

DISTRICT OF COLUMBIA
OFFICIAL CODE

TITLE 47.
TAXATION, LICENSING, PERMITS,
ASSESSMENTS, AND FEES.

CHAPTER 47.
EXEMPTIONS AND ABATEMENTS APPROVAL
REQUIREMENTS.

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CHAPTER 47. EXEMPTIONS AND ABATEMENTS APPROVAL REQUIREMENTS.

§ 47-4701. EXEMPTIONS AND ABATEMENTS APPROVAL REQUIREMENTS.

(a) Any act introduced in the Council that grants an exemption or abatement of a tax imposed by this title or by § 42-1103 shall satisfy the requirements set forth in this chapter.

(b) An act described in subsection (a) of this section shall be accompanied by an analysis that includes:

(1) The terms of the exemption or abatement;

(2) The annual proposed value of the exemption or abatement;

(3)(A) A summary of the proposed community benefits to be provided by the recipient of the exemption or abatement, which shall include:

(i) The number of affordable housing units to be developed;

(ii) For what level of Area Median Income, as defined by § 47- 858.01(1)(A)(i), the units will be affordable;

(iii) The assessed financial value of the subsidy, which shall be measured as the difference between the market rate of a comparable unit within the same neighborhood and the rate that is being charged as affordable housing;

(iv) The number of jobs that will be created, delineated by status as to whether a job is:

(I) Permanent;

(II) Temporary;

(III) Full-time; or

(IV) Part-time;

(v) The estimated wages and benefits for each job created; and

(vi) Any District resident-hiring commitments made.

(B) The summary shall specifically state which community benefits are already required by law, such as inclusionary zoning, and the community amenities that have already been negotiated as part of a planned-unit-development approval.

(4) A financial analysis prepared by the Office of the Chief Financial Officer, which shall consist of the following:

(A) For existing buildings, a review and analysis of the financial condition of the recipient of the proposed exemption or abatement and an advisory opinion stating whether or not it is likely that the recipient could be reasonably expected to meet its fiscal needs without the proposed exemption or abatement.

(B)(i) For development projects, a review and analysis of the financing proposal submitted by the recipient of the proposed exemption or abatement and an advisory opinion stating whether or not it is likely that the project could be financed without the proposed exemption or abatement.

(ii) If, in the opinion of the Chief Financial Officer, it is unlikely that the project could be financed without the proposed exemption or abatement, the Chief Financial Officer shall provide an estimate of the amount of exemption or abatement necessary to enable the project to be financed.

(iii) If, in the opinion of the Chief Financial Officer, it is unlikely that the project could be financed without the proposed exemption or abatement, the Chief Financial Officer shall provide an assessment of the project developer's documentation of:

(I) Efforts to seek alternate financing; and

(II) The factors that limit the developer's ability to obtain adequate financing.

(c) An act described in subsection (a) of this section shall not receive a Council hearing until the analysis described in subsection (b) of this section has been completed and provided to the Council and made available to the public.

(Sept. 14, 2011, D.C. Law 19-21, § 7142(b), 58 DCR 6226; Sept. 26, 2012, D.C. Law 19-171, § 114(f), 59 DCR 6190.)

HISTORICAL AND STATUTORY NOTES

Effect of Amendments

D.C. Law 19-171, in subsec. (b)(3)(A)(ii), validated a previously made technical correction.

Legislative History of Laws

Law 19-21, the "Fiscal Year 2012 Budget Support Act of 2011", was introduced in Council and assigned Bill No. 19-203, which was referred to the Committee of the Whole. The Bill was adopted on first and second readings on May 25, 2011, and June 14, 2011, respectively. Signed by the Mayor on July 22, 2011, it was assigned Act No. 19-98 and transmitted to both Houses of Congress for its review. D.C. Law 19-21 became effective on September 14, 2011.

For history of Law 19-171, see notes under § 47-369.01.

Miscellaneous Notes

Short title: Section 7141 of D.C. Law 19-21 provided that subtitle O of title I of the act may be cited as "Exemptions and Abatements Information Requirements Act of 2011".

§ 47-4702. ANNUAL CERTIFICATION OF CONTINUING ELIGIBILITY FOR EXEMPTIONS AND ABATEMENTS FROM REAL PROPERTY TAX.

(a) To the extent allowable by law, on or before April 1 of each year, beginning in 2012, and every year thereafter, any taxpayer receiving a real property tax exemption or abatement pursuant to Chapter 10 or Chapter 46 of this title, regardless of when the exemption or abatement was received, shall be required to file an annual report with the Office of the Chief Financial Officer providing:

- (1) The lot and square and certifying that the real property has been used during the preceding real property tax year for the purpose for which the exemption or abatement was granted; and
- (2) An update on the progress of the community benefits identified in the associated act granting the tax exemption or abatement.

(b) Failure to certify that the property was still eligible for the exemption or abatement based on the use of the property as required by subsection(a)(1)) of this section shall result in a termination of the exemption or abatement as of the beginning of the tax year in which the report is filed. This section shall not apply to taxpayers who are required to file an annual report pursuant to § 47-1007.

(Sept. 14, 2011, D.C. Law 19-21, § 7142(b), 58 DCR 6226.)

HISTORICAL AND STATUTORY NOTES

Temporary Amendments of Section

Section 13(b) of D.C. Law 19-53 amended the section to read as follows:

"§ 47-4702. Annual certification of continuing eligibility for exemptions and abatements from real property tax.

"(a) To the extent allowable by law, on or before April 1 of each year, beginning in 2012, and every year thereafter, any nonprofit organization or business entity owning property receiving a real property tax exemption or abatement pursuant to Chapter 10 (other than property exempt under § 47- 1002(1), (2), (3), or (21)) or Chapter 46 of this title, regardless of when the exemption or abatement was received, shall be required to file an annual report, under oath, with the Office of the Chief Financial Officer providing:

"(1) The lot and square, parcel, or reservation number of the real property and certifying that the real property has been used during the preceding real property tax year for the purpose for which the exemption or abatement was granted; and

"(2) A description of the community benefits provided pursuant to the provisions of the act granting the tax exemption or abatement, or an update on the progress of the community benefits identified in the associated act granting the tax exemption or abatement.

"(b) Failure to certify that the property was still eligible for the exemption or abatement based on the use of the property as required by subsection (a)(1) of this section shall result in a termination of the exemption or abatement as of the beginning of the tax year in which the report is required to be filed. If the report is not filed timely, the Office of the Chief Financial Officer shall assess a penalty of \$250. This section shall not apply to a property owner that is required to file an annual report pursuant to § 47-1007.

"(c) Upon written application by the property owner filed on or before April 1 of any year, the Office of the Chief Financial Officer may grant a reasonable extension of time for filing the report required under subsection (a) of this section. For reasonable cause, the Office of the Chief Financial Officer may abate the penalty provided under subsection (b) of this section as well as the tax, penalty, and interest resulting from the failure to file the report timely."

Section 15(b) of D.C. Law 19-53 provides that the act shall expire after 225 days of its having taken effect.

Emergency Act Amendments

For temporary (90 day) amendment of section, see § 13(b) of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

For temporary (90 day) amendment of section, see § 108(b) of Fiscal Year 2013 Budget Support Technical Clarification Emergency Amendment Act of 2012 (D.C. Act 19-482, October 10, 2012, 59 DCR 12478).

Legislative History of Laws

For history of Law 19-21, see notes under § 47-4701.

§ 47-4703. CHIEF FINANCIAL OFFICER GUIDANCE.

For the preparation of the financial analysis required by § 47-4701(b)(4) and the annual certification required by § 47-4702, the Chief Financial Officer shall set forth guidance regarding the collection of information necessary to implement these sections.

(Sept. 14, 2011, D.C. Law 19-21, § 7142(b), 58 DCR 6226.)

HISTORICAL AND STATUTORY NOTES

Temporary Addition of Section

Section 13(c) of D.C. Law 19-53 added a section to read as follows:

"§ 47-4704. Applicability.

"This chapter shall apply as of October 1, 2011."

Section 15(b) of D.C. Law 19-53 provides that the act shall expire after 225 days of its having taken effect.

Emergency Act Amendments

For temporary (90 day) addition of sections, see §§ 13(c), 14 of Revised Fiscal Year 2012 Budget Support Technical Clarification Emergency Amendment Act of 2011 (D.C. Act 19-157, October 4, 2011, 58 DCR 8688).

For temporary (90 day) addition of section, see § 108(c) of Fiscal Year 2013 Budget Support Technical Clarification Emergency Amendment Act of 2012 (D.C. Act 19-482, October 10, 2012, 59 DCR 12478).

Legislative History of Laws

For history of Law 19-21, see notes under § 47-4701.