

**AMENDED AGREEMENT ON EXCHANGE OF TAX INFORMATION
BETWEEN
THE OFFICE OF THE NAVAJO TAX COMMISSION
AND
THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT**

Pursuant to the ~~Joint Powers Agreements Act, Section 11-1-1 through 11-1-7, NMSA-1978 and the laws of the Navajo Nation,~~ this Agreement is made and entered into on the dates set forth below, by and between the Taxation and Revenue Department for the State of New Mexico ("TRD") and the Navajo Nation through the Office of the Navajo Tax Commission ("ONTC"), to further the respective interest of each taxing authority by securing additional information useful for the administration of fuels taxes, New Mexico Gross Receipts Tax, New Mexico Severance Tax, New Mexico Personal Income Tax, New Mexico Corporate Income Tax, New Mexico Property Tax, New Mexico Cigarette Tax, Navajo Business Activity Tax, Navajo Possessory Interest Tax, Navajo Oil and Gas Severance Tax, Navajo Hotel Occupancy Tax, Navajo Tobacco Products Tax and Licensing Act, and Navajo Sales Tax, hereinafter referred to as "taxes covered by this agreement." The parties recognize that they need a means of verifying information reported to each party, and that joint administration and enforcement activities are in the best interest of both parties.

TRD and ONTC hereby agree:

1. Pursuant to N.M. Stat. Ann. Section 7-1-8 (1978), employees or former employees of TRD are prohibited from revealing to any individual other than another employee of TRD any information contained in the return of any taxpayer or any other information about a taxpayer acquired as a result of their employment by TRD. New Mexico Stat. Ann. Section 7-1-8(T) (1978), however, allows the following exception:

[T]o authorized representatives of an Indian nation, tribe or pueblo, the territory of which is located wholly or partially within New Mexico, pursuant to the terms of a reciprocal agreement entered into with the Indian nation, tribe or pueblo for the exchange of that information for tax purposes only; provided that the Indian nation, tribe or pueblo has enacted a confidentiality statute similar to this section;

2. Pursuant to Section 134 of the Uniform Tax Administration Statute, employees of the ONTC are prohibited from revealing to any individual other than another employee or legal counsel of the ONTC any information contained in the return of any taxpayer or any other information about a taxpayer acquired as a result of their employment by the ONTC. Section 134(b)(5), however, allows the following exception:

[T]o an authorized representative of another Indian nation or a state; provided that the receiving nation or state has entered into a written agreement with the Office of the Navajo Tax Commission to use the information for tax

purposes only and that the receiving nation or state has enacted a confidentiality statute similar to this section.

3. Upon request by the other party, TRD and ONTC shall exchange taxpayer returns and information concerning taxpayers of each taxing authority in accordance with paragraph 4 of this agreement. Requests shall be in the form of a letter stating the information requested and signed by an authorized person.

4. TRD and ONTC shall permit persons authorized by the other to inspect and copy returns concerning any taxes covered by this agreement; furnish to such persons information contained in returns or return information; and supply any information gathered as the result of investigation or examination of returns.

Memoranda or legal opinions concerning the taxpayer and intended for the internal use of either TRD or ONTC may not be disclosed under this agreement unless they are part of the public record in litigation or the disclosure is authorized by the Secretary of the New Mexico Department of Taxation and Revenue or by the Executive Director of the Office of the Navajo Tax Commission. Such disclosure shall not constitute waiver of attorney client privilege.

Upon request by the other party, TRD and ONTC will disclose audit reports or audit work papers. The parties will allow employees or agents of the other to participate in joint audits, and each party shall bear the costs incurred by their respective employees or agents.

TRD and ONTC agree to provide any witnesses requested by the other to testify in any proceeding, so long as both parties agree upon the competency of the witness.

For the purposes of this agreement, the term "return" shall mean any tax return or information return, estimated tax declaration, or claim for refund required by, provided for or permitted under the provisions of the taxes covered by this agreement. "Return" shall also mean any amendment or supplement thereto, including supporting schedules, attachments or lists which are supplemental to or part of the return so filed.

5. This Agreement shall become effective after signature by the Secretary of TRD and the President of the Navajo Nation and shall remain in effect until terminated by either party upon 90 days advance written notice to the other.

6. It is further agreed and understood that if either party is unable to comply with the terms of this Agreement due to changes in their respective laws or for any other reason, then this Agreement will become immediately null and void.

7. If it becomes necessary to amend this agreement, amendments shall be in writing and signed by the original signers or their successors.


8. Notice under this agreement, including notice of termination, shall be delivered to the Navajo Nation at:

Office of the Navajo Tax Commission
PO Box 1903
Window Rock, AZ 86515

and to the State of New Mexico at:

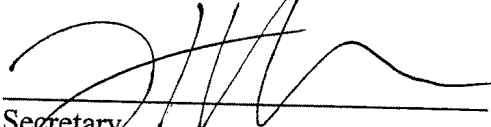
New Mexico Taxation and Revenue Department
PO Box 630
Santa Fe, New Mexico 87509-0630

Done this _____ day of MAR 09 2004, 200_ in Window Rock, Navajo Nation (Arizona).




Joe Shirley, Jr., President
Navajo Nation

Done this _____ day of _____, 200_ in Santa Fe, New Mexico.



Secretary
New Mexico Department of Taxation and
Revenue

Done this _____ day of _____, 200_ in Santa Fe, New Mexico.



Department of Finance Administration



STATE OF NEW MEXICO
Taxation and Revenue Department

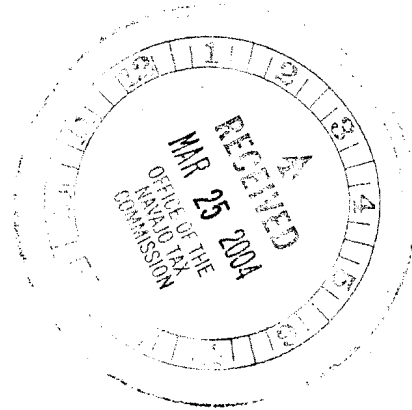
An Equal Opportunity Employer

Legal Services Bureau
Post Office Box 630
1100 South St. Francis Drive, Suite 1100
Santa Fe, New Mexico 87504-9981
Office (505) 827-0727 Fax (505) 827-0915

Office of the Secretary
(505) 827-0341
Administrative Services
(505) 827-0369
Audit and Compliance
(505) 827-0900
Motor Vehicle
(505) 827-2296
Property Tax
(505) 827-0870
Revenue Processing
(505) 827-0800

March 22, 2004

Amy Alderman
Office of the Navajo Tax Commission
Post Office Box 1903
Window Rock, AZ 86515

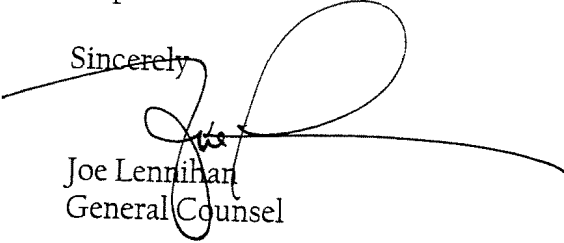


Amy:

DFA concluded that these agreements are not JPA's under §11-1-1 seq., NMSA 1978; therefore do not require DFA approval. DFA struck the preambular language citing the JPA statute. I have initialed the change, indicating the department approval of the language.

Hope all is well.

Sincerely


Joe Lennihan
General Counsel