



## Employment Tax Workshops Scheduled

The office of Indian Tribal Governments has developed a series of intensive workshops to assist tribal employees with the knowledge necessary to address federal employment tax responsibilities. Issues covered include:

- Defining Employees vs. Independent Contractors
- Computing the correct taxes for payroll
- Completing Form 941 Quarterly Employment Tax Return
- Making federal tax deposits
- Due dates of tax returns
- Completing Forms W-2/W-3 and 1099/1096
- Reconciling Forms 941 and W-2 at year end
- Avoiding penalties
- Meeting rules for an Accountable Plan for Per Diem & Travel Reimbursements

Many of these workshops also include outside speakers to address questions regarding unemployment and social security.

Workshops are currently scheduled in the following locations during the third calendar quarter. You can register to attend by clicking on [ITG Education and Training](#) or on the same link in the left border of our Internet landing page at [www.irs.gov/tribes](http://www.irs.gov/tribes).

7/8/2009	Sacramento, California	9:00am-5:00pm
7/15/2009	Santa Rosa, California	9:00am-5:00pm
7/15-7/16/09	Spokane, Washington	8:00am-4:30pm
7/23/2009	Klamath, California	9:00am-5:00pm
7/28/2009	Reno, Nevada	9:00am-5:00pm
7/30/2009	Elko, Nevada	9:30am-5:30pm
8/12-8/13/09	Spokane, Washington	8:00am-4:30pm
8/18-8/19/09	Duluth, Minnesota	8:00am-4:30pm
9/22-9/23/09	Portland, Oregon	8:00am-4:30pm



*...the workshops will assist tribal employees with the knowledge necessary to address federal employment tax responsibilities...*

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### Upcoming Events

Consultation Listening Meeting	July 16th—Tulsa, Oklahoma
Consultation Listening Meeting	August 12th—Albuquerque, New Mexico



## **Payroll Resumption Emergency Procedures And Reporting Essentials (PREPARE)**

The office of Indian Tribal Governments (ITG) has prepared a kit that outlines a series of steps to assist tribes when there has been an unforeseen interruption in payroll processing and/or federal tax reporting. If you are faced with this problem, the following actions will assist you in regaining control and restoring compliance:

### 24 Hours

- Determine your Employer Identification Number(s) (EIN)
- Contact your [Indian Tribal Governments \(ITG\) Specialist](#) at 202-283-9800
- Determine your Federal Tax Deposit (FTD) type: Monthly, Semiweekly, Next Day
- Determine when FTD is due – [Publication 3151, Understanding Federal Tax Deposits](#)
- Determine method used to make FTD – electronic or manual
- If electronic, locate existing [Electronic Federal Tax Payment System \(EFTPS\)](#) password
- Obtain [Publication 1518, IRS Tax Calendar](#)
- Obtain [Publication 15, Employer's Tax Guide](#)
- Obtain [Publication 15-T, New Wage Withholding Tables](#)
- Obtain [Publication 15-A, Employer's Supplemental Tax Guide](#)
- Obtain [Publication 15-B, Employer's Tax Guide to Fringe Benefits](#)
- Underlined items and additional information can be found at [www.irs.gov/tribes](http://www.irs.gov/tribes) or sent via overnight mail by contacting your ITG Specialist at 202-283-9800

### 1st Week

- Locate payroll records and determine payroll period
  - Determine type of payroll system: electronic, manual, payroll service provider
  - Identify distributions to tribal members, if any
  - Calculate proper income tax withholding amounts, if applicable
  - Identify any previous FTD's made
  - Discuss any IRS correspondence with your ITG Specialist
  - Determine your tax return due dates
  - If necessary, call 1-800-555-8778 to reset your EFTPS password
- Secure [Publication 4268, Indian Tribal Government Employment Tax Guide](#)

### 1st Month

- Review prior year information return filings
- Determine end of year electronic filing requirements and secure any necessary passwords
- Schedule an appointment with your ITG Specialist

### 1st Quarter

- Prepare and file applicable returns
- File any delinquent returns

Further information and assistance is available from your [Indian Tribal Governments \(ITG\) Specialist](#).



## Consultation Listening Meetings Scheduled for Tulsa and Albuquerque

The office of Indian Tribal Governments (ITG) has scheduled two Consultation Listening meetings during the next calendar quarter.

The first meeting will be held on Thursday July 16th from 1:00pm-4:00pm in Tulsa at:

Doubletree Hotel at Warren Place  
6110 South Yale Avenue  
Tulsa, Oklahoma 74136

The second meeting will be held in Albuquerque on Wednesday August 12th from 1:00pm-4:00pm at:

Albuquerque Marriott  
2101 Louisiana Blvd NE  
Albuquerque, New Mexico 87110

These meetings are open to anyone, and we encourage attendance by all interested parties. We ask that attendees register through a link at [www.irs.gov/tribes](http://www.irs.gov/tribes) so that we can ensure we have adequate meeting space.

Meetings held over the past three years have led to meaningful changes in IRS procedures and have also allowed us to forward tribal concerns to other IRS functions and other federal agencies. We hope that those in the Tulsa and Albuquerque areas are able to participate in the upcoming meetings.

### **Tribal Economic Development Bonds Notice**

Notice 2009-51 will be formally published in Internal Revenue Bulletin 2009-28 on July 13, 2009, and solicits applications for allocations of the national bond volume limitation authority ("volume cap") of \$2 billion to issue tribal economic development bonds (TEDBs) under Section 7871(f) of the Internal Revenue Code. This Notice also provides related guidance on (1) the eligibility requirements that a project must meet to be considered for a volume cap allocation; (2) the application requirements and the application form for requests for volume cap allocations; and (3) the method that the IRS will use to allocate the volume cap.

An advance copy of Notice 2009-51 is currently available on the IRS web site at [www.irs.gov/pub/irs-drop/n-09-51.doc](http://www.irs.gov/pub/irs-drop/n-09-51.doc).



## Former Tribal Chairman Pleads Guilty to Campaign Finance Violations and Fraud

The former chairman of the Mashpee Wampanoag Tribe was recently sentenced to prison following a guilty plea campaign finance law violations, along with tax fraud, wire fraud and Social Security fraud, in connection with efforts to secure federal recognition for the Tribe. His plea related to a five count Information in which he admitted to illegal campaign contributions to members of Congress on behalf of the Tribe, embezzling funds from the Tribe, filing false tax returns for himself and the Tribe, and fraudulently receiving Social Security Disability Benefits.

Glenn A. Marshall committed these offenses in connection with his service from 2001 to 2007 as Chairman of the Mashpee Wampanoag Tribal Council, the Tribe's governing body. During his tenure, Marshall spearheaded the Tribe's effort to become officially recognized by the federal government, which would qualify the Tribe for an array of federal program benefits, and render it eligible under the Indian Gaming Regulatory Act to build a casino on its lands.

According to the Information, beginning in 1999, the Tribe's push for recognition was underwritten by a Michigan-based investment company called AtMashpee LLC, which provided the Tribe millions of dollars for its operations and for legal, lobbying, and other professional services, in exchange for an equity stake in any casino the Tribe might ultimately build. Among other services, the Tribe's attorneys filed a lawsuit against the Department of the Interior ("DOI") to force DOI to act on the Tribe's recognition petition, which the Tribe claimed had been unduly delayed. The Tribe also hired lobbyists to make the Tribe's case before members of Congress and their staffs in the hope that they would encourage the DOI to act favorably on the petition.

In late-2001, Marshall hired a political consultant to coordinate the Tribe's lobbying and public relations activities. The political consultant answered to Marshall and worked directly with the Washington, D.C.-based lobbyists paid for by AtMashpee.

In mid-2002, Marshall concluded that the lobbyists had failed to build sufficient political pressure in Congress for the Tribe's petition. In or about September 2002, after consulting with another officer of the Tribal Council, Marshall decided to replace the lobbyists and directed the political consultant to find a Washington, D.C. lobbyist who would be more effective in presenting the Tribe's case for recognition to relevant federal officials, including Members of Congress and officials in the DOI. Consistent with Marshall's directive, the political consultant contacted an associate of lobbyist Jack A. Abramoff to determine whether Abramoff would be interested in providing lobbying services on behalf of the Tribe.

In early-2003, Abramoff and his team of lobbyists began to work for the Tribe and focused their efforts on contacting members of Congress and senior officials in the DOI concerning the status of the Tribe's recognition petition. The Information alleges that, in or about January 2003, Marshall, along with the political consultant and another officer of the Tribal Council, met with Abramoff and his associates concerning the Tribe's lobbying strategy. Abramoff advised them that in order to advance its recognition effort, the Tribe needed to make significant political contributions to certain Members of Congress so that they might build political pressure on the DOI to act favorably on the Tribe's petition.

....continued on page 5

### **Reporting Abuses/Schemes**

We continue to work with tribes and tribal officials to address financial abuses and schemes being promoted in Indian country. Working together can help ensure the integrity of tribal finances and eliminate the threats posed by individuals with schemes that appear "too good to be true" and often are. If you are aware of financial impropriety, or of a promoter advocating a scheme that appears highly suspect, you can contact the ITG Abuse Detection and Prevention Team at (716) 686-4860 or via e-mail at [tege.itg.schemes@irs.gov](mailto:tege.itg.schemes@irs.gov).



....continued from page 4

Around the same time, the political consultant, and certain other professionals hired by the Tribal Council, told Marshall that they preferred to be paid directly by the Tribal Council, rather than by AtMashpee. Marshall then arranged to have AtMashpee fund the Tribal Council for the payment of such services, and that such funds would be deposited into an account in the name of the Mashpee Fisherman's Association, a defunct corporation which Marshall and another officer of the Tribal Council were authorized signatories. The account had been dormant for several years up to that point.

From 2003 to 2007, AtMashpee paid approximately \$4 million into the Fisherman's Account, a sum that Marshall willfully omitted from the Tribal Council's federal tax returns. Marshall used most of the money to pay for legal, lobbying and public relations expenses in connection with the Tribe's recognition effort. The Tribe's lobbyists included Abramoff until in or about 2004, and thereafter, Abramoff's former associates, who lobbied members of Congress and DOI officials concerning the Tribe's petition. They also included lobbyists and a public relations firm in Boston to make the case before state legislators and other state officials that once the Tribe became federally recognized, the state should enter into a compact with the Tribe that would permit it to operate a casino.

In consultation with Abramoff and his team as well as the Boston-based lobbyists, the political consultant recommended on numerous occasions to Marshall which state and federal legislators should receive campaign contributions. To finance these contributions, Marshall turned to the Tribal Council funds in the Fisherman's Association account. Beginning in or about 2003 and continuing through 2006, Marshall used funds in the Fisherman's Association account to make campaign contributions to various elected officials in order to curry favor for the Tribe's recognition petition and its effort to build a casino on tribal land.

Marshall was aware that federal law prohibited corporations, including the Tribal Council, from making contributions to federal campaigns. In order to disguise the fact that the Tribal Council was making contributions to federal campaigns, Marshall solicited various individuals to act as straw contributors, including members of his family and officers of the Tribal Council. In each instance, Marshall asked the straw contributor to write a check to a candidate's reelection committee, insisting that the contribution was necessary to further the Tribe's recognition effort and promising the straw contributor that the Tribal Council would reimburse him or her for the contribution. Marshall himself also made such straw contributions.

From 2003 to 2007, Marshall caused the Tribal Council, through payments from the Fisherman's Association account, to reimburse straw contributors a total of \$49,950.00 in federal campaign contributions, and another \$10,550.00 in straw contributions to elected state officials. Marshall paid all of the reimbursements by check or cash drawn from the Tribal Council funds in the Fisherman's Association account.

During the same period, Marshall used funds in the Fisherman's Association account for personal expenses, knowing that the funds belonged to the Tribal Council. Specifically, Marshall spent approximately \$380,000 from the Fisherman's Association account on such personal expenses as groceries, vacation trips, tuition payments for his daughter, restaurant tabs, home repairs, home mortgage payments and jewelry. Marshall willfully failed to report these expenses as personal income on his tax returns.

Marshall also pleaded guilty to fraudulently receiving social security disability benefits. Marshall had received benefit payments since the late 1980's based on his representations to the Social Security Administration that he was unable to work as a result of a disability. In 2000, Marshall began working full-time for the Tribal Council as its chairman, earning an annual salary of approximately \$40,000. He refrained from disclosing his employment status to the Administration, however, knowing that it would have rendered himself ineligible to receive further benefits. He thereafter collected approximately \$10,000 a year in benefits.



## Successful Training in Anchorage

Recently, we [the office of Indian Tribal Governments (ITG)] held three different Employment Tax Workshops in the Anchorage office of the Internal Revenue Service. Originally, a single 2½-day class was offered for April 14<sup>th</sup>, 15<sup>th</sup>, and 16<sup>th</sup>. The response was so great that the class filled up quickly. We then offered a second class for April 20<sup>th</sup>, 21<sup>st</sup>, 22<sup>nd</sup>, and 23<sup>rd</sup>. When this second class also filled up, a third class was offered for April 28<sup>th</sup>, 29<sup>th</sup>, and 30<sup>th</sup>.

Half-day sessions for pull tab and bingo issues were also offered. ITG Specialist Diane Nesvick and Joe Koss from the State of Alaska presented the pull tab session.

Over the three different sessions, sixty-seven (67) individuals attended. From these sixty-seven attendees:

- thirty-five (35) different tribal governments were represented by 52 attendees.
- six cities (6 attendees),
- three village corporations (4 attendees),
- two nonprofits (3 attendees), and
- the IRS’s Taxpayer Advocate Service (2 attendees).

	-----Breakdown of Attendees-----					
	Total Attendees	Tribal	City	Village Corporation	Nonprofit	IRS/TAS
Class I	25	22	1	2	0	0
Class II	29	20	4	2	3	0
Class III	13	10	1	0	0	2
<b>Total</b>	<b>67</b>	<b>52</b>	<b>6</b>	<b>4</b>	<b>3</b>	<b>2</b>

Feedback from the participants was very favorable. ITG Specialists Mary Jo Audette and Judy Pearson presented the workshop and covered topics that included:

- Defining Employees vs. Independent Contractors
- Computing the correct taxes for payroll
- Completing Form 941 Quarterly Employment Tax Return
- Making federal tax deposits
- Due Dates on Tax Returns
- Completing Forms W-2/W-3 and 1099/1096
- Reconciling Forms 941 and W-2 at year end
- Avoiding penalties
- Meeting rules for an Accountable Plan for Per Diem & Travel Reimbursements
- Pull tab and gaming excise tax filing requirements

The State of Alaska Department of Labor and Workforce Development provided two guest speakers who discussed employment issues related to State of Alaska filing requirements and online filing. Meanwhile, the State of Alaska Division of Community & Regional Affairs provided a speaker who explained the Rural Utility Business Advisor (RUBA) Program and its role in rural Alaska.

We plan to offer similar training in Anchorage every Spring. So keep a reminder on your calendar if you would like to attend.

See page 11 for a notice of a September workshop in Kotzebue.



## Problems Identified through Compliance Checks

You may receive a letter from one of our Specialists requesting an appointment for a Compliance Check. While you may decline, we hope you will set an appointment for the Compliance Check as it is a valuable tool to (1) look at areas where tribes may have federal tax responsibilities and (2) help stop potential problems. It is also a way to help tribal officials and employees learn and/or understand the tribe's filing requirements and avoid errors.

A Compliance Check is a review to see if a tribal entity is following record keeping and information reporting requirements. It does not directly relate to finding a tax liability for any past tax period and does not involve the examination of books and records by the IRS.

Information on the entire Compliance Check process, as well as useful references on common tribal tax issues, can be accessed on our web landing page by clicking on "Self Assess Tribal Tax Compliance."

The following list shows the "Top 10" items that are surfacing via Compliance Checks and may be useful to you in assessing your own situation. If you believe you may have any of the issues outlined below, you may wish to apply to conduct a self Compliance Check through our TEFAC program. The process is also outlined on our web site—[www.irs.gov/tribes](http://www.irs.gov/tribes).

### "The Top 10"

1. Amounts on Forms W-2, W-3, and 941 don't reconcile.
2. Forms W-9 and W-4 are not being used or are not being updated when necessary.
3. Unaware of requirement to backup withhold if no TIN provided prior to payment.
4. Form 1099 problems
  - the forms were not prepared at all,
  - the forms were prepared incorrectly (amounts in the wrong box, etc.),
  - the forms were prepared but not submitted to IRS,
  - the incorrect copy was submitted to IRS,
  - not aware of the exception to filing on payments to corporations,
  - not aware of requirement to file 1099 for medical and legal expenses, even if the recipient is incorporated.
5. Employment tax return filing/deposit problems
  - tax returns filed but no tax deposits were made,
  - deposits were made but no return was filed,
  - deposits were made to incorrect period,
  - deposits were made using the wrong timetable (e.g. monthly deposits when should be semiweekly),
  - Form 941 was filed with no Schedule B attached (when necessary).
6. Payments to tribal members and committee members not reported on information returns, reported on the wrong information return, required withholding not done, or withholding done incorrectly.
7. Noncompliance with Revenue Ruling 59-354 - Tribal council members' pay being handled incorrectly and reported on a Form 1099 instead of a Form W-2 or being reported on a Form W-2 with FICA, Medicare and income tax withheld.
8. Incorrect filing requirements for the entity, or there are other tribal entities that were not identified to the IRS as belonging to the tribe.
9. Unaware of magnetic media filing requirement, and unaware of Filing Information Returns Electronically system (FIRE).
10. FUTA – tribes still making Form 940 tax deposits and/or filing Forms 940 when they are not required to pay FUTA because they participate in State unemployment.

The American Recovery and Reinvestment Act of 2009 contains many individual tax provisions that may affect your 2009 tax return. For more detailed information, please visit [www.irs.gov](http://www.irs.gov). Here are some of the new rules that are most likely to affect Alaskans:

### **Making your home more energy-efficient?**

**Residential Energy Property Credit:** The American Recovery and Reinvestment Act (ARRA) of 2009 increases the energy tax credit for homeowners who make energy efficient improvements to their existing homes. The new law increases the credit rate to 30 percent of the cost of all qualifying improvements and raises the maximum credit limit to \$1,500 for improvements placed in service in 2009 and 2010.

The credit applies to improvements such as adding insulation, energy efficient exterior windows and energy efficient heating and air conditioning systems.

A similar credit was available for 2007, but was not available in 2008. Homeowners should be aware that the standards in the new law are higher than the standards for the credit that was available in 2007 for products that qualify as "energy efficient" for purposes of this tax credit. The IRS will issue guidance that will allow manufacturers to certify that their products meet these new standards.

Until the guidance is released, homeowners generally may continue to rely on manufacturers' certifications that were provided under the old guidance. For exterior windows and skylights, homeowners may continue to rely on Energy Star labels in determining whether property purchased before June 1, 2009, qualifies for the credit. Manufacturers should not continue to provide certifications for property that fails to meet the new standards.

### **Buying a new car?**

**New Automobile Purchase Tax Deduction:** ARRA also provides for a new "above-the-line" deduction for sales and excise taxes paid on new cars, light trucks, motor homes and motorcycles purchased February 17 through December 31, 2009. The deduction is limited to the taxes paid on up to \$49,500 of the purchase price and the amount of the deduction is phased out for taxpayers whose modified adjusted gross income is between \$125,000 and \$135,000 for individual filers and between \$250,000 and \$260,000 for joint filers. The special deduction is available regardless of whether a taxpayer itemizes deductions on their 2009 return.

Although Alaska does not have a state sales tax, some cities and boroughs charge sales tax and/or a Motor Vehicle Registration Tax (MVRT).

### **Are you receiving unemployment?**

For 2009 tax year, up to \$2,400 of unemployment will not be subject to income tax.

## Is someone in the family pursuing higher education?

**American Opportunity Credit:** The new credit modifies the existing Hope Credit for tax years 2009 and 2010:

- The maximum credit is increased to \$2,500
- Qualified expenses now include required course materials such as books, in addition to tuition and fees.
- Up to 40% of the credit is refundable, meaning that even taxpayers with little or no tax liability can benefit from this credit.
- The credit may be taken for up to 4 tax years per student, instead of only 2 year.
- The full credit is available to individuals whose modified adjusted gross income is \$80,000 or less, or \$160,000 or less for married couples filing a joint return. The credit is phased out for taxpayers with incomes above these levels. These income limits are higher than under the existing Hope and Lifetime Learning Credits.

## Is your withholding correct?

**A Withholding Calculator** at the IRS web page can be used to see if you need to make a change. The new withholding tables that employers should have implemented by April 1, 2009 have been incorporated into the calculator. You should use this calculator to ensure that the reduced withholding will not result in having too little income tax withheld (possibly causing you to owe taxes next year) if:

- You are an employee working more than one job, or
- You and your spouse both work, or
- You can be claimed as a dependent on someone else's tax return

You can find the calculator at [www.irs.gov](http://www.irs.gov), using the search term "withholding calculator." You will need your most recent pay stubs and your 2008 tax return to help figure your correct withholding.

## Volunteer Tax preparation is still available in some communities

Free Volunteer Tax Preparation is provided at locations around the state. Sites in Anchorage, Seward, Soldotna and Ketchikan will remain open over the summer to prepare and e-file tax returns. To find the nearest volunteer site, call United Way's referral service, Alaska 2-1-1, by dialing 2-1-1 or 1-800-478-2221. Volunteers are certified by the IRS to prepare basic returns, including the Earned Income Credit and other family-oriented credits. Volunteer sites use IRS e-file, the quickest and most accurate way to file your tax return.

### Want to Avoid Penalties?

Are you incurring penalties? Do you want to eliminate penalties in the future?  
ITG has a "Helpful Hints to Avoid Penalties" job aid that can assist you.  
It's available by ordering our "Tax Tools for Tribes" CD-Rom  
via e-mail at [ITG.TaxTools@irs.gov](mailto:ITG.TaxTools@irs.gov).



## Message from the Director

The summer of 2009 finds us in the midst of challenging times. The country continues to experience difficult economic times, and many of the things that have formed the foundation of our economic system are in the midst of major change.

In response to these challenges, Congress has enacted numerous bills designed to have a positive economic impact and stimulate economic growth. Some of these involve bonding authority to assist governments in getting projects underway. Others provide new tax credits, while still others address the direct creation of new jobs.

One of the new laws that affects tribal bonds required the Service to develop rules on how to best allocate the amount of economic development bonding authority. We solicited input from tribes, and I want to thank all of you who took the time to provide your input and ideas. I can assure you that it was reviewed and fully considered as the Service worked through this difficult task.

Another major change involves COBRA, the provision that requires certain employers to permit continuation of medical insurance for employees who have lost their job. Under the new law, in certain circumstances the federal government will provide credits to employers who pay up to 65% of the premium cost for the affected employees. This is available to Tribes who cover employees under a commercial plan. Unfortunately, the reimbursement provision as enacted does not cover employees who were under tribal governmental benefit plans. However, tribes are also not required to provide COBRA coverage for those employees.

Another significant change involved the FY 2009 budget for the IRS. As a result of a significant increase in funding, ITG has been able to hire 17 new employees. This has not only allowed us to replace employees who had retired or otherwise left ITG in recent years, but also to have a slight staffing increase over our historic level. Many of you may have a new ITG Specialist assigned to your tribe, as soon as the new employees complete an extensive training program. This increase in staffing will permit us to continue the level of service necessary to provide a balanced approach to federal tax compliance for tribes, including the ability to conduct ongoing tax training for tribal employees, and the ability to increase our resources to address the most egregious noncompliance through our Abuse Detection and Prevention Team.

As always, I welcome your feedback and further suggestions on how we can best address federal tax administration needs for Tribes. I can be contacted at any time at 202-283-9800, or via e-mail at [Christie.Jacobs@irs.gov](mailto:Christie.Jacobs@irs.gov).

*Christie Jacobs*



## Pull Tab Sales and Form 11-C

Tribes selling pull-tabs are required to file:

- Form 730, *Monthly Tax Return for Wagers*, and
- Form 11-C, *Occupational Tax and Registration Return for Wagering*.

Form 11-C is an **annual** return which applies to persons receiving taxable wagers whether they receive compensation or are volunteers. Both the tribal government and **agents** (persons who accept taxable wagers on behalf of the tribe) must file Form 11-C to register and to pay the occupational tax before wagers are accepted and annually thereafter. Generally, the amount of the occupational tax is \$50 per year per person.



The agent has a unique Employer Identification Number (EIN) for purposes of the Form 11-C Occupational Tax. Even though the tribe typically prepares the Form 11-C for the agent and pays the \$50 fee on the agent's behalf, the agent is required to sign the return. A copy of this return should be given to the agent for their records.

**July 1, 2009 is the due date  
for the next Form 11-C  
for the tribe and any active agents.**

Once Form 11-C returns stop being filed under the agent's EIN, he/she may receive Notice CP 515 requesting a Form 11-C for tax period 07-01-200X. If the agent is no longer selling pull tab, he/she should immediately respond to the notice with the statement "The last month I sold pull tabs for XYZ Tribe was MM/YYYY. I do not have a filing requirement for the period listed."

**Where a third-party "operator" conducts the wagering pool activity on behalf of a tribe, tribal village, charity, or municipal government ("permittee") such as occurs in Alaska, who is the party responsible for filing the Forms 730 and 11-C?**

The tax liability and the filing of Form 730, *Monthly Tax Return for Wagers*, is a joint and several liability between the permittee and the operator. This position has been decided in the case of [Alaska Chiropractic Society, et al v. United States](#). The Occupational Tax would be imposed on any individual accepting wagers, as well as the permittee and operator.

### Tax Tools for Tribes

You can order our comprehensive reference CD-ROM containing Publication 4268 (Employment Tax Guide for Tribes), Publication 3908 (Gaming Tax Law for Indian Tribal Government), Publication 15 (Employer's Tax Guide), Publication 15-A (Employer's Supplemental Tax Guide), ITG News issuance for your area for the last 8 quarters, a "primer" for federal tax issues affecting individual Native Americans, and a guide on "Helpful Hints to Avoid Penalties." E-Mail us at [ITG.TaxTools@irs.gov](mailto:ITG.TaxTools@irs.gov) and provide your mailing address and the number of CD-ROM copies you would like to receive.

### September 2009 Training in Kotzebue

Maniilaq Association and Rural Utility Business Advisors (RUBA) are sponsoring an Employment Tax Workshop in Kotzebue on September 15 - 17, 2009. Training will be held at the Alaska Technical Center in Kotzebue. Presenters from the IRS's Office of Indian Tribal Governments will be Judy Pearson and Mary Jo Audette. For further information and registration please call:

**Tribes: Jackie Hill at 907-442-7652  
Cities: Margaret Hansen at 907-442-3696**



# Federal Tax Calendar for Third Quarter 2009

## July 2009

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 * Make a deposit for 6/24-6/26	2	3 * Make a deposit for 6/27-6/30	4
5	6	7	8 * Make a deposit for 7/1-7/3	9	10 * Make a deposit for 7/4-7/7  Employees report June tip income to employers if \$20 or more	11
12	13	14	15 * Make a deposit for 7/8-7/10 ** make a deposit for June if under the monthly deposit rule	16	17 * Make a deposit for 7/11-7/14	18
19	20	21	22 * Make a deposit for 7/15-7/17	23	24 * Make a deposit for 7/18-7/21	25
26	27	28	29 * Make a deposit for 7/22-7/24	30	31 * Make a deposit for 7/25-7/28	

## August 2009

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5 * Make a deposit for 7/29-7/31	6	7 * Make a deposit for 8/1-8/4	8
9	10 Employees report July tip income to employers if \$20 or more	11	12 * Make a deposit for 8/5-8/7	13	14 * Make a deposit for 8/8-8/11	15
16	17 ** make a deposit for July if under the monthly deposit rule	18	19 * Make a deposit for 8/12-8/14	20	21 * Make a deposit for 8/15-8/18	22
23	24	25	26 * Make a deposit for 8/19-8/21	27	28 * Make a deposit for 8/22-8/25	29
30	31					

\* = Make a Payroll Deposit if you are under the semi-weekly deposit rule.

\*\*= Make a Monthly Deposit if you qualify under that rule.



## September 2009

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2 * Make a deposit for 8/26-8/28	3	4 * Make a deposit for 8/29-9/1	5
6	7	8	9	10 * Make a deposit for 9/2-9/4  Employees report August tip income to employers if \$20 or more	11 * Make a deposit for 9/5-9/8	12
13	14	15 ** make a deposit for August if under the monthly deposit rule	16 * Make a deposit for 9/9-9/11	17	18 * Make a deposit for 9/12-9/15	19
20	21	22	23 * Make a deposit for 9/16-9/18	24	25 * Make a deposit for 9/19-9/22	26
27	28	29	30 * Make a deposit for 9/23-9/25			

File Form 730 for  
wagers received  
during August

- \* = Make a Payroll Deposit if you are under the semi-weekly deposit rule.  
 \*\*= Make a Monthly Deposit if you qualify under that rule.

NOTE: Deposits made through EFTPS must be initiated at least one day prior to the due dates listed above in order to be timely.

### Return Filing Dates

#### July 1st

- > File Form 11-C to register and pay the annual tax if you are in the business of taking wagers or selling pull tabs

#### July 31st

- > File Form 941 for the 2nd quarter of 2009.  
If all deposits paid on time and in full, file by August 10th.
- > File Form 730 and pay the tax on applicable wagers (pull tabs sales) accepted during June.

#### August 31st

- > File Form 730 and pay the tax on applicable wagers (pull tabs sales) accepted during July.

#### September 30th

- > File Form 730 and pay the tax on applicable wagers (pull tabs sales) accepted during August.



### Indian Tribal Government (ITG) Specialists for Alaska

<u>name</u>	<u>location</u>	<u>phone/fax</u>	<u>e-mail</u>
<b>Judy Pearson</b>	Anchorage	Ph 907-271-6949	<a href="mailto:Judy.M.Pearson@irs.gov">Judy.M.Pearson@irs.gov</a>
		Fax 907-271-6664	
<b>Mary Jo Audette</b>	Anchorage	Ph 907-271-6874	<a href="mailto:Mary.J.Audette@irs.gov">Mary.J.Audette@irs.gov</a>
		Fax 907-271-6413	
<b>Diane Nesvick</b>	Anchorage	Ph 907-271-6917	<a href="mailto:Diane.M.Nesvick@irs.gov">Diane.M.Nesvick@irs.gov</a>
		Fax 907-271-6664	
<b>Joe Kincaid</b>	Portland	Ph 503-326-2381	<a href="mailto:Joe.Kincaid@irs.gov">Joe.Kincaid@irs.gov</a>
<b>Manager</b>		Fax 503-326-7441	
<b>Customer Service</b>		Ph 877-829-5500	
<b>Web site</b>		<a href="http://www.irs.gov/tribes">www.irs.gov/tribes</a>	

## New Contact Information for ITG Tip Program Coordinator

The Phoenix IRS office relocated on June 22nd. As a result, ITG Tip Coordinator Suzanne Perry has a new address and telephone number. Effective immediately, Suzanne's new contact information is:

Internal Revenue Service  
MS 7200 PHX: perry  
TEGE:ITG  
4041 N. Central Ave. Ste. 112  
Phoenix, Arizona 85012-5000

Phone: (602) 636-9181  
Fax: (602) 636-9188

Please use this contact information for submission of any tip reports, and please call her with any questions you have in regard to tip reporting compliance or your voluntary tip reporting agreement.