

Code of Federal Regulations
Title 26. Internal Revenue
Chapter I. Internal Revenue Service, Department of the Treasury
Subchapter A. Income Tax
Part 1. Income Taxes (Refs & Annos)
Normal Taxes and Surtaxes
Computation of Taxable Income
Items Specifically Excluded from Gross Income

26 C.F.R. § 1.139E-1, Treas. Reg. § 1.139E-1

§ 1.139E-1 Tribal general welfare benefits.

Effective: January 16, 2026

[Currentness](#)

(a) Overview. Under [section 139E](#) of the Code and this section, the gross income of a Tribal Program Participant for the taxable year does not include the value of any Tribal General Welfare Benefit provided by an Indian Tribal Government Program during the year to or on behalf of the Tribal Program Participant. Paragraph (b) of this section provides definitions that apply for purposes of this section. Paragraph (c) of this section provides the requirements that any program must satisfy to qualify as an Indian Tribal Government Program for purposes of this section. Paragraph (d) of this section provides the requirements that any benefit provided to or on behalf of a Tribal Program Participant must satisfy to qualify as a Tribal General Welfare Benefit for purposes of this section. Paragraph (e) of this section provides special rules related to cultural or ceremonial activities solely for purposes of this section. Paragraph (f) of this section restates the deference provided to Indian Tribal governments under section 2(c) of the Act. Paragraph (g) of this section describes the audit suspension provisions in section 4(a) of the Act. Paragraph (h) of this section provides the date of applicability of this section.

(b) Definitions. The following definitions apply for purposes of this section:

(1) Act. The term Act means the Tribal General Welfare Exclusion Act of 2014, [Public Law 113-168](#), [128 Stat. 1883 \(2014\)](#).

(2) Benefit. The term benefit means any money, property, services, or other item of value provided to or on behalf of an individual.

(3) Code. The term Code means the Internal Revenue Code.

(4) Indian Tribal Government. The term Indian Tribal Government means an Indian Tribal Government as defined by

section 7701(a)(40) of the Code and includes any agencies or instrumentalities of such an Indian Tribal Government.

(5) Indian Tribal Government Program. The term Indian Tribal Government Program means a program that satisfies the requirements of paragraph (c) of this section.

(6) Tribal General Welfare Benefit. The term Tribal General Welfare Benefit means any benefit provided to or on behalf of a Tribal Program Participant that satisfies the requirements of paragraph (d) of this section for exclusion from gross income as an “Indian general welfare benefit” under section 139E of the Code.

(7) Tribe. The term Tribe means any Indian Tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native village as defined in 43 U.S.C. 1602(c), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(8) Tribal Program Participant—(i) In general. The term Tribal Program Participant means a Tribal Member, spouse of a Tribal Member within the meaning of § 301.7701-18 of this chapter, spouse of a Tribal Member under applicable Tribal law, dependent of a Tribal Member, or other individual who has been determined by the Indian Tribal Government to be eligible for a Tribal General Welfare Benefit because such individual is, with respect to a Tribal Member, an ancestor, descendant, former spouse, widow or widower, legally recognized domestic partner or former domestic partner, or an individual for whom a Tribal Member is a caregiver authorized under Tribal or State law.

(ii) Special rule for ceremonial or cultural activities. Solely for purposes of paragraph (e) of this section, the term Tribal Program Participant may include a member or citizen of a Tribe that is different from the Tribe that establishes or maintains the Indian Tribal Government Program that provides the Tribal General Welfare Benefit, and other individuals described in paragraph (b)(8)(i) of this section. For purposes of this paragraph (b)(8)(ii), in applying paragraph (b)(8)(i) of this section, such member or citizen of another Tribe will be treated as a Tribal Member.

(9) Tribal Member. The term Tribal Member means an individual who is a member or citizen of the Tribe that establishes or maintains the Indian Tribal Government Program because the individual meets the requirements established by applicable Tribal law for enrollment in the Tribe, and:

(i) Is listed on the Tribal rolls of the Tribe if such rolls are kept;

(ii) Is recognized as a member by the Tribe if Tribal rolls are not kept; or

(iii) Is an Indian child as defined in 25 U.S.C. 1903.

(10) Dependent. The term dependent means an individual who is a qualifying child or a qualifying relative, as defined in [section 152](#) of the Code, of a Tribal Member for the taxable year determined:

(i) Without regard to whether the Tribal Member was a qualifying child or qualifying relative, each as defined in [section 152](#), of another taxpayer for a taxable year of the other taxpayer beginning in that calendar year.

(ii) Without regard to whether the individual filed a joint return with the individual's spouse (as defined in [section 6013](#) of the Code) for the taxable year beginning in that calendar year; and

(iii) Without regard to the individual's gross income for the calendar year in which the individual's taxable year begins.

(c) Indian Tribal Government Program—(1) In general. A program is an Indian Tribal Government Program only if the program:

(i) Is established by the Indian Tribal Government, as described in paragraph (c)(2) of this section;

(ii) Is administered under specified guidelines, as described in paragraph (c)(3) of this section; and

(iii) Does not discriminate in favor of members of the governing body of the Tribe, as described in paragraph (c)(4) of this section.

(2) Program must be established—(i) In general. A program must be established by an Indian Tribal Government. A program established by Tribal custom or government practice, or by formal action of the Indian Tribal Government, is a program established by the Indian Tribal Government. Formal action means authorization of the program pursuant to applicable Tribal law. The formal action must be in writing to the extent such writing is required under applicable Tribal law. For example, written documentation that evidences the formal action of the Indian Tribal Government to establish the program is required if such written documentation is required under applicable Tribal law. Similarly, no written documentation of the formal action of the Indian Tribal Government to establish the program is required if, under applicable Tribal law, no written documentation of such action is required. As an additional example, a program may be established by a voice vote if such voice vote would otherwise constitute formal action of the Indian Tribal Government under applicable Tribal law. To the extent permitted under applicable Tribal law, an Indian Tribal Government may delegate the authority for establishing a program to a designated individual or entity of the Indian Tribal Government.

(ii) Examples. The requirements of this paragraph (c)(2) are illustrated by the following examples, which are not intended to be an exhaustive or exclusive illustration of the rules provided in this paragraph (c)(2):

(A) **Example 1.** A, a Tribe, operates under the direction of its Indian Tribal Government (the Council). According to the laws of A, all expenditures of A must be approved by a majority of the Council at the Council's annual meeting or by written unanimous consent if the action is taken without a meeting. During the annual meeting of A's Council, a majority of the Council vote to approve establishing a program. A's Council has established the program under paragraph (c)(2)(i) of this section.

(B) **Example 2—(1) Facts.** The facts are the same as in paragraph (c)(2)(ii)(A) of this section (Example 1), except that, based on a recommendation from the Tribal Education office, A's Council determines to provide funding for a scholarship program to pay 100% of education related expenses for any Tribal Member who graduates from high school or receives a GED during the calendar year. Because the next Council meeting is scheduled in December 2024, and to avoid potential impact on eligible students, in February 2024, Council adopts by unanimous written consent the following education program:

(i) Approving \$X of funding for the 2024 year for the scholarship program; and

(ii) Authorizing the director of the Tribal Education office to use the approved funds for the scholarship program.

(2) **Analysis.** A's Council has established the education program under paragraph (c)(2)(i) of this section.

(C) **Example 3.** The facts are the same as in paragraph (c)(2)(ii)(B) of this section (Example 2) except that A's Council approves \$X of annual funding to be provided for the education program, and delegates to the Tribal Education office authority to establish a scholarship program. A's Council has established the education program under paragraph (c)(2)(i) of this section.

(3) Program must be administered under specified guidelines. A program must be administered under specified guidelines. The specified guidelines must include, at a minimum, a description of the program to provide Tribal General Welfare Benefits, the eligibility requirements for the program, a description of the type of benefits authorized by the program, and the process for receiving benefits under the program. A program is administered under specified guidelines if the program is operated in accordance with such guidelines. Indian Tribal Governments may choose to, but are not required to, set forth the specified guidelines of the program in writing.

(4) Program cannot discriminate in favor of members of the governing body of the Tribe—(i) In general. Except in the case of a program described in paragraph (c)(4)(ii) of this section, a program cannot discriminate in favor of members of the governing body of the Tribe. For the purposes of this paragraph (c)(4), a governing body means the legislative body of the Tribe, such as the Tribal Council, or the representative equivalent of the legislative body of the Tribe.

(ii) General council Tribes. A program is treated as being in compliance with this paragraph (c)(4) if the governing body of a Tribe consists of the entire adult membership of the Tribe.

(iii) Facts and circumstances test. Except in the case of a program described in paragraph (c)(4)(ii) of this section, a

program fails to satisfy the requirements of this paragraph (c)(4) if, based on all the facts and circumstances, the program, either by its terms or in its administration, discriminates in favor of members of the governing body of the Tribe. A program discriminates in favor of the members of the governing body of the Tribe if the program by its terms is available only to members of the governing body. Thus, for example, a program established to provide benefits solely to the children of members of the governing body of the Tribe (unless the Tribe is a general council Tribe) and thus defrays costs otherwise borne by members of the governing body fails to satisfy the requirements of this paragraph (c)(4). Additionally, the administration of a program discriminates in favor of members of the governing body of the Tribe if, based on the totality of the facts and circumstances, the benefits provided during the year disproportionately favor members of the governing body of the Tribe because of their status as members of the governing body.

(5) No limitation on source of funds—(i) In general. Benefits under the Indian Tribal Government Program may be funded by any source of revenue or funds. For example, an Indian Tribal Government may use funds derived from levies, taxes, and service fees; settlements; revenues from Tribally owned businesses, including casino revenues; funds from Federal, State, or local governments; and funds from other sources, including grants and loans, to provide benefits under an Indian Tribal Government Program.

(ii) Benefits funded by net gaming revenues. Benefits under the Indian Tribal Government Program may be funded by net gaming revenues as permitted under the Indian Gaming Regulatory Act, [25 U.S.C. 2701–2721 \(IGRA\)](#). However, per capita payments, as defined under IGRA, are subject to Federal taxation under IGRA and are not excludable from gross income under [section 139E](#) or this section. For purposes of [section 139E](#) and this section, a payment is a per capita payment if it is identified by the Indian Tribal Government as a per capita payment in a Revenue Allocation Plan that is approved by the Department of the Interior (see [25 U.S.C. 2710\(b\)\(3\)](#) and [25 CFR 290.11](#)) and in effect at the time of the payment.

(iii) Benefits paid as distributions from certain trusts. Benefits under the Indian Tribal Government Program may be provided to Tribal Program Participants as distributions from the portion of a trust of which the Indian Tribal Government is treated as owner under [sections 671 through 677](#). For purposes of [section 139E](#) and this section, the determination of whether a benefit is a Tribal General Welfare Benefit is made at the time the benefit is distributed from the trust to the Tribal Program Participant. A benefit, or a portion thereof, that an Indian Tribal Government Program distributes from a trust is a Tribal General Welfare Benefit under [section 139E](#) if it otherwise satisfies the requirements of [section 139E](#) and this section.

(d) Tribal General Welfare Benefits—(1) In general. A benefit does not qualify as a Tribal General Welfare Benefit unless the benefit is:

(i) Provided pursuant to an Indian Tribal Government Program, as described in paragraph (c) of this section;

(ii) Provided for the promotion of general welfare, as described in paragraph (d)(2) of this section;

(iii) Available to any eligible Tribal Program Participant, as described in paragraph (d)(3) of this section;

(iv) Not lavish or extravagant, as described in paragraph (d)(4) of this section; and

(v) Not compensation for services, as described in paragraph (d)(5) of this section.

(2) Benefits must be for the promotion of general welfare—(i) In general. Tribal General Welfare Benefits must be for the promotion of general welfare. For purposes of [section 139E](#) and this paragraph (d)(2), the Indian Tribal Government determines that a benefit is for the promotion of general welfare at the time it establishes the Tribal General Welfare Program meeting the requirements of paragraph (c) of this section. An Indian Tribal Government has sole discretion to determine whether a benefit is for the promotion of general welfare and the Internal Revenue Service will defer to the Indian Tribal Government’s determination that a benefit is for the promotion of general welfare. Benefits may be provided without regard to the financial or other need of Tribal Program Participants and may be provided on a uniform or pro-rata basis to Tribal Program Participants. Thus, for example, an Indian Tribal Government determines whether benefits are for the promotion of general welfare under programs such as cultural programs, housing assistance programs, programs to provide education benefits, programs for training or retraining to acquire new skills or to obtain better employment opportunities, programs to provide assistance for disasters or emergency situations, funeral or burial assistance programs, legal aid programs, wellness and health-related programs, or any programs that provide benefits to specific categories of individuals, such as elderly individuals or minors. Moreover, an Indian Tribal Government may also determine that providing a benefit to a Tribal Program Participant to support, develop, operate, expand or start a trade or business is a benefit for the promotion of general welfare. However, a benefit paid to or on behalf of a Tribal Program Participant for a trade or business must be paid to or on behalf of the Tribal Program Participant in the Tribal Program Participant’s capacity as an individual (for example, the benefit cannot be paid to or on behalf of the Tribal Program Participant’s corporation or partnership).

(ii) Examples. The requirements of paragraph (d)(2)(i) of this section are illustrated by the following examples. Items listed in these examples following the term “including” are not intended to be an exhaustive or exclusive illustration of the application of the rules in paragraph (d)(2)(i) of this section. For the examples in this paragraph (d)(2)(ii), assume the Indian Tribal Government has determined that the benefits provided are for the promotion of general welfare.

(A) **Example 1:** Housing programs. Indian Tribal Government A administers a program, B, pursuant to which the following benefits are provided in connection with A’s Tribal Members’ principal residences and ancillary structures: payments for Tribal Members to use to make mortgage payments, down payments, and rent payments (including security deposits); payments for Tribal Members to enhance habitability of housing, such as by remedying water, sewage, sanitation service, safety (including mold remediation), and heating or cooling issues; payments for Tribal Members to provide for basic housing repairs or rehabilitation (including roof repair and replacement); and payments to Tribal Members to pay utility bills and charges (including water, electricity, gas, and basic communications services such as phone, internet, and cable). The payments made by A under B are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(B) **Example 2:** Educational programs. Indian Tribal Government C administers a program, D, pursuant to which the following benefits are provided: provision to students (including post-secondary students) of transportation to and from school, tutors, and supplies (including clothing, backpacks, laptop computers, textbooks, musical instruments, and sports equipment) for use in school activities and extracurricular activities; tuition payments for students (as well as allowances for room and board on or off campus for the student, spouse, domestic partner, and dependents) to attend preschool, school, college or university, online school, educational seminars, vocational education, technical education, adult education,

continuing education, or alternative education; provision of care of children away from their homes to help their parents or other relatives responsible for their care to be gainfully employed or to pursue education; and provision of job counseling and programs for which the primary objective is job placement or training, including allowances for expenses for interviewing or training away from home (including travel, auto expenses, lodging, and food), tutoring, and appropriate clothing for a job interview or training (including an interview suit or a uniform required during a period of training). The payments made by C under D are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(C) **Example 3:** Elder and disabled programs. Indian Tribal Government E administers a program, F, pursuant to which the following benefits are provided to Tribal Members who have attained age 55 or are mentally or physically disabled (as defined under applicable law, including an Indian Tribal Government's disability laws): meals through home-delivered meals programs or at a community center or similar facility; home care such as assistance with preparing meals or doing chores, or day care outside the home; local transportation assistance; and improvements to adapt housing to special needs (including but not limited to grab bars and ramps). The payments made by E under F are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(D) **Example 4:** Transportation programs. Indian Tribal Government G administers a program, H, pursuant to which the following benefits are provided: payment of transportation costs, including for rental cars, mileage, and fares for taxis, ride-sharing or ride-hailing services, buses, and other public transportation. The payments made by G under H are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(E) **Example 5:** Medical programs. Indian Tribal Government J administers a program, K, pursuant to which the following benefits are provided: payments for the cost of transportation, temporary meals, and lodging of a Tribal Program Participant while the individual is receiving medical care away from home, or to pay the cost of nonprescription drugs (including traditional Tribal medicines). The payments made by J under K are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(F) **Example 6:** Emergency programs. Indian Tribal Government L administers a program, M, pursuant to which the following benefits are provided to individuals in exigent circumstances (including victims of abuse): assistance to cover costs, including the costs of food, clothing, shelter, transportation, auto repair bills, and similar expenses; payment of costs for temporary relocation and shelter for individuals involuntarily displaced from their homes (including situations in which a home is destroyed by a fire or natural disaster); and assistance for transportation emergencies (for example, when stranded away from home) in the form of transportation costs, a hotel room, and meals. The payments made by L under M are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(G) **Example 7:** Cultural and religious programs. Indian Tribal Government N administers a program, P, pursuant to which the following benefits are provided: payment of expenses (including admission fees, transportation, food, and lodging) to attend or participate in a Tribe's cultural, social, religious, or community activities, including powwows, potlatches, ceremonies, and traditional dances; payment of expenses (including admission fees, transportation, food, and lodging) to visit sites that are culturally or historically significant for the Tribe, including other Indian reservations; payment of the costs of receiving instruction about a Tribe's culture, history, and traditions (including traditional language, music, and dances); payment of funeral and burial expenses and expenses of hosting or attending wakes, funerals, burials, other bereavement events, and subsequent honoring events; payment of transportation costs and admission fees to attend educational, social, or cultural programs offered or supported by the Tribe or another Tribe; and cash or property provided as prizes or awards in connection with cultural, social, religious, or community activities (including powwows, potlatches, ceremonies, and traditional dances). In addition, the benefits provided by program P include the payment of expenses to assist in the preparation and clean-up activities related to the Tribe's cultural, social, religious, or community activities. The payments made by N under P are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(H) **Example 8:** Economic development benefits. Indian Tribal Government Q administers a program, R, pursuant to which

Q provides benefits to Tribal Program Participants to support, develop, operate, expand or start a trade or business. Q provides benefits under program R, which include: a nonreimbursable grant paid directly to a Tribal Program Participant; an interest-free or other below-market loan to a Tribal Program Participant; and a cash benefit to a Tribal Program Participant to pay rent on a commercial lease. The benefits provided by Q to Tribal Program Participants under R, are for the promotion of general welfare as described in paragraph (d)(2)(i) of this section.

(3) Benefits must be available. The benefits provided under an Indian Tribal Government Program must be available to any Tribal Program Participant who meets the specified guidelines of the program required under paragraph (c)(3) of this section, subject to budgetary constraints. However, the Indian Tribal Government has discretion to determine the category of individuals who are Tribal Program Participants under the Indian Tribal Government Program, provided that such determination is consistent with the specified guidelines described in paragraph (c)(3) of this section and subject to the prohibition on discrimination under paragraph (c)(4) of this section. Thus, for example, an Indian Tribal Government is permitted to limit eligibility for an Indian Tribal Government Program to dependents of Tribal Members who have attained a specified age, or, as another example, to a Tribal Member's household.

(4) Benefits cannot be lavish or extravagant—(i) Facts and circumstances test. The benefit provided by an Indian Tribal Government Program cannot be lavish or extravagant. Whether a benefit is lavish or extravagant for purposes of this section is based on the facts and circumstances at the time the benefit is provided. Relevant facts and circumstances include a Tribe's culture and cultural practices, history, geographic area, traditions, resources, and economic conditions or factors. For purposes of this paragraph (d)(4)(i), the Internal Revenue Service will defer to an Indian Tribal Government's attestations of the fact and circumstances but may also consider other facts and circumstances that are not attested to by the Indian Tribal government at the time that the benefit is provided to the Tribal Program Participant.

(ii) Presumption for written specified guidelines. A benefit will be presumed to not be lavish or extravagant if it is described in, and provided in accordance with, the written specified guidelines of an Indian Tribal Government Program that exist at the time that the benefit is provided to the Tribal Program Participant.

(5) Benefits cannot be compensation for services. Except as provided in paragraph (e) of this section, a Tribal General Welfare Benefit does not include benefits that are provided as compensation for services to any person. Under [section 61\(a\)](#) of the Code, compensation for services includes fees, commissions, fringe benefits, and similar items, whether paid in money or property.

(6) Loans from an Indian Tribal Government to a Tribal Program Participant. Except as provided in [§ 1.7872-5\(a\)\(2\)](#), [section 7872](#) of the Code does not apply to a loan from an Indian Tribal Government to a Tribal Program Participant pursuant to an Indian Tribal Government Program.

(e) Cultural or ceremonial activities—(1) In general. For purposes of [section 139E](#) and paragraph (d)(5) of this section, a benefit is not compensation for services if:

(i) The benefit is provided to a Tribal Program Participant for the Tribal Program Participant's participation in cultural

or ceremonial activities for the transmission of Tribal culture as determined by the Indian Tribal Government (including but not limited to: powwows; rite of passage ceremonies; funerals; wakes; burials; other bereavement events; honoring events; Tribal community service events, such as a neighborhood clean-up or a youth woodcutting program to benefit elders; participation in training in traditional construction techniques; Tribal language education; and other activities, including, for example, those described in paragraph (d)(2)(ii)(G) of this section); and

(ii) The benefit consists of an item of cultural significance as determined by the Indian Tribal Government, the reimbursement of costs, or a cash honorarium.

(2) Application. Except as otherwise provided in this paragraph (e)(2), an Indian Tribal Government has sole discretion to determine whether an item is an item of cultural significance and whether an activity is a cultural or ceremonial activity, and the Internal Revenue Service will defer to these determinations by the Indian Tribal Government. A benefit provided under this paragraph (e) can be a prize or award given to a Tribal Program Participant for the Tribal Program Participant's participation in cultural or ceremonial activities for the transmission of Tribal culture. However, cash, gift cards, or vehicles are generally not items of cultural significance.

(3) Examples. The application of this paragraph (e) is illustrated by the following examples, which are not intended to be an exhaustive or exclusive illustration of the rules provided in this paragraph (e):

(i) **Example 1:** Benefits for cultural or ceremonial activities not compensation for services. Tribe B regularly holds a gathering during the fall season to celebrate its cultural traditions. During the gathering, Tribal Members of B, as well as Tribal members of other Tribes from around the region, are invited to participate. The Indian Tribal Government of B (ITG-B) allocates funds for the gathering, some of which are used for the following payments:

(A) Tribal Member of B. Individual 1, a Tribal Member of B, provides traditional blessings on the first and final days of the gathering. ITG-B gives Individual 1 a cash honorarium in recognition of providing the blessings. The cash honorarium that Individual 1 receives from ITG-B is not compensation for services under this paragraph (e).

(B) Tribal Member of different Tribe. Individual 2, a Tribal Member of Tribe C, participates as a drummer for a ceremonial dance on the second day of the gathering. ITG-B gives Individual 2 a piece of culturally significant jewelry. Under paragraph (b)(8)(ii) of this section, Individual 2 is a Tribal Program Participant solely for purposes of this paragraph (e). The jewelry that Individual 2 receives from ITG-B is not compensation for services under this paragraph (e).

(ii) **Example 2:** Benefits for cultural or ceremonial activities not compensation for services. Tribe C operates a language preservation center in which Individual 3, a Tribal Member of C, who speaks the traditional language that is common to C and other regional Tribes, volunteers to come in every Saturday to discuss and teach the traditional language of C to other Tribal Members of C. The Indian Tribal Government of C (ITG-C), reimburses Individual 3 for travel expenses and teaching supplies used in Individual 3's language lessons. The reimbursement of costs that Individual 3 receives from ITG-C is not compensation for services under this paragraph (e).

(f) Section 2(c) of the Act. Section 2(c) of the Act provides that ambiguities in [section 139E of the Internal Revenue Code](#), as added by the Act, shall be resolved in favor of Indian Tribal governments and deference shall be given to Indian Tribal governments for the programs administered and authorized by the Tribe to benefit the general welfare of the Tribal

community.

(g) Audit suspension. After December 16, 2025, the Department of the Treasury and the Internal Revenue Service will, in consultation with the Treasury Tribal Advisory Committee, establish and require the education and training prescribed in section 3(b)(2) of the Act. The temporary suspension of audits and examinations (see [sections 7602](#) and [7605](#) of the Code) described in section 4(a) of the Act applies to Indian Tribal governments and Tribal Program Participants and will not be lifted until after the education and training prescribed by section 3(b)(2) of the Act is completed. An inquiry into a taxpayer's eligibility for the audit suspension does not constitute an audit or examination for purposes of the audit suspension described in section 4(a) of the Act.

(h) Applicability date. This section applies to taxable years of Tribal Program Participants that begin on or after January 1, 2027. Indian Tribal Governments and Tribal Program Participants may choose to apply the provisions of this section, in their entirety, to taxable years that begin before January 1, 2027.

Credits

[[T.D. 10040](#), [90 FR 58400](#), Dec. 16, 2025; [91 FR 2084](#), Jan. 16, 2026]

SOURCE: T.D. 6500, [25 FR 11402](#), Nov. 26, 1960; [25 FR 14021](#), Dec. 31, 1960; [T.D. 10042](#), [90 FR 57915](#), Dec. 15, 2025; [T.D. 10040](#), [90 FR 58400](#), Dec. 16, 2025, unless otherwise noted.

AUTHORITY: Section 1.139E-1 also issued under [26 U.S.C. 139E.](#); Section 1.139E-1(d)(6) also issued under [26 U.S.C. 7872.](#); Section 1.139E-2 also issued under [26 U.S.C. 139E.](#); Section 1.7872-5(b)(17) also issued under [26 U.S.C. 7872.](#); Section 1.892-3 also issued under [26 U.S.C. 892\(c\).](#); Section 1.892-4 also issued under [26 U.S.C. 892\(c\).](#)

HISTORICAL NOTES

Effective and Applicability Notes

[T.D. 10040](#) section added eff. Dec. 16, 2025.

Current through March 12, 2026, 91 FR 12083. Some sections may be more current. See credits for details.

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