

Passage of an exemption for non-Tribal businesses operating on trust land is warranted for the following reasons:

1. Each federally recognized Tribe is a sovereign government that supports all the “municipal” needs of the non-Tribal businesses operating on their trust lands. These businesses receive no services from the Towns of Ledyard and Montville.
2. Allowing Ledyard and Montville to continue taxing non-tribal businesses undermines the ability of each tribe to support its own infrastructure and governmental needs.
3. Both Tribes are economic engines in the state and CT should support their endeavors and respect their sovereign rights.
4. Passage of an exemption treats each tribe equally.

Consequences of passage of the exemption legislation.

1. Passage of an exemption for non-tribal businesses would result in an approximate annual revenue reduction of \$500,000 to \$700,000 for both Ledyard and Montville.
2. To hold Ledyard and Montville harmless the state should commit an annual Mashantucket Pequot-Mohegan Fund increase of the 2023 revenues received by each town for this taxation. This would not increase with the advent of any new economic development on the reservation.

Subsequent Action Warranted

1. Montville should immediately STOP taxing motor vehicles on Mohegan tribal lands. There is not any substantiation warranting such taxation.

Mohegan Settlement Agreements

1. Connecticut should remove section 1F regarding PILOT payments from the Mohegan/State Settlement Agreement.
2. Mohegan and Montville should commence discussions immediately to bring agreement to a standard recognizing the tribe’s sovereignty.