

RESOLUTION OF THE  
NAVAJO NATION COUNCIL

21<sup>st</sup> NAVAJO NATION COUNCIL - First Year, 2007

AN ACT

RELATING TO FINANCE; JUDICIAL BRANCH; PUBLIC SAFETY;  
CAPITAL IMPROVEMENT; APPROVING AMENDMENTS TO THE NAVAJO  
NATION SALES TAX, 24 N.N.C. §§605 AND 620

BE IT ENACTED:

The Navajo Nation Council hereby approves the following amendments to Title 24, Navajo Nation Code, §§605 and 620:

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Title 24, Navajo Nation Code

Chapter 6. Sales Tax

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§605. Rate of Tax.

The tax imposed by this Chapter is imposed at a rate of not less than 2%, nor more than 6%, which shall be specifically established by regulations promulgated by the Navajo Tax Commission. Until another rate is established, the rate shall be ~~three~~ four percent (~~3~~ 4%) of the applicable gross receipts from all retail sales (~~.03~~ .04 x applicable gross receipts).

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## §620. Allocation of Revenue.

After allocation to permanent or special revenue funds as required by Navajo Nation law, and allocation to the Tax Administration Suspense Fund as required by the fiscal policy adopted by the Navajo Tax Commission for such Fund, the net revenue from this Chapter shall be disbursed as follows:

- A. Except as otherwise provided in subsections (B) and (C), ~~100~~ 75% of the revenue collected shall be deposited into the General Fund of the Navajo Nation, and 25% of the revenue collected shall be deposited into the Judicial/Public Safety Facilities Fund to be appropriated pursuant to a fund management plan approved by the Budget and Finance Committee of the Navajo Nation Council.
  
- B. ~~100~~ 75% of the revenue collected from retail establishments shall be allocated to the specific chapter in which the retail sale occurred, provided that such chapter is governance-certified pursuant to the Local Governance Act at the time of such sale; and 25% of the revenue collected shall be deposited into the Judicial/Public Safety Facilities Fund to be appropriated pursuant to a fund management plan approved by the Budget and Finance Committee of the Navajo Nation Council.

C. 100 75% of the revenue collected from retail establishments in chapters that are not governance-certified shall be deposited into a trust fund to be appropriated pursuant to a plan of operation developed by the Office of Navajo Government Development and approved by the Budget and Finance Committee of the Navajo Nation Council; and 25% of the revenue collected shall be deposited into the Judicial/Public Safety Facilities Fund to be appropriated pursuant to a fund management plan approved by the Budget and Finance Committee of the Navajo Nation Council.

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### Section 3. Effective Date

The sales Tax amendments shall take effect on July 1, 2007.

### Section 4. Codification


The provisions of this Act which amend or adopt new sections of the Navajo Nation Code shall be codified by the Office of Legislative Counsel. The Office of Legislative Counsel shall incorporate such amended provisions in the next codification of the Navajo Nation Code.

### Section 5. Savings Clause

Should any provisions of this Act be determined invalid by the Navajo Nation Supreme Court, or the District Courts of the Navajo Nation, without appeal to the Navajo Nation Supreme Court, those portions of this Act which are not determined invalid shall remain the law of the Navajo Nation.

CERTIFICATION

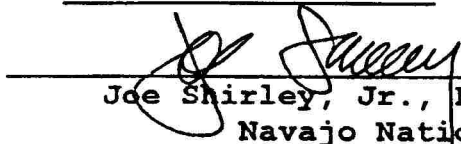
I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona) at which a quorum was present and that the same was passed by a vote of 67 in favor and 13 opposed, this 24<sup>th</sup> day of January 2007.

  
Lawrence T. Morgan, Speaker  
Navajo Nation Council  
25 Jan 07  
Date

Motion: Hope MacDonald-Lonetree  
Second: Philbert Tso

ACTION BY THE NAVAJO NATION PRESIDENT:

1. I hereby sign into law the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (10), on this \_\_\_\_\_ day of FEB 05 2007 2007.

  
\_\_\_\_\_  
Joe Shirley, Jr., President  
Navajo Nation

2. I hereby veto the foregoing legislation, pursuant to 2 N.N.C. §1005 (C) (11), this \_\_\_\_\_ day of \_\_\_\_\_ 2007 for the reason(s) expressed in the attached letter to the Speaker.

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Joe Shirley, Jr., President  
Navajo Nation