



FOR IMMEDIATE RELEASE  
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## **Budget and Finance committee approves proposed amendment to the Navajo Nation tax code**

**WINDOW ROCK** – On Tuesday, the Budget and Finance Committee considered Legislation No. 0172-14, which proposes to amend the Navajo Nation Code Title 24 taxation laws to require a super-majority vote of the Navajo Nation Council for any changes or additions to all Navajo Nation tax rates.

According to the legislation, it proposes the addition of Section 142 to Title 24 to state that, “Any new Navajo Nation tax imposed shall require two-thirds (2/3) vote of the Navajo Nation Council’s full membership.”

Legislation sponsor Council Delegate Walter Phelps (Cameron, Coalmine Canyon, Leupp, Tolani Lake, Tsidi To’ii) said the purpose of the legislation is to ensure that tax increase initiatives receive strong support from Council and that Navajo people are not overburdened with additional taxes.

“The intent is to increase the threshold on any proposed tax increases because there needs to be a demonstration of strong support by the Council on these types of initiatives, and it is to protect businesses on the Navajo Nation and the Diné people,” said Delegate Phelps.

On May 10, the Tolani Lake Chapter passed a resolution in support of Delegate Phelps’s proposed legislation, citing several concerns including previous tax increases, “which was not officially supported by its constituents,” and would not tax large businesses.

The legislation states that the Office of the Navajo Tax Commission collected over \$110 million in tax revenue in 2013, which was allocated to the General Fund, Sales Tax Trust Fund, Judicial/Public Safety Facilities Fund, Scholarship Fund, and Economic Development Fund.

In opposition of the legislation, BFC member Council Delegate Danny Simpson (Becenti, Crownpoint, Huerfano, Lake Valley, Nageezi, Nahodishgish, Tse’ii’ahí, Whiterock) indicated a connection between the proposed bill, and a separate legislation entitled the Healthy Diné Nation Act of 2014.

“This [Legislation No. 0172-14] was initiated right after the Healthy Diné Nation Act of 2014 bill was going into the legislative process,” stated Delegate Simpson, following the meeting. “The intent is to stop the Act from passing.”

Delegate Simpson introduced the proposed Healthy Diné Nation Act, which seeks to impose an additional two-percent sales tax on food items that are considered to have minimal to no nutritional value. The bill is currently awaiting consideration by the Law and Order Committee.

BFC vice chair Council Delegate Jonathan Nez (Shonto, Navajo Mountain, Oljato, Ts’ah Bii Kin) also voiced his concern regarding the legislation to amend the Nation’s tax laws.

“Obviously, this is a legislation to block the junk food tax bill,” said Delegate Nez, following the meeting. “The Healthy Diné Nation Act is not just for our generation, but it is for future generations by promoting healthy living through this legislation.”

BFC members voted 2-1 to approve Legislation No. 0172-14. The Navajo Nation Council is the final authority on the legislation.

The legislation was first considered on July 25 by the Law and Order Committee, who referred it to the BFC with a “do pass” recommendation with no amendments.

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