

## Public Ruling

### Navajo Sales Tax

#### Sales to Navajo Generating Station and Peabody Kayenta Mine

A ruling has been requested regarding the application of the Sales Tax to the sale of goods or services to the Navajo Generating Station near Page, Arizona and the Peabody Kayenta Mine near Kayenta, Arizona, which supplies Navajo Generating Station.

The lease for Navajo Generating Station contains a contractual tax waiver for the power plant and all activities associated with the generation of power at the plant. The Office of the Navajo Tax Commission has determined that this waiver includes sales of goods and/or services at the Kayenta Mine as well, since the coal from that mine is dedicated to Navajo Generating Station. Therefore, during the term of the contractual waiver, the Navajo Sales Tax does not apply to sales at either the Generating Station or Kayenta Mine.

This ruling shall remain in effect, until withdrawn by the Office of the Navajo Tax Commission or superseded or rendered invalid by a change in statute or regulation.

If you have any questions, please contact the Office of the Navajo Tax Commission at (928) 871-7113.

Issued this 24th day of December, 2012



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Martin E. Ashley, Executive Director

Office of the Navajo Tax Commission