

Cherokee Nation Code Annotated

Title 68: Revenue and Taxation

Chapter 9: Motor Vehicle Licensing and Tax

§ 1306. Revenue sharing

Cite as: 68 CNCA § 1306

A. A portion of the revenue generated from fees, taxes, penalties and fines generated in connection with the issuance of motor vehicle licenses hereunder shall be allocated to the Cherokee Nation Immersion School, Sequoyah High School, the Cherokee Nation Head Start program and the public schools within the Reservation of the Cherokee Nation and as described in subsection (B) of this section, to the Marshal Service and to certain counties and municipalities in accordance with the provisions of subsection (B) of this section.

B. Allocation of revenues. The fees, taxes, penalties and fines collected by the Commission pursuant to the provisions of this act and under the terms of any compact between the Nation and the State of Oklahoma regarding motor vehicle licensing shall be allocated and expended for the purposes set forth in the following paragraphs:

1. The fees, taxes, penalties and fines collected by the Commission shall be applied to the costs and expenses of the Commission in carrying out the provisions of this act, as authorized and appropriated in the Nation's comprehensive annual budget. Provided, however, that said costs and expenses shall be paid out of revenues remaining after the prior allocations of funds pursuant to paragraphs 2 and 3 of this subsection.

2. An amount equal to thirty-eight percent (38%) of all fees and taxes collected by the Commission shall be allocated and made available to Oklahoma public schools located within the Reservation of the Cherokee Nation that have students who are tribal citizens; the Cherokee Nation Immersion School; to Sequoyah High School; and to the Cherokee Nation Head Start program in accordance with the provisions of paragraph 2 of subsection (C) of this section. Such students shall be included in a certified Cherokee student count by an eligible school under this subsection in order to participate in the allocation of revenues.

3. Twenty percent (20%) of all fees and taxes collected by the Commission shall be made available for contribution to the cost of constructing or maintaining federal highways, state highways, or highways constructed or maintained with funds apportioned pursuant to 47 O.S. § 1104(A) that are part of the counties' collector system, within the Nation's reservation boundaries, to be allocated among such highway projects in accordance with paragraph 3 of subsection (C) of this section.

4. An amount not to exceed twenty percent (20%) but not less than five percent (5%) of the amount of such fees and taxes remaining after the amounts appropriated pursuant to paragraphs 1, 2 and 3 of this subsection shall be available to and allocated among counties and municipalities within the Nation's reservation boundaries and/or the Cherokee Nation Marshal Service in accordance with paragraph 4 of subsection (C) of this section.

5. Any funds not appropriated or expended pursuant to paragraphs 1, 2, 3 or 4 of this subsection shall remain available in the General Fund for appropriation and expenditure pursuant to Legislative Act. All amounts apportioned under subsection (C) of this section shall be appropriated as part of the Nation's comprehensive annual budget.

6. Provided that, until January 1, 2029, Oklahoma public schools that have students who are tribal citizens and are located outside the geographic boundaries of the Cherokee Nation Reservation, but situated within a county of which any portion lies within the Reservation, including Osage Hills Public Schools located in Osage County, Oklahoma and Miami Public Schools located in Ottawa County, shall be eligible to receive allocations from amounts collected in connection with eligible vehicles as determined by the Cherokee Nation Tax Commission. Allocations authorized under this section shall be derived exclusively from revenue attributable to vehicles qualifying under the transitional eligibility period established pursuant to Article II, Section 6 of the Motor Vehicle Registration and License Tag Compact between the State of Oklahoma and the Cherokee Nation. Such allocations, if any, shall continue only for the duration of that period and shall terminate automatically on January 2, 2029, without further action of law.

C. Distribution and expenditure of revenues. All revenues set aside pursuant to subsection (B) of this section shall be distributed and expended as follows:

1. Within ten (10) days after the end of each month during which this act is in effect, the Commission shall prepare and submit to the Controller a report setting forth separately the amounts collected by the Commission as fees, taxes, penalties and fines. The Commission shall make available any documents or records requested by the Controller to verify the accuracy of the report. In addition to the foregoing report, the Commission shall prepare and submit to the Controller any other reports as may be requested by the Controller. The Principal Chief shall cause a copy of any report prepared pursuant to this paragraph to be delivered to the Tribal Council upon receipt of same by the Controller.

2. Each year, five percent (5%) of the revenues set aside under paragraph 2 of subsection (B) of this section shall be allocated for programs to assist public schools within Cherokee Nation with teaching core subjects with emphasis placed on STEM classes/programs and with teaching Cherokee Language, Culture, and History classes/programs and/or truancy programs. This amount shall be matched with an equal amount to be paid from revenues

described in paragraph 4 of subsection (B). Education services shall develop policies and procedures for the priority level of distribution for these funds. In particular, special consideration shall be granted to schools with a high enrollment of Cherokee students.

The remaining ninety-five percent (95%) of the revenues set aside under paragraph 2 of subsection (B) of this section shall be distributed pro rata each year among eligible public schools, the Cherokee Nation Immersion School, Sequoyah High School and Cherokee Nation Head Start program based on each school's qualified student enrollment determined as follows: for the purposes of this distribution formula, (a) the qualified student enrollment for each public school shall be equal to the total number of its enrolled Cherokee students, as determined annually from a certified Cherokee student count as described in paragraph 2 of subsection (B) of this section, submitted and documented by the Superintendent of each eligible public school district as of October 1 of each year, and subject to review by the Cherokee Nation Education Department; and (b) the qualified student enrollment for Sequoyah High School shall be equal to the total number of its enrolled Indian students in accordance with the most recent Bureau of Indian Affairs student count; and (c) the qualified student enrollment for the Cherokee Nation Immersion School and the Cherokee Nation Head Start shall be equal to the total amount of its enrolled Indian students, who are at least four (4) years old as of October 1 of each year, submitted and documented by the Director of the program.

The pro rata share referred to in this paragraph shall be the percentage that each such school's qualified student enrollment bears to the total qualified student enrollment of all such schools within the Cherokee Nation Reservation and as described in paragraph 2 of subsection (B) of this section; the Cherokee Nation Immersion School; Sequoyah High School; and the Cherokee Nation Head Start program. Provided, however, for any year that the available per-pupil federal education funding for Indian students attending the Cherokee Nation Immersion School or Sequoyah High School is less than eighty-five percent (85%) of the state per-pupil expenditures for students attending public schools in the State of Oklahoma, each Indian student enrolled at the Cherokee Nation Head Start program, Cherokee Nation Immersion School or Sequoyah High School shall be weighted as two (2) Indian students for the purposes of the distribution formula in this paragraph.

The Cherokee Nation Education Department is hereby authorized to develop and implement policies and procedures necessary for review and proper documentation of the student counts for purposes of this act. Such policies and procedures shall, at a minimum, contain procedures by which appropriate parties will be notified about the requirements herein; requirements for documentation and substantiation of student count submissions; and procedures for appeal of determinations affecting an entity's student count.

The Office of the Principal Chief shall monitor schools receiving funds under this Act with honoring the rights of Cherokee students to engage in protected activities of cultural expression, provide appropriate guidance to school districts as to same and, in the case of egregious acts interfering with said protected activities, determine whether funds distributed under this Act should be conditioned on future compliance.

3. The funds set aside under paragraph 3 of subsection (B) of this section shall be allocated each year to governmental agencies or political subdivisions for expenditure on construction or maintenance projects on federal highways, state highways, or highways constructed or maintained with funds apportioned pursuant to 47 O.S. § 1104(A) that are part of the counties' collector system, within the Nation's reservation boundaries. The projects and their respective allocations hereunder shall be identified in the comprehensive annual budget approved by the Tribal Council.

These funds are to be distributed equally between Council Members for appropriation.

4. The funds set aside under paragraph 4 of subsection (B) of this section shall be allocated among the counties and municipalities within the Nation's reservation boundaries and/or to the Marshal Service in accordance with and as appropriated in the comprehensive annual budget of Cherokee Nation.

5. No funds allocated and distributed under this subsection shall be made available to the schools, highway projects, counties, municipalities or Marshal Service until appropriated as part of the comprehensive annual budget for the applicable fiscal year. Any revenue distributions to the Cherokee Nation Immersion School, Sequoyah High School or the Cherokee Nation Head Start program pursuant to this act shall first be used to meet any matching requirements for federal funds, if applicable. The Controller, with the assistance of any officer designated by the Principal Chief, shall be responsible for calculating and making all expenditures authorized by this subsection.

Historical Data

LA 01-01, eff. March 12, 2001. Amended LA 27-01, eff. August 9, 2001; LA 34-01, eff. September 12, 2001; LA 34-02, eff. October 18, 2002; LA 19-03, eff. July 18, 2003; LA 05-08, eff. May 18, 2008; LA 07-10, eff. March 21, 2010; LA 51-12, eff. December 17, 2012; LA 03-15, eff. March 11, 2015; LA 23-19, eff. November 19, 2019. Amended LA 45-24, eff. November 16, 2024. Amended LA 31-25, eff. November 10, 2025.

2019 Legislation

LA 23-19, Section 2, provides:

"Section 2. Purpose. The purpose of this Act is to amend the Cherokee Nation Motor Vehicle and Licensing Tax Legislative Act #01-01 as amended by LA #27-01, LA #34-01, LA #34-02, LA #04-03, LA#19-03, LA #25-04, LA #29-04, LA #03-05, LA #07-06, LA #12-06, LA #17-06, LA #08-07, LA# 05-08, LA #23-08, LA #24-08, LA #04-09, LA #02-10, LA #07-10, LA #23-10, LA #33-10, LA #51-12, LA #09-13 LA #27-13, and LA #03-15."