

COUNCIL OF THE DISTRICT OF COLUMBIA

NOTICE

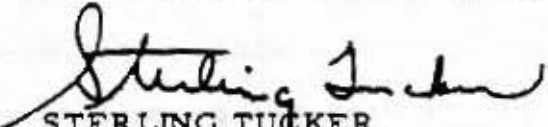
March 13, 1977

D. C. Law 2-45

"Residential Property Tax Relief Act of 1977"

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 2-127 on first, amended first, and second readings June 28, 1977, July 26, 1977, and September 13, 1977, respectively. Following the signature of the Mayor on November 2, 1977, this legislation was assigned Act No. 2-96, published in the November 11, 1977, edition of the D.C. Register and transmitted to both Houses of Congress for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired and, therefore, cites the following legislation as D. C. Law 2-45, effective February 28, 1978.


STERLING TUCKER
Chairman of the Council

(Vol. 24, D. C. Register, 3614, November 11, 1977)

D.C. LAW

2-45

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

FEBRUARY 28, 1978

To establish a property tax exemption for single-family residential and cooperatively-owned property in the District of Columbia, and to provide additional circuit breaker relief to homeowners and renters in the District of Columbia who are over 62 years of age, blind or disabled.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Residential Property Tax Relief Act of 1977".

Sec. 2. Definitions. For the purposes of this act:

(1) The term "single-family residential property" means real property improved by a dwelling which is used exclusively for non-transient residential purposes and which contains not more than one (1) dwelling unit, whether as a row, detached, or semi-detached structure, or as a single condominium unit in a declared property regime.

(2) The term "cooperative housing association" means an association, whether incorporated or unincorporated, organized for the purpose of owning and operating residential real property in the District of Columbia, the shareholders or members of which, by reason of their ownership of a stock or membership certificate, a

proprietary lease or other evidence of membership, are entitled to occupy a dwelling unit pursuant to the terms of a proprietary lease or occupancy agreement.

Sec. 3. Single-Family Residential and Cooperative

Property Tax Exemption.

(a) For the purpose of computing taxes on real property in the District of Columbia for the tax year beginning July 1, 1977 and ending June 30, 1978, notwithstanding the provisions of section 421 of the "District of Columbia Real Property Tax Revision Act of 1974", approved September 3, 1974 (88 Stat. 1053; D.C. Code, sec. 47-641), there shall be deducted from the estimated market value of a single-family residential property the amount of six thousand dollars (\$6,000): PROVIDED, HOWEVER, That such deduction shall not exceed the estimated market value of that property.

(b) For the purpose of computing taxes on real property in the District of Columbia for the tax year beginning July 1, 1978 and for each tax year thereafter, notwithstanding the provisions of section 421 of the "District of Columbia Real Property Tax Revision Act of 1974", approved September 3, 1974 (88 Stat. 1053; D.C. Code, sec. 47-641), there shall be deducted from the estimated market value of a single-family residential property which is the principal place of residence of its owner and from the estimated market value

of a residential property with five (5) or fewer dwelling units which includes the principal place of residence of its owner the amount of six thousand dollars (\$6,000): PROVIDED, HOWEVER, That such deduction shall not exceed the estimated market value of the property. To determine the owner's principal place of residence, the Mayor shall devise a form for an affidavit and mail it to the owner along with the notice of assessment required under section 425 of the "District of Columbia Real Property Tax Revision Act of 1974", approved September 3, 1974 (88 Stat. 1055; D.C. Code, sec. 47-645). In order to obtain the deduction provided under this subsection (b), the owner shall complete the affidavit and return it to the Mayor within sixty (60) days of the date such affidavit form was mailed to the owner. The Mayor may verify the contents of the affidavit. The Mayor may grant a reasonable extension of time, not to exceed sixty (60) days, for filing the affidavit whenever in his or her judgment good cause exists therefor.

(c)(1) For the purpose of computing taxes on real property in the District of Columbia for the tax year commencing July 1, 1977 and for each tax year thereafter, the Mayor shall deduct from the estimated market value of residential real property owned by a cooperative housing association and occupied by the members of such association

the amount of twelve percent (12%) of the estimated market value of said property: PROVIDED, HOWEVER, That the deduction may not exceed the amount of six thousand dollars (\$6,000) multiplied by the number of dwelling units which are the principal place of residence of members of such association.

(2) In order to obtain the deduction provided under this subsection (c) and to determine the principal place of residence of members of cooperative housing associations, each member shall, at such times and in such manner as the Mayor shall prescribe, complete and return the form of affidavit provided for under subsection (b) of this section 3. The Mayor may require the officers or managers of each cooperative housing association to distribute the affidavit forms to its members and to collect the completed affidavits from such members for return to the Mayor. Such officers or managers shall supply such other information as the Mayor may require.

(3) Notwithstanding the provisions of subsection (c)(1) of this section 3, for the tax year commencing July 1, 1977 only, tax bills relating to residential real property owned by cooperative housing associations shall not reflect the deduction from estimated market value provided for in said subsection (c)(1). Such tax bills shall be paid

in the full amount shown thereon at the times provided for in said subsection (c)(1). The amount of the deduction shall be determined by the Mayor at the earliest practicable time after receipt of the required affidavits and shall be refunded to the owners of such property, such refunds to be made from current real property tax revenues.

(d) In relation to property tax bills required to be paid on September 15, 1977 and on March 31, 1978 by owners of property eligible for the exemption provided in subsection (a) of this section 3:

(1) The Mayor shall indicate on each tax bill, to the extent feasible, the fact and amount of the exemption and shall enclose with such tax bills a notice which includes at least the following information:

(A) the amount of the deduction;

(B) the name of this act and the date on which it was enacted by the Council of the District of Columbia; and

(C) the exact amount by which the deduction has reduced the property owner's tax bill.

(2) Any mortgage lender, including but not limited to a savings and loan association, a commercial bank, and a mortgage banker which receives such a property tax bill and pays it on behalf of the owner of the property in question

shall forward to said property owner not later than four (4) months after the date on which the property tax payment is due:

- (A) a copy of said property tax bill; and
- (B) a copy of the notice required by

subsection (d)(1) of this section 3.

(e) In relation to property tax bills required to be paid after March 31, 1978 the information specified in paragraphs (d)(1)(A) and (d)(1)(C) of this section 3 shall be included on the face of each tax bill. Nothing in this subsection (e) shall diminish the duty of the Mayor to include an explanation of the exemption provided in subsection (a) of this section 3 on a notice of assessment, as required by section 425(9) of the "District of Columbia Real Property Tax Revision Act of 1974", approved September 3, 1974 (88 Stat. 1055; D.C. Code, sec. 47-645(9)).

Sec. 4. Expansion of Circuit Breaker Property Tax

Relief for Homeowners and Renters in the District of Columbia Who Are Over 62 Years of Age, Blind or Disabled.

Section 8 of Title VI of the "District of Columbia Income and Franchise Tax Act of 1947", approved July 16, 1947 (88 Stat. 1060; D.C. Code, sec. 47-1567g(a)(2)) is amended as follows:

- (a) Subsection (a)(2) is amended to read as follows:

"(2)(A) Effective for taxable years beginning after December 31, 1974 and ending before January 1, 1978 the percentage required under paragraph (1) of this subsection (a) to be determined for claimants other than elderly, blind, or disabled claimants shall be the percentage specified in the following table: PROVIDED, HOWEVER, That the credit shall not exceed three hundred and twenty dollars (\$320) and: PROVIDED, FURTHER, That for tax years beginning on and after January 1, 1977 the percentage required under paragraph (1) of this subsection (a) for elderly, blind, or disabled claimants shall be the percentage specified in paragraph (2)(C) of this subsection (a).

"Non-Elderly Circuit Breaker

"After December 31, 1974 and Prior to January 1, 1978

"If household gross income is:	The percentage of the first \$400 of real property tax paid or the rent constituting the real property tax which shall constitute the credit is:
"Under \$3,000	80 per centum of the tax in excess of 2 per centum of gross income.
"\$3,000 to \$4,999	70 per centum of the tax in excess of 3 per centum of gross income.
"\$5,000 to \$6,999	60 per centum of the tax in excess of 4 per centum of gross income.

"(B) Effective for tax years beginning after December 31, 1977, the percentage required under paragraph (1) of this subsection (a) to be determined for claimants other than elderly, blind, or disabled claimants shall be the percentage specified in the following table: PROVIDED, HOWEVER, That the credit shall not exceed four hundred dollars (\$400):

"Non-Elderly Circuit Breaker

"After December 31, 1977

"If household gross income is:	The percentage of the real property tax paid or rent constituting the real property tax which shall constitute the credit is:
"Under \$3,000	95 per centum of the tax in excess of 2 per centum of gross income.
"\$3,000 to \$4,999	90 per centum of the tax in excess of 3 per centum of gross income.
"\$5,000 to \$6,999	85 per centum of the tax in excess of 4 per centum of gross income.
"\$7,000 to \$10,000	80 per centum of the tax in excess of 4 per centum of gross income.

"(C) For tax years beginning on and after January 1, 1977 the percentage required under paragraph (1) of this subsection (a) to be determined for elderly, blind, or disabled claimants shall be the percentage specified in the following table: PROVIDED, HOWEVER,

That the credit shall not exceed seven hundred and fifty dollars (\$750):

"Elderly, Blind, or Disabled Circuit Breaker

"If household gross income is: The credit shall equal the amount of property taxes paid or rent constituting the property taxes which is in excess of the following percentage of household gross income:

"Under \$4,999	1.0%
"\$5,000 to \$9,999	1.5%
"\$10,000 to \$14,999	2.0%
"\$15,000 to \$20,000	2.5%."

(b) Subsection (b)(5)(A) is redesignated as subsection (b)(3) and new subsections (b)(5), (b)(6), and (b)(7) are added to read as follows:

"(5) The term 'elderly claimant' means a claimant who is sixty-two (62) years of age or older during any tax year or part thereof beginning after December 31, 1976 and who, together with his or her spouse, if any, provides fifty percent (50%) or more of the household gross income of the household of which he or she is a part.

"(6) The term 'blind claimant' means a claimant whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses or whose visual acuity is greater than 20/200 but is accompanied by a limitation in the field of vision such that the widest

diameter of the visual field subtends an angle no greater than twenty (20) degrees.

"(7) The term 'disabled claimant' means a claimant unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than twelve (12) months. Disabled persons filing claims under this act shall submit proof of disability in such form and manner as the Mayor shall by rule and regulation prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act shall constitute proof of disability for the purposes of this act. A disabled person not covered under the federal Social Security Act shall be examined by a physician designated by the Mayor and the person's status as a disabled claimant shall be determined using the same standards as those set by the United States Social Security Administration. The cost of this examination shall be borne by the claimant."

Sec. 5. Failure to Provide Information Requested By The

Mayor.

Section 422 of the "District of Columbia Real Property Tax Revision Act of 1974", approved September 3, 1974 (80

Stat. 1054; D.C. Code, sec. 47-642) is amended by adding a new subsection (d) to read as follows:

"(d)(1) The Mayor may require an owner of real property to submit such information relating to the income or economic benefits derived from such property as in the Mayor's judgment will assist in the determination of the estimated market value required under this title. If an owner of real property in the District of Columbia fails to submit such information within the time and in the form prescribed, there shall be added to the real property tax levied upon the property in question for the next ensuing tax year the amount of ten per centum (10%) of said tax: PROVIDED, That when such information is provided after said time and it is shown that the failure to provide it was due to reasonable cause and was not due to willful neglect, no such addition shall be made to the tax.

"(2) All information submitted by a property owner to the Mayor regarding income or economic benefits derived from real property in the District of Columbia shall be accorded the same confidentiality as that applied to District of Columbia income tax returns under section 4(a) of Title V of the "District of Columbia Income and Franchise Tax Act of 1947", approved July 16, 1947 (61 Stat. 342; D.C. Code, sec. 47-1564c) and any violation of such

confidentiality shall be punishable as provided in subsection (e) of said section 4."

Sec. 6. Report to the Council of the District of Columbia on Assessment Changes for the Highest-Assessed Properties.

Not later than April 1st of each year, the Mayor shall submit a report to the Council of the District of Columbia with the following information:

(1) the assessment changes, if any, made on the thirty (30) taxable commercial and multi-family residential properties which had the highest assessments in the District of Columbia for the previous property tax year;

(2) an explanation for each such assessment change reported under subsection (a) of this section 6; and

(3) the changes in the assessment of each of the thirty (30) properties referred to in subsection (a) of this section 6 over the previous four (4) property tax years.

Sec. 7. Mayor to Gather and Report Information Relating to Single-Family Residential and Residential Cooperative Properties.

(a) On or before the date the Mayor transmits to the Council of the District of Columbia a recommended property tax rate for the property tax year beginning on July 1,

1978, the Mayor shall report the following information to the Council of the District of Columbia:

(1) the number of units in each residential real property owned by a cooperative housing association in the District of Columbia and occupied by the members of said association;

(2) the estimated market value of each said residential property for the two (2) most recent assessments; and

(3) a recommendation for a real property tax assessment exemption that would be applied to each individual unit in said property.

(b) The Mayor shall report to the Council of the District of Columbia each year on or before the date the Mayor submits a budget to this Council, as required under section 442 of the "District of Columbia Self-Government and Governmental Reorganization Act", approved December 24, 1973 (87 Stat. 798; D.C. Code, sec. 47-221) the number of properties the Mayor expects to be benefited by the deductions provided in section 3 of this act, according to the type of property, for the fiscal year to which said budget applies and the amount of revenue which the District of Columbia will forego because of said deductions.

Sec. 8. Council of the District of Columbia to Review

Single-Family Residential and Cooperative Property Tax

Exemptions Annually.

The Council of the District of Columbia shall review by July 1st of each year the residential and cooperative property tax relief provided under section 3 of this act and shall adjust the relief whenever in its view such adjustment is necessary to reduce excessive residential and cooperative property tax burdens and to maintain equity among and between the owners of different classes of real property.

Sec. 9. Authorization to Establish Regulations.

The Mayor is authorized to develop the necessary forms and procedures and to establish regulations necessary to carry out the provisions of this act.

Sec. 10. Provision of Existing Law Repealed.

Section 430 of the "District of Columbia Real Property Tax Revision Act of 1974", approved September 3, 1974 (88 Stat. 1057; D.C. Code, sec. 47-650), authorizing the Council of the District of Columbia to establish property tax exemptions of up to three thousand dollars (\$3,000) for row, detached, or semi-detached dwellings, is hereby repealed.

Sec. 11. Severability.

The provisions of this act are severable, and if any provision, sentence, clause, section or part is held

illegal, invalid, unconstitutional or inapplicable to any person or circumstances, such holding shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of the act or their application to other persons or circumstances.

Sec. 12. Effective Date.

(a) This act shall apply to the property tax year beginning on July 1, 1977 and to each property tax year thereafter.

(b) This act shall take effect as provided for acts of the Council of the District of Columbia in section 602(c)(1) of the "District of Columbia Self-Government and Governmental Reorganization Act", approved December 24, 1973 (87 Stat. 814; D.C. Code, sec. 1-147(c)(1)).

RECORD OF OFFICIAL COUNCIL ACTION

Docket No: 2-127

First Reading Action: June 28, 1977

VOICE VOTE: Adopted Unanimously (1 abs.) Hardy

Robert Williams
Secretary to the Council

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	AB.	AB.	COUNCIL MEMBER	AYE	NAY	AB.	AB.	COUNCIL MEMBER	AYE	NAY	AB.	AB.
TUCKER					MASON					SPAULDING				
HARDY					MOORE, D.					WILSON				
BARRY					MOORE, J.					WINTER				
CLARKE					ROLARK									
DIXON					SHACKLETON									

Z-Initiative Vote A-Enrolled X-Verbal Voting

Secretary to the Council

Amended First Reading Action: July 26, 1977

VOICE VOTE: Adopted Unanimously (all present)

Robert Williams
Secretary to the Council

ROLL CALL VOTE: July 12, 1977

COUNCIL MEMBER	AYE	NAY	AB.	AB.	COUNCIL MEMBER	AYE	NAY	AB.	AB.	COUNCIL MEMBER	AYE	NAY	AB.	AB.
TUCKER	X				MASON	X				SPAULDING	X			
HARDY	X				MOORE, D.	X				WILSON		X		
BARRY	X				MOORE, J.	X				WINTER				X
CLARKE	X				ROLARK	X								
DIXON	X				SHACKLETON	X								

Z-Initiative Vote A-Enrolled X-Verbal Voting

Secretary to the Council

Final Reading or Emergency Action: September 13, 1977

VOICE VOTE: Adopted Unanimously (all present)

Robert Williams
Secretary to the Council

ROLL CALL VOTE:

COUNCIL MEMBER	AYE	NAY	AB.	AB.	COUNCIL MEMBER	AYE	NAY	AB.	AB.	COUNCIL MEMBER	AYE	NAY	AB.	AB.
TUCKER					MASON					SPAULDING				
HARDY					MOORE, D.					WILSON				
BARRY					MOORE, J.					WINTER				
CLARKE					ROLARK									
DIXON					SHACKLETON									

Z-Initiative Vote A-Enrolled X-Verbal Voting

Secretary to the Council