tion be subject to Federal or State income tax. Following any distribution of property made under the provisions of this subchapter, such property and any income derived therefrom by the individual, corporation, or other legal entity shall be subject to the same taxes, State and Federal, as in the case of non-Indians: *Provided*, That, for the purpose of capital gains or losses the base value of the property shall be the value of the property when distributed to the individual, corporation or other legal entity.

(Aug. 13, 1954, ch. 732, § 11, 68 Stat. 721.)

ALL AMOUNTS REALIZED FROM CONDEMNATION OF CERTAIN FOREST LANDS HELD IN TRUST

Pub. L. 94–81, § 1, Aug. 9, 1975, 89 Stat. 417, as amended by Pub. L. 96–596, § 5(a), Dec. 24, 1980, 94 Stat. 3476; Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided: ''That, for purposes of the Internal Revenue Code of 1986 [formerly I.R.C. 1954, Title 26, Internal Revenue Code], all amounts realized by the trust from the condemnation, pursuant to Public Law 93–102 [section 564w–2 of this title], of the Klamath Indian forest lands held by the trustee for the Klamath Indian Tribe—

''(1) shall be excluded from the gross income of the trust, and

''(2) on the distribution from the trust of the proceeds of such condemnation, shall be excluded from the gross income of each person receiving such distribution.''

Section 5(b) of Pub. L. 96–596 provided that: ''The amendment made by subsection (a) [amending section 1 of Pub. L. 94–81, set out above] shall apply to all amounts whether received before, on, or after the date of the enactment of this Act [Dec. 24, 1980].''

§ 564k. Loan transfers; collection by tribe

All loans made from the reimbursable loan fund established by section 531 of this title, and all other loans made from Klamath tribal funds, including loans of livestock made by the tribe repayable in kind, shall be transferred to the tribe for collection in accordance with the terms thereof.

(Aug. 13, 1954, ch. 732, § 12, 68 Stat. 721.)

REFERENCES IN TEXT

Section 531 of this title, referred to in text, was repealed by act Aug. 13, 1954, ch. 732, § 12, 68 Stat. 721.

CODIFICATION

Section is composed of second sentence of section 12 of act Aug. 13, 1954. The first sentence of said section 12 repealed sections 531 to 535 and 542(a) of this title.

§ 564*l*. Klamath irrigation works

(a) Transfer of operation and maintenance

That part of section 499 of title 43, which relates to the transfer of the care, operation, and maintenance of reclamation works to water users associations or irrigation districts shall be applicable to the irrigation works on the Klamath Reservation.

(b) Termination of construction costs deferment; recordation of lien

Effective on the first day of the calendar year beginning after the date of the proclamation provided for in section 564q of this title, the deferment of the assessment and collection of construction costs provided for in the first proviso of section 386a of this title, shall terminate with respect to any lands within irrigation projects on the Klamath Reservation. The Secretary shall cause the first lien against such lands created by section 387[1] of this title, to be filed of record in the appropriate county office.

(c) Appropriation authorization

There is authorized to be appropriated out of any funds in the Treasury not otherwise appropriated the sum of $89,212 for payment to the Klamath Tribe with interest at 4 per centum annually as reimbursement for tribal funds used for irrigation construction operation and maintenance benefiting nontribal lands on the Klamath Reservation, such interest being computed from the dates of disbursement of such funds from the United States Treasury.

(d) Adjustment of reimbursable irrigation costs

The Secretary is authorized to adjust, eliminate, or cancel all or any part of reimbursable irrigation operation and maintenance costs and reimbursable irrigation construction costs chargeable against Indian owned lands that are subject to the provisions of this subchapter, and all or any part of assessments heretofore or hereafter imposed on account of such costs, when he determines that the collection thereof would be inequitable or would result in undue hardship on the Indian owner of the land, or that the administrative costs of collection would probably equal or exceed the amount collected.

(e) Applicable irrigation laws

Nothing contained in any other section of this subchapter shall affect in any way the laws applicable to irrigation projects on the Klamath Reservation.

(Aug. 13, 1954, ch. 732, § 13, 68 Stat. 721.)

REFERENCES IN TEXT

Section 387 of this title, referred to in subsec. (b), was omitted after not being repeated in the Interior Department Appropriation Act of 1947, July 1, 1946, ch. 529, 60 Stat. 348.

§ 564m. Water and fishing rights

(a) Water rights; laws applicable to abandonment

Nothing in this subchapter shall abrogate any water rights of the tribe and its members, and the laws of the State of Oregon with respect to the abandonment of water rights by nonuse shall not apply to the tribe and its members until fifteen years after the date of the proclamation issued pursuant to section 564q of this title.

(b) Fishing rights or privileges

Nothing in this subchapter shall abrogate any fishing rights or privileges of the tribe or the members thereof enjoyed under Federal treaty.

(Aug. 13, 1954, ch. 732, § 14, 68 Stat. 722.)

§ 564n. Protection of minors, persons non compos mentis, and other members needing assistance; guardians; other adequate means; trusts; annuities; assistance factors; contests

Prior to the transfer of title to, or the removal of restrictions from, property in accordance

[1] See References in Text note below.

with the provisions of this subchapter, the Secretary shall protect the rights of members of the tribe who are minors, non compos mentis, or in the opinion of the Secretary in need of assistance in conducting their affairs, by causing the appointment of guardians for such members in courts of competent jurisdiction, or by such other means as he may deem adequate, without application from the member, including but not limited to the creation of a trust of such member's property with a trustee selected by the Secretary, or the purchase by the Secretary of an annuity for such member: *Provided, however*, That no member shall be declared to be in need of assistance in conducting his affairs unless the Secretary determines that such member does not have sufficient ability, knowledge, experience, and judgment to enable him to manage his business affairs, including the administration, use, investment, and disposition of any property turned over to such member and the income and proceeds therefrom, with such reasonable degree of prudence and wisdom as will be apt to prevent him from losing such property or the benefits thereof: *Provided further*, That any member determined by the Secretary to be in need of assistance in conducting his affairs may, within one hundred and twenty days after receipt of written notice of such secretarial determination, contest the secretarial determination in any naturalization court for the area in which said member resides by filing therein a petition having that purpose; the burden shall thereupon devolve upon the Secretary to show cause why such member should not conduct his own affairs, and the decision of such court shall be final and conclusive with respect to the affected member's conduct of his affairs.

(Aug. 13, 1954, ch. 732, § 15, 68 Stat. 722; Pub. L. 85–132, § 1(j), Aug. 14, 1957, 71 Stat. 348.)

AMENDMENTS

1957—Pub. L. 85–132 inserted provisions allowing Secretary to act without application from member to create a trust or purchase an annuity for such member, by setting out factors for determination by Secretary before he declares a member to be in need of assistance, and by providing for contest of such secretarial determination by member.

§ 564*o*. Advances or expenditures from tribal funds

Pending the completion of the property dispositions provided for in this subchapter, the funds now on deposit, or hereafter deposited, in the United States Treasury to the credit of the tribe shall be available for advance to the tribe, or for expenditure, for such purposes as may be designated by the governing body of the tribe and approved by the Secretary.

(Aug. 13, 1954, ch. 732, § 16, 68 Stat. 722.)

§ 564p. Execution by Secretary of patents, deeds, etc.

The Secretary shall have authority to execute such patents, deeds, assignments, releases, certificates, contracts, and other instruments as may be necessary or appropriate to carry out the provisions of this subchapter, or to establish a marketable and recordable title to any property disposed of pursuant to this subchapter.

(Aug. 13, 1954, ch. 732, § 17, 68 Stat. 722.)

§ 564q. Termination of Federal trust

(a) Publication; termination of Federal services; application of Federal and State laws

Upon removal of Federal restrictions on the property of the tribe and individual members thereof, the Secretary shall publish in the Federal Register a proclamation declaring that the Federal trust relationship to the affairs of the tribe and its members has terminated. Thereafter individual members of the tribe shall not be entitled to any of the services performed by the United States for Indians because of their status as Indians and, except as otherwise provided in this subchapter, all statutes of the United States which affect Indians because of their status as Indians shall no longer be applicable to the members of the tribe, and the laws of the several States shall apply to the tribe and its members in the same manner as they apply to other citizens or persons within their jurisdiction.

(b) Citizenship status unaffected

Nothing in this subchapter shall affect the status of the members of the tribe as citizens of the United States.

(Aug. 13, 1954, ch. 732, § 18, 68 Stat. 722.)

§ 564r. Termination of Federal powers over tribe

Effective on the date of the proclamation provided for in section 564q of this title, all powers of the Secretary or other officer of the United States to take, review, or approve any action under the constitution and bylaws of the tribe are terminated. Any powers conferred upon the tribe by such constitution which are inconsistent with the provisions of this subchapter are terminated. Such termination shall not affect the power of the tribe to take any action under its constitution and bylaws that is consistent with this subchapter without the participation of the Secretary or other officer of the United States.

(Aug. 13, 1954, ch. 732, § 19, 68 Stat. 722.)

§ 564s. Set off of individual indebtedness; credit

The Secretary is authorized to set off against any indebtedness payable to the tribe or to the United States by an individual member of the tribe or payable to the United States by the tribe, any funds payable to such individual or tribe under this subchapter and to deposit the amounts set off to the credit of the tribe or the United States as the case may be.

(Aug. 13, 1954, ch. 732, § 20, 68 Stat. 723.)

§ 564t. Indian claims unaffected

Nothing contained in this subchapter shall deprive the tribe or its constituent parts of any right, privilege, or benefit granted by the Act of August 13, 1946 (60 Stat. 1049) [25 U.S.C. 70 et seq.].

(Aug. 13, 1954, ch. 732, § 21, 68 Stat. 723.)

REFERENCES IN TEXT

Act of August 13, 1946, referred to in text, is act Aug. 13, 1946, ch. 959, 60 Stat. 1049, as amended, known as the