

## Chapter 5

### Catawba Indian Reservation

#### A. The Catawba Indian Claims Settlement Act

Chapter 16, Title 27 of the South Carolina Code of Laws is known as “The Catawba Indian Claims Settlement Act” (“The Act”). The Act is based on the agreement in principle reached between the State of South Carolina and the Catawba Indian Tribe to settle differences between the two parties.

This act took effect on November 29, 1993 when the Governor certified that the Counties of York and Lancaster had taken all actions required of them by the Settlement Agreement and that the federal implementing legislation enacted by Congress and signed in law by the President was consistent with the Settlement Agreement.

With respect to the taxation of the tribe and members of the tribe, the act states that “the Tribe, its members, the Tribal Trust Funds, and other persons or entities affiliated with or owned by the Tribe, members of the Tribe, or the Tribal Trust Funds, whether a resident, located, or doing business on or off the Reservation, are subject to all state and local taxes, sales taxes, real and personal property taxes, excise taxes, estate taxes, and all other taxes, licenses, levies, and fees, except as expressly provided in this section or the federal implementing legislation.”<sup>1</sup>

In addition, the act states that “[a]ny other person or business entity which locates, operates, or does business on the Reservation is subject without exception to all state and local taxes, licenses, and fees, unless otherwise expressly provided in this chapter.”<sup>2</sup>

A review of the act establishes that no special provisions or exemptions were enacted concerning the cigarette tax or the tobacco products tax.<sup>3</sup>

#### B. Taxation of Cigarettes and Tobacco Products on the Catawba Indian Reservation

##### Catawba Indian Tribe

Sales by the Catawba Indian Tribe of cigarettes and tobacco products, whether on or off the Reservation, are subject to the cigarette and tobacco products taxes.

Sales to the Catawba Indian Tribe of cigarettes and tobacco products, whether on or off the Reservation, are subject to the cigarette and tobacco products taxes.

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<sup>1</sup> South Carolina Code §27-16-130(A).

<sup>2</sup> South Carolina Code §27-16-130(A).

<sup>3</sup> Title 27, Chapter 16 of the South Carolina Code of Laws.

### Tribal Members

Sales by members of the Catawba Indian Tribe of cigarettes and tobacco products, whether on or off the Reservation, are subject to the cigarette and tobacco products taxes.

Sales to members of the Catawba Indian Tribe of cigarettes and tobacco products, whether on or off the Reservation, are subject to the cigarette and tobacco products taxes.

### Businesses Located on the Reservation

Sales by businesses located on the Reservation of cigarettes and tobacco products (whether the sales are to the tribe, tribal members, other businesses or other individuals) are subject to the cigarette and tobacco products taxes.

Sales to businesses located on the Reservation of cigarettes and tobacco products are subject to the cigarette and tobacco products taxes.

### Businesses Located off the Reservation, but Selling onto the Reservation

Sales by businesses located off the Reservation of cigarettes and tobacco products to persons (*e.g.*, the tribe, tribal members, other businesses or individuals) on the Reservation are subject to the cigarette and tobacco products taxes.

**Note: See Chapter 2, “Cigarette Tax Imposition,” and Chapter 3, “Tobacco Products Tax Imposition” for information as to the person liable for the tax.**