

# ROLL CALL MATRIX

Meeting Date: 3-4-08

P	A	Res. Number	53	54	55	56	57	58	59		
		2008									
		Unanimous	U	U				U	U		
✓		Cathy Abramson			Y	Y	Y		1		
✓		Joe Eitrem			Y	Y	N				
✓		Todd Gravelle			1Y	Y	Y				
✓		DJ Hoffman	1		N	1Y	1Y				
✓		Dennis McKelvie			Y	Y	Y				
✓		Lana Causley			2Y	Y	2Y	2			
✓		Bob LaPoint			Y	N	Y				
✓		Keith Massaway			Y	Y	Y	1			
✓		Fred Paquin	2	2	Y	N	Y				
✓		Denise Chase			Y	Y	Y				
✓		Tom Miller		1	Y	2Y	Y		2		
✓		Shirley Petosky			Y	Y	Y				
✓		Aaron Payment									

- 1 = Made Motion
- Y = Voted Yes
- A = Abstained
- S = Sponsored by Board Member
- 2 = Second/Support Motion
- N = Voted No
- U = Unanimous



RESOLUTION NO: 2008-53

**FY 2008 Health Center Equipment-Server**

**Min Waban Dan**

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**Government  
Services**

**Membership  
Services**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the attached FY 2008 budget modifications to move \$34,091.60 from Third Party Revenue to Health Center – Administration for the purchase and installation of a dual server for the Health Center.

**CERTIFICATION**

We, the undersigned, as Chairperson and Secretary of the Sault Ste. Marie Tribe of Chippewa Indians, hereby certify that the Board of Directors is composed of 13 members, of whom 13 members constituting a quorum were present at a meeting thereof duly called, noticed, convened, and held on the 4 day of March 2008; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 12 members for, 0 members against, 0 members abstaining, and that said resolution has not been rescinded or amended in any way.

Aaron Payment, Tribal Chairperson  
Sault Ste. Marie Tribe of  
Chippewa Indians

Lana Causley, Secretary  
Sault Ste. Marie Tribe of  
Chippewa Indians

## **Health Equipment FY 2008 March 2008**

The Health Center's current server is approximately seven years old and the Health Center has been experiencing repeated problems with the outdated server. The new dual servers and the cost of the Consulting is \$34,091.60. The Health Center currently has received additional funds above the budgeted amount in Third Party Revenue and would apply this revenue to the purchase. (Budgeted revenue for October 1, 2007 to January 31, 2008 is \$1,657,402, and actual revenue received is \$2,050,870). No additional Tribal Support is being requested for this project.

### **Program Manager Justification: Third Party Revenue**

As of 1/31/08, Third Party Revenue is 20% over the Budgeted projected revenue. Total Revenue is currently at \$2,005,347 but was only budgeted at \$1,657,402. There is a crucial need to purchase an RPMS Redundant Server for implementation of RPMS Electronic Record.

### **Program Manger Justification: Health Center - Administration**

The Health Programs' current server has been utilized for the past seven years and desperately needs replacing. Normally, a computer server life expectancy is 3 to 5 years, that is, when a server is 3 years old maintenance contracts expire and runs out and plans to replace it begin and are usually completed with a new server in place within 5 years. Additionally, the Health Program is migrating toward an electronic health record (EHR) and we are actively installing and implementing many EHR functions that require this upgrade to our RPMS/EHR server. The current Health Program server provides all tribal health facilities access to RPMS/EHR applications and data which are used in all aspects of patient services and care, including, but not limited to appointments, patient registration, medical records, lab, pharmacy, medical care, dental care, and such. All health membership services and clinic departments are dependent upon this server to a great extent.

Due to our aging, antiquated health server we are experiencing delays and errors/problems that are directly attributed to our outdated server and the ever-increasing demand that new applications and technology place upon the Tribe's I/S systems. If our existing server was to fail our health program services would be dramatically limited and all operations would be affected and inefficient until a new server could be located and installed (minimum of 3 to 5 day process).

Therefore, we are modifying our Health Program Administration budget (cc # 4360) to purchase a new Health server to provide the speed and redundancy needed when implementing an EHR and to keep our current RPMS system operational and functioning. The total cost for the RPMS/EHR Server Up-grade is projected to total \$34,100.00. This cost includes two Dell Servers (to assure redundancy and continuous server operation), necessary server and terminal server access licenses, and consulting fees and expenses.

We are requesting a modification to reflect these expenses in the Health Program Administration budget (cc #4360) to be made as soon as possible.

## MIS Recommended Quotes for RPMS/HER Server Upgrade

### Option 1 Redundant Servers

<i>Product</i>	<i>Quantity</i>	<i>Cost Each</i>	<i>Total</i>
Dell Servers	2	\$4,871.80	\$9,743.60
Windows 2003 Enterprise Server License	2	\$1,699.00	\$3,398.00
Windows 2003 Terminal Server Client Access Licenses	50	\$59.00	\$2,950.00
Consulting Fee (Weekly)	2	\$7,000.00	\$14,000.00
Travel, Lodging & Meals(Weekly)	2	\$2,000.00	\$4,000.00
<b>Total</b>			<b>\$34,091.60</b>

### Option 2 Standalone Server

<i>Product</i>	<i>Quantity</i>	<i>Cost Each</i>	<i>Total</i>
Dell Server	1	\$4,871.80	\$4,871.80
Windows 2003 Enterprise Server License	1	\$1,699.00	\$1,699.00
Windows 2003 Terminal Server Client Access Licenses	50	\$59.00	\$2,950.00
<b>Total</b>			<b>\$9,520.80</b>



RESOLUTION NO: 2008-54

**FY 2008 INDIRECT COST BUDGET MODIFICATIONS**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the attached FY 2008 Indirect Cost Budget Modifications with a Tribal Support savings of \$74,548.

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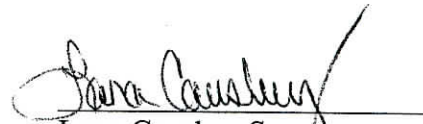
**Government  
Services**

**Membership  
Services**

**CERTIFICATION**

We, the undersigned, as Chairperson and Secretary of the Sault Ste. Marie Tribe of Chippewa Indians, hereby certify that the Board of Directors is composed of 13 members, of whom 13 members constituting a quorum were present at a meeting thereof duly called, noticed, convened, and held on the 4 day of March 2008; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 12 members for, 0 members against, 0 members abstaining, and that said resolution has not been rescinded or amended in any way.

  
\_\_\_\_\_  
Aaron Payment, Tribal Chairperson  
Sault Ste. Marie Tribe of  
Chippewa Indians

  
\_\_\_\_\_  
Lana Causley, Secretary  
Sault Ste. Marie Tribe of  
Chippewa Indians

## FY 2008 Indirect Cost Budget Modifications March 2008

The Fiscal Year 2008 Budgets were approved with an Indirect Cost Rate of 16.57%, which was the known rate at that time. The Federal Government has released our new rate for Fiscal Year 2007 at 13.05%. The attached (pg.1) shows the cost centers which require modifications to reduce the Indirect Expense charged for the Indirect Cost Budget. The total reduction in Indirect Expenses, \$653,914.57, will be reallocated to cover the necessary changes recommended by the Federal Government to the Indirect Cost Budget. The changes are listed below and shown on the attached page 2.

The Federal Government requires Time Study to determine the hours staff work on Membership Service areas. Necessary Time Study's are completed by staff member and submitted to Anderson Tackman for the required independent audit.

The Board of Directors cost center has received and budgeted funding from the Indirect Cost Budget in the amount of \$315,000. The Federal Government has notified the Sault Tribe that without submitted Time Study's from the Board of Directors, that funding from the Indirect Cost Budget will not occur. The amount of Indirect Funding received by the Board of Directors budget is being replaced with the Tribal Support savings from the reductions in Indirect Expenses (pg.1).

It has been determined that the Health Division Director position, currently paid 50% from Indirect Cost Budget and 50% from Health Center-Administration, #4360, should not be included in the Indirect Cost Budget. The Health Division Director's position is being re-allocated to the following; 70% Health Center-Administration, #4360, 15% to Mental Health, #4310, and 15% to IHS After Care, #4330. Savings in Tribal Support from the reductions in Indirect Expense (pg.1) will cover the additional cost to the above cost centers. (The above programs operate on a different fiscal pattern than Indirect. These cost centers will cover the additional expense from January 2008 to the end of September 2008. The additional cost for this position from October 2008 to December 2008 will be expensed in these cost centers FY 2009 budgets.)

It has been determined that the Education Director/Assistant Membership Services Director, currently paid 100% from the Indirect Cost Budget, should be split 50% to Indirect Cost Budget and 50% to the Education Department-Administration, #4052. Savings in Tribal Support from the reductions in Indirect Expenses (pg.1) will cover the additional cost to cost center #4052.

The current vacant position of Administrative Assistant in Planning and Developing has been removed to reduce the Indirect Cost Budgeted expenses.

Wages for current vacant position of Facility Manager in the Indirect Cost Budget, is being replaced by 50% of the Building's Administrative Assistants wages/fringe cost and 50% of the Building's Maintenance Housekeeper Supervisor wages/fringe cost.

The above changes result in an overall savings to Tribal Support of \* \$74,548 and a savings of \*\* \$45,967 to the Buildings, shown on page 3.

## Fiscal Year 2008 Indirect Budget Modifications

Cost Center	Indirect Savings
ACFS	
2050 ICWA	4,542.31
2340 Social Work	12,009.26
2740 USDA	16,329.84
3740 General Assistance	9,447.67
Behavioral Health	
2760 American Indian Substance Abuse	1,429.15
4310 Mental Health	17,489.83
4330 IHS After Care	17,041.91
Education	
2060 Higher Education	3,794.48
Elderly	
2720 Title IV Elderly	5,428.59
Fisheries	
2460 Inter-Tribal Fisheries	20,394.80
Health	
2441 HIV Prevention	3,473.76
4150 Supplemental Health Services	6,490.47
4300 HC Contract Health Services	7,305.03
4340 Community Health Tech	9,420.92
4350 Community Health Nurse	21,424.81
4360 HC Administration	24,744.09
4361 HC Optical	9,596.58
4362 HC Medical/Nuring	88,453.64
4363 HC Dental	39,509.04
4364 HC Pharmacy	27,962.40
4365 HC Laboratory	12,039.61
4366 HC X-Ray	6,752.94
4370 HC Housekeeping/Maint	8,696.37
4371 HC Property/Supply	3,568.15
4372 HC Maint/Improvement/CapOutlay	2,110.55
4373 HC St. Ignace Clinic	51,298.59
4376 HC Wellness Program	10,259.34
4377 HC Manistique Rural Clinic	65,497.48
4378 HC Munising Rural Health	32,238.62
4382 HC Traditional Medicine	15,162.12
4383 Kinross Community Clinic	11,187.89
4389 Newberry Community Clinic	8,204.37
4390 Escanaba Community Clinic	8,067.22
4430 Nutrition Services	10,988.97
Law Enforcement	
2480 Conervation Management	22,313.27
2580 Public Safety Management	24,529.47
Tribal Court	
2780 Judicial Services	14,711.03
<b>Total Savings from Reduced Indirect Rate</b>	<b>653,914.57</b>

**Fiscal Year 2008 Re-allocation of Indirect Savings**

Cost Center	Re-allocation	
Behavioral Health		
2760 American Indian Substance Abuse	1,429.15	Transferred to 4310
4310 Mental Health	14,169.14	15% Health Division Directors Wage/Fringe for 9 months
4330 IHS After Care	15,598.29	15% Health Division Directors Wage/Fringe for 9 months
Education		
4052 Education Administration	57,893.46	50% Educ Dir/Asst Memb Svcs Dir Wage/Fringe
Governmental		
1165 Board of Directors	315,000.00	Removal of Indirect Revenue
Health		
4360 HC Administration	19,536.22	20% Health Division Directors Wages/Fringe for 9 months
4300 HC Contract Health Services	7,305.03	ALL IHS Re-allocated to Direct Services
Law Enforcement		
2480 Convervation Management	61,085.68	Addition Staffing
2580 Public Safety Management	32,804.19	Addition Staffing
Indirect		
8540 Indirect Cost	632,052.00	Reduced Revenue
8540 Indirect Cost	(315,000.00)	Removed Board of Directors Expense
8541 Planning & Development	(45,507.57)	Removed Vacant Admin Assist
8543 Membership Services	(208,639.07)	Reduced Educ Dir/Asst Memb Svcs Dir to 50%, Removed ACFS Dir Position and Health Division Dir Position. Moved to their respective areas
8546 Executive Director	<u>(8,357.19)</u>	Removed Facility Manager full time and replaced with Admin Assist 50% and Maintenance/Housekeeper Supervisor 50%
 Total Re-allocation	 <u><b>579,369.33</b></u>	

**Fiscal Year 2008 Additional Savings**

8606 Buildings Repair & Maintenance	45,967.00	Fund Balance
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02/27/2008

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ModDB - 04



RESOLUTION NO: 2008-55

**FY 2008 MIDJIM SAULT – MODIFICATION TO  
CAPITAL PURCHASES BUDGET  
AIR CONDITIONING/ELECTRICAL**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2008 modification to the Midjim Sault Capital Purchases Budget for a total increase of \$13,600.00 to come from Fund Balance.

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**CERTIFICATION**

We, the undersigned, as Chairperson and Secretary of the Sault Ste. Marie Tribe of Chippewa Indians, hereby certify that the Board of Directors is composed of 13 members, of whom 13 members constituting a quorum were present at a meeting thereof duly called, noticed, convened, and held on the 4 day of March 2008; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 11 members for, 1 members against, 0 members abstaining, and that said resolution has not been rescinded or amended in any way.

**Government  
Services**

Aaron Payment, Tribal Chairperson  
Sault Ste. Marie Tribe of  
Chippewa Indians

**Membership  
Services**

Lana Causley, Secretary  
Sault Ste. Marie Tribe of  
Chippewa Indians



RESOLUTION NO: 2008-56

**LABOR NEUTRALITY AGREEMENT**

NOW THEREFORE BE IT RESOLVED that the Board of Directors hereby authorizes the Chairperson and/or the Chief Financial Officer-Co-Executive Director, or their designee, to negotiate and execute a labor neutrality agreement with the Detroit Casino Council/AFL-CIO, as well as any other ancillary agreements that may be necessary.

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**CERTIFICATION**


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**Government**  
**Services**

**Membership**  
**Services**

**Economic**  
**Development**  
**Commission**

  
\_\_\_\_\_  
Aaron Payment, Tribal Chairperson  
Sault Ste. Marie Tribe of  
Chippewa Indians

  
\_\_\_\_\_  
Lana Causley, Secretary  
Sault Ste. Marie Tribe of  
Chippewa Indians



RESOLUTION NO: 2008-57

**ANA NATIVE LANGUAGE PRESERVATION  
AND MAINTENANCE GRANT**

**Min Waban Dan**

**Administrative  
Office**

WHEREAS, the Sault Ste. Marie Tribe of Chippewa Indians recognizes that our Anishnabek language and culture are the foundation upon which our tribal identity is sustained; and

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WHEREAS, we recognize the crisis of language preservation faced by many Indian Tribes across the country; and

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**Phone**

WHEREAS, the Sault Tribe seeks to enhance our Anishnabek language preservation and maintenance efforts through innovative, creative, sustainable language activities throughout our Tribal community.

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NOW, THEREFORE, BE IT RESOLVED, the Sault Ste. Marie Tribe of Chippewa Indians approves the submission of a three-year Native Language Preservation and Maintenance Grant proposal to the Administration for Native Americans (ANA) in the amount of \$600,000 total, with a 20% of the project total being provided by the Tribe.

**Government  
Services**

**CERTIFICATION**

**Membership  
Services**

We, the undersigned, as Chairperson and Secretary of the Sault Ste. Marie Tribe of Chippewa Indians, hereby certify that the Board of Directors is composed of 13 members, of whom 13 members constituting a quorum were present at a meeting thereof duly called, noticed, convened, and held on the 4 day of March 2008; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 10 members for, 2 members against, 0 members abstaining, and that said resolution has not been rescinded or amended in any way.

Aaron Payment, Tribal Chairperson  
Sault Ste. Marie Tribe of  
Chippewa Indians

Lana Causley, Secretary  
Sault Ste. Marie Tribe of  
Chippewa Indians



RESOLUTION NO: 2008 - 58

**2008 INSTITUTE OF MUSEUM AND LIBRARY SERVICES BASIC GRANT**

WHEREAS, the Sault Ste. Marie Tribe of Chippewa Indians recognizes the paramount importance of supporting life-long learning or our Anishnabek culture.

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NOW, THEREFORE, BE IT RESOLVED, the Sault Ste. Marie Tribe of Chippewa Indians approves the submission of the 2008 Native American/Native Hawaiian Library Services Basic Grant with Education/Assessment Option to the Institute of Museum and Library Services.

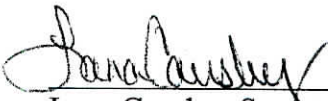
**CERTIFICATION**

We, the undersigned, as Chairperson and Secretary of the Sault Ste. Marie Tribe of Chippewa Indians, hereby certify that the Board of Directors is composed of 13 members, of whom 13 members constituting a quorum were present at a meeting thereof duly called, noticed, convened, and held on the 4 day of March 2008; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 12 members for, 0 members against, 0 members abstaining, and that said resolution has not been rescinded or amended in any way.

**Government Services**

**Membership Services**

  
\_\_\_\_\_  
Aaron Payment, Tribal Chairperson  
Sault Ste. Marie Tribe of  
Chippewa Indians

  
\_\_\_\_\_  
Lana Causley, Secretary  
Sault Ste. Marie Tribe of  
Chippewa Indians



RESOLUTION NO: 2008-59

**APPROVING AMENDMENT  
TAX AGREEMENT WITH THE STATE OF MICHIGAN**

WHEREAS, the Sault Ste. Marie Tribe of Chippewa Indians has entered into a long-term agreement with the State of Michigan regarding a variety of tax matters which is of great benefit to the Tribe and its members; and

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**Government  
Services**

**Membership  
Services**


WHEREAS it has become necessary to make certain minor amendments to the agreement to clarify land status issues and to comport with the change over from the Single Business Tax to the Michigan Business Tax.


NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the attached amendment to the Sault Tribe tax agreement.

BE IT FURTHER RESOLVED, that this Board of Directors does hereby direct the Chairperson or his designee to execute this document in whatever form may be necessary.

**CERTIFICATION**

We, the undersigned, as Chairperson and Secretary of the Sault Ste. Marie Tribe of Chippewa Indians, hereby certify that the Board of Directors is composed of 13 members, of whom 13 members constituting a quorum were present at a meeting thereof duly called, noticed, convened, and held on the 4 day of March 2008; that the foregoing resolution was duly adopted at said meeting by an affirmative vote of 12 members for, 0 members against, 0 members abstaining, and that said resolution has not been rescinded or amended in any way.

  
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Aaron Payment, Tribal Chairperson  
Sault Ste. Marie Tribe of  
Chippewa Indians

  
\_\_\_\_\_  
Lana Causley, Secretary  
Sault Ste. Marie Tribe of  
Chippewa Indians

**SECOND AMENDMENT TO THE TAX AGREEMENT BETWEEN THE SAULT  
STE. MARIE TRIBE OF CHIPPEWA INDIANS AND THE STATE OF  
MICHIGAN**

This Second Amendment to the Tax Agreement between the Sault Ste. Marie Tribe of Chippewa Indians (“Sault Tribe”) and the State of Michigan is executed on the date(s) indicated below and shall be effective as of the first day of the month following the date of execution of this Second Amendment by the State Treasurer or his designee.

**Recitals:**

On the 20th day of December, 2002, the Sault Tribe and the State of Michigan entered into a Tax Agreement which was implemented on the 1<sup>st</sup> day of April, 2003.

§ XVIII of the Tax Agreement provides that the Agreement may be amended upon the mutual, written agreement executed by an authorized representative of each party.

On the 20<sup>th</sup> day of August, 2007, the Sault Tribe and the State of Michigan, in accordance with § XVIII, entered into a First Amendment to the Tax Agreement which was effective as of the 1<sup>st</sup> day of September, 2007.

**Now**, in accordance with § XVIII of the Tax Agreement, the parties make the following amendments to the Tax Agreement:

1. § I(B) is amended to read as follows:

B. Taxes Subject to This Agreement.

The taxes that are the subject of this Agreement are:

1. Sales Tax pursuant to the General Sales Tax Act as amended, MCL 205.51 et. seq.;
2. Use Tax pursuant to the Use Tax Act as amended, MCL 205.91 et. seq.;
3. Motor Fuel Tax pursuant to the Motor Fuel Tax Act as amended, MCL 207.1001 et. seq. and the Motor Carrier Fuel Tax Act as amended, MCL 207.211 et. seq.;
4. Income Tax pursuant to the Income Tax Act of 1967 as amended, MCL 206.1 et. seq.;
5. Tobacco Products Tax pursuant to the Tobacco Products Tax Act as amended, MCL 205.421 et. seq., as amended;
6. The Single Business Tax pursuant to the Single Business Tax Act as amended, MCL 208.1 et. seq.; and
7. The Michigan Business Tax pursuant to the Michigan Business Tax Act as enacted, MCL 208.1101 et. seq.

2. § II(K) is amended to read as follows:

K. "Tribal and Trust Lands" means:

1. all lands held in trust by the federal government for the benefit of the Tribe which are listed on Appendix A (K-1) and designated as Tribal and Trust Lands at the time this Agreement is executed,
2. all fee lands owned by the Tribe which are listed on Appendix A (K-2) and designated as Tribal and Trust Lands at the time this Agreement is executed,
3. all Tribal lands acquired after execution of this Agreement within an area identified for automatic Tribal and Trust Land status on Appendix A (K-3) so long as they are used for a Governmental Function,
4. all Tribal lands accepted into federal trust after execution of this Agreement which are located within the area identified in Appendix A (K-4), regardless of the use of such Tribal lands, and
5. all other lands acquired after execution of this Agreement by the Tribe that are mutually agreed upon in writing by the parties to this Agreement and identified in Appendix A (K-5).
6. all lands listed on Appendix A (K-2) that have been subsequently taken into trust by the federal government for the benefit of the Tribe, which do not meet the criteria of Appendix A (K-4).

3. VII.1 is added following the end of §VII(E) and shall read as follows:

**VII.1 MICHIGAN BUSINESS TAX**

A. For purposes of application of the Michigan Business Tax section only, the following definitions shall apply:

1. "Tribe (MBT)" means any Tribe that has entered into a tax agreement with the State that is substantially similar to this Agreement.
2. "Expanded Tribal Agreement Area" means the lands within the combined Agreement Areas of each Tribe (MBT).
3. "Tribal Member (MBT)" means an individual who is an enrolled member of a Tribe (MBT).



4. "Resident Tribal Member (MBT)" means a Tribal Member (MBT) whose principal place of residence is located within his or her Tribe's Agreement Area.
  5. "Tribal Entity (MBT)" means an entity other than a single Tribe (MBT) acting alone or single Resident Tribal Member (MBT) acting alone, that is wholly comprised of any combination of the Tribe (MBT) and Resident Tribal Members (MBT), or is wholly owned by Resident Tribal Members (MBT).
- B. The Michigan Business Tax Act (MBTA) exemptions provided by this Agreement will be applied without regard to the law under which an entity is organized. Publicly traded entities shall be subject to the MBTA without regard to Tribe (MBT) or Tribal Member (MBT) ownership and without regard to the Expanded Tribal Agreement Area.
- C. Entities in which the ownership interests are entirely comprised of one or more Tribes (MBT), Tribal Members (MBT) or Tribal Entities (MBT) that engage in business activity within the State will apportion their tax base by application of the statutory sales factor to determine the portion of the tax base attributable, if any, to the State but outside the Expanded Tribal Agreement Area. The portion of the tax base attributable to the Expanded Tribal Agreement Area will be exempt from the MBTA.
- D. Entities which are not wholly owned by any combination of Tribes (MBT), Tribal Members (MBT) or Tribal Entities (MBT) will apportion their tax base by application of the statutory sales factor to determine the portion of the tax base attributable to the State and to the Expanded Tribal Agreement Area. The portion of the tax base attributable to the Expanded Tribal Agreement Area which is equal to the percentage of ownership interests held in combination of Tribes (MBT), Tribal Members (MBT) or Tribal Entities (MBT) will be exempt. The portion of the tax base attributable to non Tribes (MBT), non Tribal Members (MBT) or non Tribal Entities (MBT) is subject to the MBTA for activity within the State both within and outside of the Expanded Tribal Agreement Area. In calculating the State sales factor of the apportionment formula the numerator shall only exclude sales that are destined to:
1. The Tribe (MBT);
  2. Resident Tribal Members (MBT); and
  3. Sales shipped to destinations outside of the State.

E. To the extent a tax base or portion of a tax base is attributable to the State under this Agreement and a tax is due, a credit against the tax may be claimed to the extent the business is conducted in an area designated as a Renaissance Zone under State law. See MCL 125.2681, et seq. The credit shall be determined in accordance with State law using the payroll and property factors. The denominator of the respective factors is calculated in accordance with State law except that payroll and property within the Expanded Tribal Agreement Area must be excluded. The numerators of the respective factors will be the property located within a designated Renaissance Zone excluding property within the Expanded Tribal Agreement Area and the payroll for services performed in a designated Renaissance Zone excluding payroll within the Expanded Tribal Agreement Area. The credit is otherwise allowed in accordance with State law.

3. § IX is amended to read as follows:

**IX. ADMINISTRATION: INCOME TAX, SINGLE BUSINESS TAX, AND MICHIGAN BUSINESS TAX**

A. Income Tax

All Resident Tribal Members shall file a State tax return if they owe a Michigan Income Tax, are due a refund, or their federal adjusted gross income exceeds their exemption allowance. (See MCL 206.30 (2) and (3)). In addition a Resident Tribal Member shall file a return in all instances where a federal return is required in order to eliminate unnecessary correspondence with the Department. A taxpayer who is entitled to exemption based on this Agreement shall complete a Schedule in accordance with its instructions whereat the subtractions will be taken. These subtractions shall then be carried over to the MI 1040.

B. Withholding

Withholding is to be done in accordance with regulations/instructions applicable to all persons required to withhold.

C. Single Business Tax

A taxpayer claiming entitlement to exemptions provided in this Agreement shall prepare and file the SBT annual return form C-8000. The C-8000 shall have a box on its face indicating that the taxpayer is claiming exemptions under this Agreement. A taxpayer who checks that box will be directed to complete a separate schedule which will guide the taxpayer through the special apportionment calculations to arrive at the non-exempt property, payroll and sales numbers which will then be carried over to the C-8000H for use in completing the return.

D. Michigan Business Tax

A taxpayer claiming entitlement to exemptions provided in this Agreement shall prepare and file the MBT annual return form 4567. A taxpayer claiming MBT exemption under this Agreement shall complete a separate schedule which will guide the taxpayer through the special apportionment calculations to arrive at the non-exempt sales numbers which will then be carried over to form 4567 for use in completing the return.

Except as amended by this Second Amendment to the Tax Agreement, the terms of the Tax Agreement as previously amended by the First Amendment remain in full force and effect.

**STATE OF MICHIGAN**

**SAULT STE. MARIE TRIBE OF  
CHIPPEWA INDIANS**

By: \_\_\_\_\_  
Robert J. Kleine  
Michigan State Treasurer  
First Floor Treasury Building  
Lansing, MI 48922

By: \_\_\_\_\_  
Aaron Payment, Chairman  
523 Ashmun Street  
Sault Ste. Marie, Michigan 49783

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

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