



1899 L Street, NW, Suite 1200  
Washington, DC 20036

T 202.822.8282  
F 202.296.8834

HOBBSSTRAUS.COM

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## GENERAL MEMORANDUM 24-005

### The Department of the Treasury and Internal Revenue Service Release Proposed Regulations on Entities Wholly Owned by Indian Tribal Governments

On October 9, 2024, The Internal Revenue Service (IRS) and Department of the Treasury (Treasury) [published](#) proposed regulations ("Proposed Regulations") governing Internal Revenue Code Sections 7701 and 6417 regarding entities wholly owned by Indian Tribal governments. The Proposed Regulations provide that a corporation or limited liability company formed under Tribal law and wholly owned by one or more Tribes will not be treated as separate from its owner Tribe(s). In addition, the Proposed Regulations state that for the limited purposes of claiming energy tax credits under the elective pay provisions, a wholly owned Tribal law entity is to be treated as an agency or instrumentality of the Tribe. The Proposed Regulations does not address entities that are partially owned by a Tribe. Treasury and the IRS will devote a separate rulemaking process to address these entities.

Treasury and the IRS are providing multiple opportunities to provide comments on the Proposed Regulations. Treasury will hold three virtual Tribal consultations on **December 16, 17, and 18, 2024**, at 1:00 pm ET each day (Register [here](#)). Additionally, Treasury will hold a public hearing on the Proposed Regulations on **January 17, 2025** at 10 am ET. Further, written comments may be submitted to the following email address: [tribal.consult@treasury.gov](mailto:tribal.consult@treasury.gov). The comment deadline is **January 7, 2025**, at 11:59 pm Alaska Time. Treasury has released several resources related to this consultation, including a [Dear Tribal Leader Letter](#), [Tribal Fact Sheet](#), and [Tribal Consultation Summary and Federal Response](#).

Please let us know if we may provide additional information or assistance regarding the Proposed Regulations. We are available to assist in preparing talking points or written comments on the Proposed Regulations.

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Inquiries may be directed to:

Telly Meier ([tmeier@hobbsstrauss.com](mailto:tmeier@hobbsstrauss.com))

Michael Willis ([mwillis@hobbsstrauss.com](mailto:mwillis@hobbsstrauss.com))

Jordan Romero-Villanueva ([jromero-villanueva@hobbsstrauss.com](mailto:jromero-villanueva@hobbsstrauss.com))