

AN ACT

Codification
District of
Columbia
Official Code

2001 Edition

2004 Spring
Supp.

West Group
Publisher

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Chapter 8 of Title 47 of the District of Columbia Official Code to provide a tax credit to owner-occupants of residential real property to limit the amount of the real property tax to 112% of the real property tax for the prior tax year and to increase the homestead exemption to \$38,000.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Owner-Occupant Residential Tax Credit and Exemption Act of 2004".

Sec. 2. Chapter 8 of Title 47 of the District of Columbia Official Code is amended as follows:

(a) Section 47-850(a) is amended by striking the phrase "\$30,000" and inserting the phrase "\$38,000" in its place.

Amend
§ 47-850

(b) Section 47-850.01 is amended by striking the phrase "\$30,000" and inserting the phrase "\$38,000" in its place.

Amend
§ 47-850.01

(c) Section 47-864 is amended as follows:

Amend
§ 47-864

(1) Subsection (a)(2) is amended by striking the phrase ", and subsequent years,".

(2) Subsections (b) and (c) are amended by striking the word "credit" and inserting the phrase "credit under subsection (a) of this section" in its place.

(3) A new subsection (d) is added to read as follows:

"(d)(1) For real property tax year 2004, and subsequent years, real property receiving the homestead deduction under § 47-850 or § 47-850.01, and valued under § 47-820(b-2), shall receive an owner-occupant residential tax credit.

"(2) The credit shall be calculated as follows:

"(A) Subtract the amount of the prior year's homestead deduction from the prior tax year's taxable assessment;

"(B) Multiply that amount by 112%;

"(C) Subtract the amount of the current year's homestead deduction from the current tax year's assessment;

"(D) Subtract the amount computed under subparagraph (B) of this

subsection from the amount in subparagraph (C) of this subsection; and

"(E) If the difference is a positive number, multiply the difference by the applicable property tax rate for the current year.

"(3) The credit shall not apply if:

"(A) During the prior tax year:

"(i) The real property was transferred for consideration to a new owner;

"(ii) The value of the real property was increased due to a change in the zoning classification of the real property initiated or requested by the homeowner or anyone having an interest in the real property; or

"(iii) The assessment of the real property was clearly erroneous due to an error in calculation or measurement of improvements on the real property; or

"(B) During the prior calendar year, the real property was assessed under § 47-829.”.

Sec. 3. Applicability.

Section 2(a), (b), and (c)(3) shall apply as of October 1, 2003.

Sec. 4. Inclusion in the budget and financial plan.

This act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan.

Sec. 5. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(3)).

Sec. 6. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 30-day period of Congressional review as provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December

ENROLLED ORIGINAL

24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of Columbia Register.

Chairman
Council of the District of Columbia

Mayor
District of Columbia