



Cherokee Nation Tax Commission

P.O. Box 948 Tahlequah, OK 74465

Jim Hummingbird,
Tax Commissioner

Scott Gregory,
Tax Commissioner

Steve Wilson,
Tax Commissioner

CHEROKEE NATION TAX COMMISSION MEETING Conference Room June 13, 2012 4:40 P.M.

Commissioners present – Chairman Hummingbird, and Commissioner Gregory

Staff Present - Karen Walls, Andy Quetone, Fonda Gritts, Sharon Swepston (Conference Call)

Visitors – Dan Carter, Michael Grimes, and Sara Hill

Meeting was called to order at 4:40 p.m. Quorum established with Chairman Hummingbird, and Commissioner Gregory present.

The Commission began with Agenda item #1 Approval of Minutes-March 14, 2012 – Commissioner Gregory made a motion to approve the minutes. Chairman Hummingbird seconded the motion. Motion carried.

Andy Quetone made a request to amend the agenda for a discussion regarding selling fireworks. It was placed as agenda item #6 and the monthly reports were moved to agenda item #7.

Agenda #2 -Review of Annual Tobacco/Retail License Renewals- Shelia Sawney was unable to attend the meeting due to an unexpected emergency. She has the renewal certificates for Chairman's signature. Chairman Hummingbird will come in at a later date to sign the certificates.

Agenda #3 – Tobacco/Retail License for Kansas Tobacco Outlet – An application for Tobacco/Retail license was submitted. All documentation is in order. Andy made a recommendation for approval by the commission.

Commissioner Gregory made a motion to approve the application.
Chairman Hummingbird seconded the motion. Motion carried.

Agenda #4 – Tobacco/Retail License for Cherokee Tobacco Sales (Stilwell)

An application for Tobacco/Retail license was submitted. All documentation is in order. Andy made a recommendation for approval by the commission.

Commissioner Gregory made a motion to approve the application.
Chairman Hummingbird seconded the motion. Motion carried.

Agenda #5 – Tobacco /Retail License for North Lewis Smoke Shop – An application for Tobacco/Retail license was submitted. All documentation is in order. Andy made a recommendation for approval by the commission.

Commissioner Gregory made a motion to approve the application.
Chairman Hummingbird seconded the motion. Motion carried.

Agenda #6 – Discussion Smoke Shops selling Fireworks – Andy stated a few of the smoke shop owners are requesting to sell fireworks in their smoke shops. Dan Carter smoke shop owner of Gawskey Smoke shop, stated that if the smoke shop owners would sell fireworks year around and the and Oklahoma State regulation states the fireworks could only shoot the fireworks at a certain time of the year it wouldn't be beneficial for the smoke shop owner to sell them year around.

Sara Hill stated, that the smoke shops would have some competition due to there are Oklahoma licensed retailers that do sell fireworks year around. Andy asks if it is illegal to sell fireworks in a building that allows smoking. Sarah responded there should not be smoking in a building that sells fireworks. Just because of the potential and danger of having smoking allowed in a building where fireworks are being sold.

She said she would need to visit with the Chief and make a request to allow the Tax Commission to add an emergency rule which would prevent sales of fireworks in smoke shops or where there would be smoking.

The smoke shop owners would also need to check on their insurance to see what their insurance company would allow. There was a brief discussion on the different areas that the smoke shops would be able to have a permit to shoot the fireworks.

Sharon stated, a smoke shop owner contacted her and ask a couple of questions. "If they didn't have enough room on the restricted land and half of it would be on restricted land and the other half would be on the State, but the cash register would be on the restricted half can they still sell fireworks? Sharon stated they would have to be stored on restricted property and would be required to pay the tribal sales tax. Sara stated if there is a retail sale on tribal restricted property, they may be required to pay sales tax to the State, Federal, or local government or other people if they store fireworks off of tribal land.

Sharon asks if Tax Commission allows them to sell fireworks, are they going to have to buy only fireworks that are legal in Oklahoma. Sara said it would be like shipping anything else in contraband in the State of Oklahoma. They would have the possibility of Oklahoma Tax Commission ceasing the whole thing, due a contraband firework in Oklahoma. The smoke shop owners that want to do this is going to have to be responsible for making sure that they will be staying in line with State and Federal rules regarding fireworks sells. They will have to determine themselves whether or not they are within the law. Just because Cherokee Nation would give a tax permit to sell fireworks does not mean that they are legal. They would need to be very cautious what they decide to do.

Sara said if they decide to sell fireworks she will recommend to the Chief that Tax Commission make an emergency rule on safety such as no smoking, fire marshals go out to certify the way the fireworks are being stored. So there will be basic safety rules in place so no one can be hurt.

Sara said she would work with them for the next year if they wanted to work on a comprehensive regulation.

Agenda #7 – Monthly Reports – Motor Vehicle – Year to date motor vehicle for has improved the last two years it is up approximately 9% from what we was this time last year.

Revenue and Taxation Division- Tobacco has an increase 7%, most of that is due to retail sales. The cigarette tax has increase compared to last year.

Sharon stated an issue had been brought to the Tax Commission attention regarding the law we passed in 2009, adding an exemption for schools, churches, anyone that possess an exemption from the State which includes our 100% disabled veterans, any municipalities.

We have received complaints that our 100% disabled veterans are not being exempt for their food at the casinos. Sharon stated when we implemented that language we have the law that says we are going to do this. This does means we will also have to exempt any organizations that has 501C for their exemption. And we can no longer charge them the 6% on hotel rooms, food, and any sales in our gift shops.

The law became in effect 2009 mainly for the schools to be able to purchase supplies at gift shops. At that time we didn't look at the total revocations that this would have.

There was a brief discussion on this subject.

Mr. Gregory made a motion to adjourn. Chairman Hummingbird the motion. Motion carried.

Adjournment 5:16 p.m.


Commissioner Approval