

CHEROKEE COUNCIL HOUSE  
CHEROKEE, NORTH CAROLINA

Date: \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_ (2025)

*An ordinance to increase the Tribal levy rate and short-term rental privilege tax rate.*

WHEREAS, Cherokee Code (C.C.) Section 105.1 imposes a Tribal levy on all retail sales of goods or merchandise on Tribal land, and the current levy rate is 7.5%; and

WHEREAS, C.C. Section 105-30 imposes a short-term rental privilege tax on operators of hotels, motels, tourist homes, tourist camps, campgrounds, rental cabins, and similar type businesses; and

WHEREAS, currently C.C. § 105-31 imposes a four percent (4%) tax on the sales price for each room for every day or night it the room is rented, and C.C. § 105-33 requires the Tribe to allocate the collected funds to various Tribal programs; and

WHEREAS, the levy rate has not been adjusted since 2011 (Ordinance No. 785 (2011)) and the the short-term rental privilege tax rate has not been adjusted since 2018 (Ordinance No. 59 (2018)) and is substantially below the rate imposed by surrounding destination communities; and

WHEREAS, the levy rate and the short-term rental privilege tax rate should be increased, and the allocation expressed in C.C. Section 105-33 for the short-term rental privilege tax should be amended to give the Tribe more flexibility in how those revenues are used.

NOW THEREFORE BE IT ORDAINED by the Eastern Band of Cherokee Indians in Tribal Council assembled, at which a quorum is present, that C.C. Section 105.1, Section 105-31 and Section 105-33 shall be amended to read as follows:

**Sec. 105-1. - Tribal Levy imposed.**

The Levy which may be imposed under this article is limited to a tax at the rate of ~~seven and one-half~~ nine (9%) percent of:

- (a) All retail sales of goods or merchandise by persons or firms trading or conducting business on the Cherokee Indian Reservation; and
- (b) All admission charges made by persons or firms presenting attractions on the Cherokee Indian Reservation, except for admission charges by attractions which are presented by a nonprofit organization.

Sec. 105-31. – Privilege tax r~~Rate~~.

- (a) The Privilege Tax rate for hotels, motels, tourist homes, residences, bed and breakfasts, Airbnbs, and cottages under Subsections 105-30(1) shall be ~~four~~ six percent (6%) 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~~ six percent (6%) of sales price for each site for every day or night it is rented.
- (c) The percentage rate of ~~four~~ six percent (6%) of the sales price shall apply on sales starting at 12:01 a.m. in the morning of ~~March 1, 2018~~ January 1, 2026.

Sec. 105-33. - Use of funds.

- (a) All funds collected by the Eastern Band pursuant to this article shall be deposited into the Tribe's General Fund and allocated as provided in this section. ~~promptly into a special bank account in the name of the Eastern Band in a bank designated by the Executive Committee, with the funds insured by the Federal Deposit Insurance Corporation.~~
- (b) Twenty-five percent (25%) of the one-half of the short term privilege tax collected shall be ~~deposited in~~ allocated to the Cherokee Tribal Sanitation Budget, specifically sanitation to eliminate the solid waste user fee for households. ~~This fund shall be~~ and disbursed in accordance with the annual budget adopted by the Tribal Council.
- (c) Fifty percent (50%) of the privilege tax collected shall be ~~deposited in~~ allocated to the Travel & Promotion Budget. This fund shall be disbursed in accordance with the annual budget adopted by the Tribal Council for the purpose of Tourism and shall be used as follows:
- (1) To promote the Tribe's bottled water program; and
- (2) To help fund events sponsored by the Tribe and held at the Cherokee fairgrounds and other locations in Cherokee and for fairgrounds maintenance; and, additionally,
- (3) To help fund an EBCI Tourism Development Authority (TDA) in the amount set by Tribal Council in the annual budget.
- (d) Three percent (3%) of the privilege tax collected shall be ~~deposited in~~ allocated to the Cultural Preservation Budget. ~~This fund shall be~~ and disbursed in accordance with the annual budget adopted by the Tribal Council for the purposes of cultural preservation.

- 1 (e) Three percent ~~(3%) of the privilege tax collected~~ shall be ~~deposited in~~ allocated to the  
2 Youth Sports Budget. ~~This fund shall be and~~ disbursed in accordance with the annual  
3 budget adopted by the Tribal Council for the purposes of youth sports.  
4
- 5 (f) Three percent ~~(3%) of the privilege tax collected~~ shall be ~~deposited in~~ allocated to the  
6 Health Transportation Budget. ~~This fund shall be and~~ disbursed in accordance with the  
7 annual budget adopted by the Tribal Council for the purposes of travel to medical  
8 services.  
9
- 10 (g) Three ~~(3%) percent of the privilege tax collected~~ shall be ~~deposited in~~ allocated to the  
11 Fuel Assistance Budget. ~~This fund and~~ shall be disbursed in accordance with the annual  
12 budget adopted by the Tribal Council for the purposes of providing fuel.  
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- 14 (h) Thirteen percent ~~(13%) of the privilege tax collected~~ shall be ~~deposited in~~ allocated to the  
15 Tribal Recreation Program Budget. ~~This fund shall be and~~ disbursed in accordance with  
16 the annual budget adopted by the Tribal Council for the purpose of providing Tribal  
17 recreation programs.  
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20 BE IT FINALLY RESOLVED that, pursuant to C.C. Section 117-38(d)(5), all prior resolutions  
21 and ordinances that are inconsistent with this ordinance are rescinded, and that this  
22 ordinance shall become effective upon ratification by the Principal Chief. Subject  
23 to such ratification, the increased tax and levy rates expressed herein shall apply on  
24 and after January 1, 2026..  
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27 *Submitted by: Brandi Claxton, Interim Secretary of Treasury; and Michael McConnell, Attorney*  
28 *General.*