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**Revenue Department gives tax guidance to Tribal members about settlement money**

Helena – The Montana Department of Revenue is providing tax guidance and information to Tribal governments about recent settlement agreement payments.

The payments were made to Tribal members from the lawsuit settlements Cobell v. Salazar, Tribal Trust Accounting and Management, and Keepseagle v. Vilsack.

“The department believes this information will be useful to Tribal communities,” said Revenue Director Mike Kadas. “We want to insure that the Tribes and their members are able to take full advantage of these settlements.”

A recent letter to Tribal leaders from the department explained that payments from the Cobell v. Salazar and Tribal Trust Accounting and Management settlements are not subject to tax under federal tax law, and therefore they are not subject to Montana’s individual income tax. In contrast, the Keepseagle payments are subject to tax under federal tax law, and therefore the department believes the taxability of the Keepseagle v. Vilsack settlement payments depends on federal Indian law and individual situations. As a result, the department suggests that people receiving Keepseagle payments seek assistance from a tax preparer to determine whether their payments are subject to Montana’s individual income tax.

The department’s letter included a list of frequently asked questions. To access those, visit:

<http://revenue.mt.gov/formsandresources/tribalmemberincometaxfilers-settlementpayment-faq.mcp>

The Cobell v. Salazar lawsuit was a class action suit against the U.S. Department of Interior alleging the government mismanaged individual Indian trust accounts.

The Tribal Trust Accounting and Management lawsuit was brought by Tribes against the Department of Interior alleging the mismanagement of tribal trust accounts and trust resources.

The Keepseagle v. Vilsack lawsuit was against the U.S. Department of Agriculture alleging it discriminated against Native American farmers in administering farm loans.

For more information about the department and its services, please visit our website at [www.revenue.mt.gov](http://www.revenue.mt.gov) or phone our call center toll free at 1-866-859-2254 or 444-6900 if calling from a Helena number.

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