



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 1673
SACRAMENTO CA 95812-1673

In reply refer to
[REDACTED]

OCTOBER 22, 2010

[REDACTED]

Year(s): 2006

Account No.: [REDACTED]

We are examining your California personal income tax return for the taxable year 2006. You indicated that the income you excluded from California taxation is not taxable to California since the income was earned or received from an Indian reservation.

Native Americans who do not reside in Indian country but within California are subject to tax on all income, including income from reservation sources. Native Americans who reside in Indian country are taxed on income from California income sources earned outside of the reservation.

In order to consider your tribal income to be exempt from California taxation, you must meet all of the following requirements:

1. You must be a registered member of a federally recognized Indian tribe; and
2. You must reside in the Indian country of the tribe with which you are affiliated; and
3. Your income must be from reservation sources of the tribe of which you are a member.

Reference: Appeal of Arviso, 82-SBE-108, June 29, 1982, and Jefferson, et al v. Comm. of Rev., No. C6-01-308 (Minn. 8/2/01.)

In order for us to verify your claim, please provide us with the following documentation or information for the taxable year above:

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OCTOBER 22, 2010

Account No.: [REDACTED]

Page 2

1. Documentation, such as utility statements (gas or electrical statements for 2006 or a letter from them stating you have been their customer since the service started), showing your physical address, and
2. Documentation that your physical address during the taxable year above was within the boundaries of a federally recognized Indian reservation, or otherwise in Indian country, and
3. Documentation that you were a member of the tribe within whose Indian country you lived (letter from Tribal Committee or tribal identification card).
4. Please provide 2006 1099-Misc or wage and tax (W-2) statements showing [REDACTED] you excluded from California taxes.

Please respond to this letter by 11/22/10. To ensure proper handling, attach a copy of this letter to the front of your reply and mail to the following address:

FRANCHISE TAX BOARD
Attn: 348: KDR@M/S F-310
PO BOX 1673
SACRAMENTO CA 95812-1673

If you prefer, you may FAX this information to us at (916) 843-6161.

Please do not amend your California tax return by filing a Form 540X, Amended Individual Income Tax Return. Amending your tax return will delay the completion of this examination.

If we need additional information to close this case, we would like permission to call you or a representative Monday through Friday, between 8:00 a.m. and 2:00 p.m. Please provide the information below:

Person to contact _____ Time _____

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