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On the first day of Oklahoma's Fiscal Year 2026, the Oklahoma Supreme Court ruled Alicia Stroble — a Muscogee citizen who resides within the Muscogee Reservation and works for the Muscogee Nation — is subject to state income taxation. Oklahoma's justices ruled against Stroble despite the U.S. Supreme Court's precedent in McClanahan v. Arizona State Tax Commission, 411U.S. 164 (1973), which historically exempted similarly situated tribal citizens in Indian Country from state income taxation.

The issue presented is whether the state has jurisdiction to impose income taxes on a tribal member who resides and works for the tribe within the boundaries of the tribe's reservation as recognized in McGirt, the Oklahoma Supreme Court's per curiam opinion read. "McGirt declared the reservation status of the land at issue. The United States Supreme Court determined that because the land was reservation land, it constituted 'Indian Country' for purposes of the Major Crimes Act. Therefore, the state was without jurisdiction to prosecute certain crimes committed by an Indian on the reservation. Stroble is asking this court to extend McGirt to civil and regulatory law — to find the state is without jurisdiction to tax the income of a tribal member living and working on the tribe's reservation. This we cannot do."

In the legal world, the SCOTUS' denial of certiorari does not constitute precedent that would overturn McClanahan, but it does leave many questions as to how the U.S. Supreme Court views the status of its tax jurisprudence. Prior to the denial of certiorari, McClanahan was generally understood to support the rule that "a state has no jurisdiction to impose a tax on income of Indians residing on their tribe's reservations whose income is wholly derived from reservation sources."

The denial could signal the current court is willing to read McClanahan more narrowly, perhaps as only applying to the reservation at issue in that case, the Navajo Reservation. If so, other states could follow Oklahoma's lead and attempt to impose income tax on tribally employed Indigenous Americans living within reservations that were previously considered exempt. Such a move would almost certainly draw

legal challenges from the affected tribes. Alternatively, Monday's decision not to hear the Stroble case could signal the court may believe there is an exception to normal civil jurisdiction rules only in Oklahoma.

Whatever the reasoning, scholars and Oklahoma tribal attorneys will have to adapt to a shifting legal landscape in the field of Indian law after Supreme Court justices failed to reach the four votes needed to take up Stroble's case, thereby leaving the Oklahoma Supreme Court's ruling as the law of the land.