECTIVENESS OF TRIBAL CHILD**
16 **SUPPORT ENFORCEMENT AGENCIES.**

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

20 “(d) APPLICABILITY TO INDIAN TRIBES AND TRIBAL
21 ORGANIZATIONS ELIGIBLE FOR A GRANT UNDER THIS
22 PART.—This section, except for the requirement to dis-
23 tribute amounts in accordance with section 457, shall
24 apply to an Indian Tribe or Tribal organization eligible
25 for a grant under section 455(f) in the same manner in

1 which this section applies to a State with a plan approved
2 under this part.”.

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

10 **SEC. 7. RECOGNIZING INDIAN TRIBAL GOVERNMENTS FOR**
11 **PURPOSES OF DETERMINING UNDER THE**
12 **ADOPTION CREDIT WHETHER A CHILD HAS**
13 **SPECIAL NEEDS.**

14 (a) IN GENERAL.—Section 23(d)(3) of the Internal
15 Revenue Code of 1986 (defining child with special needs)
16 is amended—

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

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

21 (b) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 the date of the enactment of this Act.

1 **SEC. 8. NEW MARKETS TAX CREDIT FOR TRIBAL AREA IN-**
2 **VESTMENTS.**

3 (a) ADDITIONAL ALLOCATIONS FOR TRIBAL AREA.—

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

7 “(4) ADDITIONAL ALLOCATIONS FOR TRIBAL
8 AREA INVESTMENTS.—

9 “(A) IN GENERAL.—In the case of each
10 calendar year after 2025, there is (in addition
11 to any limitation under any other paragraph of
12 this subsection) a new markets tribal area tax
13 credit limitation of \$175,000,000 which shall be
14 allocated by the Secretary as provided in para-
15 graph (2) except that—

16 “(i) such allocation shall only be allo-
17 cated with respect to qualified tribal area
18 investments, and

19 “(ii) in addition to the priorities de-
20 scribed in paragraph (2), the Secretary
21 may give priority to any entity with a
22 record of having successfully provided cap-
23 ital or technical assistance in tribal statis-
24 tical areas.

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

1 “(i) IN GENERAL.—If the new mar-
2 kets tribal area tax credit limitation under
3 subparagraph (A) for any calendar year
4 exceeds the amount of such limitation allo-
5 cated by the Secretary for such calendar
6 year, such limitation for the succeeding
7 calendar year shall be increased by the
8 amount of such excess.

9 “(ii) LIMITATION ON CARRYOVER.—
10 No amount of new markets tribal area tax
11 credit limitation may be carried under
12 clause (i) past the 5th calendar year fol-
13 lowing the calendar year in which such
14 amount of new markets tribal area tax
15 credit limitation arose.

16 “(iii) TRANSFER OF EXPIRED NEW
17 MARKETS TRIBAL AREA TAX CREDIT LIM-
18 ITATION TO GENERAL LIMITATION.—In the
19 case of any amount of new markets tribal
20 area tax credit limitation which would (but
21 for clause (ii)) be carried under clause (i)
22 to the 6th calendar year following the cal-
23 endar year in which such amount of new
24 markets tribal area credit limitation arose,
25 the new markets tax credit limitation

1 under paragraph (1) for such 6th calendar
2 year shall be increased by the amount of
3 such new markets tribal area tax credit
4 limitation.

5 “(C) ALLOCATIONS RESTRICTED TO
6 QUALIFIED TRIBAL AREA INVESTMENTS.—For
7 purposes of this section—

8 “(i) subsection (b)(2) shall be applied
9 separately with respect to the new markets
10 tax credit limitation under paragraph (1)
11 and the new market tribal area tax credit
12 limitation under this paragraph,

13 “(ii) any designation under sub-
14 section(b)(1)(C) shall indicate the source
15 and amount of the limitation to which such
16 designation relates, and

17 “(iii) in the case of any investment
18 which is designated under subsection
19 (b)(1)(C) using amounts of the new mar-
20 ket tribal area tax credit limitation allo-
21 cated under this paragraph—

22 “(I) such investment shall not be
23 treated as a qualified equity invest-
24 ment unless substantially all of the
25 cash described in subsection (b)(1)(A)

1 is used to make qualified tribal area
2 investments, and

3 “(II) subsection (g)(3)(B) shall
4 be applied by substituting ‘subsection
5 (f)(4)(C)(iii)(I)’ for ‘subsection
6 (b)(3)(B)’.

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, 2025.

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 subsection, 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, 2025.

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), by striking the period at the end of paragraph (17)
15 and inserting a semicolon, and by inserting after para-
16 graph (17) the following new paragraphs:

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

21 “(19) any grantor trust established by an In-
22 dian tribe for the benefit of Indians and for which
23 the Indian tribe is the grantor (within the meaning
24 of subpart E of part 1 of subchapter J of chapter
25 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, 2025.

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 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. 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, 2025.