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PRESS RELEASE

Sault Tribe Citizen Win's Tax Appeal for Educational Treaty Rights

Dr. Martin Reinhardt is a citizen of the Sault Ste. Marie Tribe of Chippewa Indians and a research associate for the Interwest Equity Assistance Center at Colorado State University. In 1998, he was accepted into a doctoral program in Educational Leadership at the Pennsylvania State University and received an American Indian Leadership Fellowship award. The fellowship was provided under a professional development grant from the U.S. Department of Education. He graduated in 2004.

The American Indian Leadership Fellowship provided Martin with a \$1180 stipend per month during his time in the program. This stipend was intended to help defray costs related to his attendance at PSU.

Martin decided early on in his doctoral program to focus on treaty rights and educational leadership in his studies. His dissertation is titled "A Comparative Socio-historical Content Analysis of Treaties and Current American Indian Education Legislation with Implications for the State of Michigan".

What he found through his studies is that the United States remains obligated to Martin's Tribe and others for certain educational benefits guaranteed by multiple treaties. Everything from books written in Native languages to land for school purposes, several treaty educational provisions remain in effect today, and sadly many remain unfulfilled.

It dawned on Martin, as he was preparing his taxes during his first year at PSU, that tribal fisherpersons back home did not pay taxes on their income which was derived from treaty fishing rights. Because the stipend Martin received under the fellowship was based on his tribal citizenship, he looked at the body of treaty rights for education and deduced that he should not have to pay taxes on the fellowship. He explained all of this to the local tax preparer who agreed that it was a similar situation to treaty fishing rights and did not end up claiming it as income for that year or the next.

After Martin returned home to Michigan, he changed tax preparers. The new preparer did not agree with Martin's assessment based on treaty rights and suggested claiming that year's stipend amount as income. Martin did so reluctantly. The change resulted in a cost of \$2,287 in taxes, a huge amount for a struggling student with a family.

The following year, Martin again switched tax preparers. This time the preparer agreed that the stipend should not have been taxable and submitted paperwork on Martin's behalf to reclaim the amount from the previous year. The claim was denied at first, and Martin appealed. In his written testimony, Martin explained the treaty basis of education for his Tribe, and how the stipend was linked to treaty rights.

After multiple conversations and correspondences with an IRS reviewer, Martin finally convinced them of the validity of his treaty rights claim. On March 23, 2006, Martin was finally allowed a claim of \$2,182 based on his 2003 American Indian Leadership Fellowship stipend.

Martin points out that this is a small victory for American Indian treaty rights overall, but that it is an extremely important outcome regarding the status of treaty educational provisions and their

relationship with current Indian education legislation. In this instance, the federal government has conceded that the treaty basis for Martin's tribe includes educational provisions that have a bearing on current law. Martin also cautions that not all tribes have the same treaty rights. He says "I wouldn't tell anyone to not pay their taxes on educational awards without first researching their treaty educational rights."

Dr. John Tippeconnic, III, Martin's professor and advisor at Penn State, stated that "Marty's interest and knowledge in treaty rights combined with his persistence resulted in the IRS acknowledging and approving his request. This demonstrates that treaty provisions still apply and that knowledge and research about treaty rights are beneficial to tribal members today."

For a copy of Dr. Reinhardt's dissertation, please contact him at martinr@cahs.colostate.edu For more information about the American Indian Leadership Fellowship at Penn State, contact Dr. John Tippeconnic, III at jwt@psu.edu