



Eastern Band of Cherokee Indians  
**Office of Principal Chief**  
**Richard G. Sneed**



February 7, 2018

## Important Notice: New Tribal Privilege Tax Rate

Dear Tribal Business Owner,

In accordance with Ordinance No. 069 (2018) the Eastern Band of Cherokee Indians has adjusted the rate **of Tribal Privilege Tax to 4% effective March 1, 2018**. Please update your systems to charge the correct amount of Privilege Tax.

### ARTICLE V. - PRIVILEGE TAX

Sec. 105-30. - Imposed.

- (1) *Short-Term Rental Privilege Tax.* A Privilege Tax is imposed on the operators of hotels, motels, tourist homes, tourist camps, campgrounds, rental cabins, and similar type businesses and persons who rent private residences and cottages to transients. This tax shall not apply to any private residence or cottage that is rented for less than 15 days in a calendar year or to any room, lodging or accommodations supplied to the same person for a period of 90 or more continuous days. This tax shall be in addition to any sales tax or levy now or hereafter imposed.

Sec. 105-31. - Rate.

- (a) The Privilege Tax rate for hotels, motels, tourist homes, residences and cottages under Subsections 105-30(1) shall be **four percent (4%)** of sales price for each room for every day or night it is rented.
- (b) The Privilege Tax rate for tourist camps and campgrounds under Subsections 105-30(1) shall be **four percent (4%)** of sales price for each site for every day or night it is rented.
- (c) The percentage rate of **4%** of the sales price shall apply on sales starting at **12:01 a.m. in the morning of March 1, 2018**.

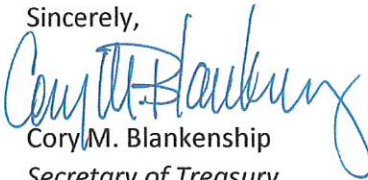
Sec. 105-32. - Collection and payment.

- (a) Every person or firm conducting a business on the Cherokee Reservation, subject to the Tribe's Short-term Privilege Taxes shall maintain accurate written records of all room or campsite rentals and shall make such records available for inspection by Tribal finance officers or auditors retained by the Tribe.
- (b) Each person or firm conducting a business on the Cherokee Reservation, subject to the Tribe's Short-term Privilege Taxes shall pay the appropriate Privilege Tax on all room or campsite rentals no later than the fifteenth day of each month for all such rentals in the previous month. A report of the receipts on a form prescribed by the Tribe shall be filed with the payment, and the payment shall be identified by the respective Tribal Business License number and the name of the business as shown on the license.

- (c) Filing shall be considered timely if the reports, together with the appropriate Privilege Tax collected, are hand delivered to the Tribe or placed in the United States Postal Service and postmarked no later than the fifteenth day of the month following the month being reported. If the fifteenth day of the month falls upon a weekend or legal holiday, reports shall be due in the same manner upon the next business day.
- (d) For each report not filed by such date and accompanied by the proper amount of Privilege Tax, there shall be assessed a penalty in the amount of 25 percent of the of the appropriate Privilege Tax properly due the Tribe, with the penalty to be not less than \$100.00.
- (e) Upon a licensee's failure to pay the appropriate Privilege Tax and file the required Privilege Tax report by the close of business on the fifteenth day of the month, there shall be assessed interest at the rate of 12 percent per annum on the amount properly due the Tribe. Interest shall run from the first day of the month in which the Privilege Tax is due through the date of payment. If a licensee's Privilege Tax is returned to the Tribe by the bank, that licensee shall be required to make all future Privilege Tax payments by cash, postal money order or certified bank check. Any returned checks shall be considered nonpayment and shall be subject to the same penalty and interest as set out in this section. Anyone submitting a check that shall be returned shall be responsible for reimbursing the Tribal Finance Office for processing the check within ten days after notification.
- (f) In addition to the above penalty and interest, the Tribe is hereby directed to notify the business of the Tribe's intent to cancel the Tribal Business License and close the business of any licensed person or firm failing to file a Privilege Tax Report and pay the Privilege Tax, together with any penalty and interest, within 30 calendar days after the date the date due on the fifteenth day of the month. The defaulting business may bring the issue of its default to the Tribe's Revenue Office for decision, and if the license is canceled by the Revenue Officer, may appeal to the Tribe's Business Committee. A decision of the Tribe's Business Committee is final and may not be further appealed. If a defaulting licensee has more than one Tribal Business License, all of his licenses shall be canceled and all of his businesses closed upon such cancellation of a Tribal Business License, and the matter shall be referred to the United States Attorney or the Tribal Attorney to collect the amount due the Tribe, including the Privilege Tax, penalty and interest.

Should you have any questions regarding the new rate or remittance of taxes to the Eastern Band of Cherokee Indians, please contact Catherine Blythe, Business & Tax Specialist at (828)359-7062 or [cathblyt@nc-chokeee.com](mailto:cathblyt@nc-chokeee.com).

Sincerely,



Cory M. Blankenship

*Secretary of Treasury*

Eastern Band of Cherokee Indians