



June 19, 2013

Hon. Dave Camp, Chairman
House Committee on Ways and Means
Ways and Means Committee Office
1102 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Camp:

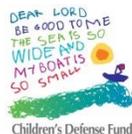
As national organizations dedicated to the well-being of American Indian and Alaska Native children and families, we strongly urge you to support the "Adoption Tax Credit Tribal Parity Act of 2013" H.R. 2332. All families should have access to the Adoption Tax Credit, regardless of whether their adoption was sanctioned through a state child welfare system or a tribal child welfare system and this bill ensures that parity.

The adoption tax credit was enacted to mitigate the financial burden experienced by families adopting children and to help support families who adopt a child with special needs. By easing these financial burdens the adoption tax credit seeks to reduce the number of children waiting for adoption, but more specifically, it seeks to incentivize the adoption of the most vulnerable children in the child welfare system—those with special needs. In doing so, the adoption tax credit permits adoptive parents to claim an adoption credit of up to \$10,000 (which includes an adjustment for inflation). Congress has long recognized that families who adopt a child with special needs are likely to incur costs even after the adoption is finalized therefore when the child they have adopted is considered "special needs" as determined by a court with jurisdiction over child welfare proceedings, families do not have to document qualified upfront adoption expenses.

However, the way it is in law now, the adoptive parents of a child with special needs who is adopted through a tribal court cannot claim the special needs adoption credit. Herein lies the problem with respect to the current tax code.

Although tribes have the authority to arrange and sanction the adoptions of member children, as well as children that are eligible for membership in the tribe, current tax law does not recognize the authority of tribal governments to determine which of these adopted children have "special needs." Stated differently, the special needs determination provided by the tribe is not an acceptable document for the purposes of filing for the adoption tax credit as special needs. This creates a disparity in the tax law (*i.e.*, taxpayers who adopt a special needs child through a state can claim the benefit for children with special needs without documenting qualified expenses while taxpayers who adopt a child with special needs from a tribe cannot). This is an inadvertent oversight in the tax law that resulted from lawmakers not having information that clarified that tribal families adopt children with special needs and that tribal courts adjudicate adoption proceedings.

This oversight results in Indian children who have special needs losing out on the benefits Congress intended them to have through the adoption tax credit. The tax credit eases the financial burden of adopting special needs children, and it encourages children's permanent placement in stable home environments. Because it is not available to Indian children whose determinations of special needs are made in tribal court, potential adoptive parents face additional financial burdens and may be disincentivized from adopting.

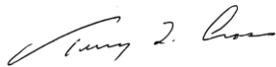


The attached bill would remedy this problem. The bill simply recognizes the ability of Native American tribal governments, who already have the authority to arrange and sanction adoptions for their children, to determine which of their member children are “special needs” for the purpose of the adoption tax credit. This would afford qualified families that adopted children through tribal courts to file for the current child tax credit.

We are writing you to urge you to support the “Adoption Tax Credit Tribal Parity Act of 2013” and consider becoming a co-sponsor of the bill. Our children can’t wait any longer and the tribal families that want to adopt them also need your support to give these children a loving home.

We thank you again for your past support for American Indian and Alaska Native children and look forward to working with you during the coming year.

Sincerely,



Terry L. Cross
Executive Director
National Indian Child Welfare Association



Nicole Dobbins
Executive Director
Voice for Adoption



Jacqueline Johnson Pata
Executive Director
National Congress of American Indians



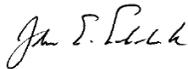
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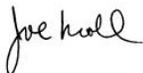
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