

AN ACT

*Codification
District of
Columbia
Official Code*

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IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend Title 47 of the District of Columbia Official Code to increase the standard deduction and personal exemptions and adjust them annually for inflation and to increase the homestead deduction and adjust it annually for inflation.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the 'Fiscal Year 2007 Budget Tax Relief Priorities Act of 2006'.

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

(a) Section 47-802 is amended by adding a new paragraph (13) to read as follows:

Amend
§ 47-802

“(13) The term “cost-of-living adjustment” for any real property tax year means an amount equal to \$63,000, multiplied by the percentage by which the CPI for the preceding real property tax year exceeds the CPI for the real property tax year beginning October 1, 2005. For the purposes of this paragraph, the CPI for any real property tax year is the average of the Consumer Price Index for the Washington-Baltimore Metropolitan Statistical Area for all-urban consumers published by the Department of Labor, or any successor index, as of the close of the 12-month period ending on September 30 of such real property tax year.”.

(b) Section 47-850(a) is amended by striking the phrase "\$60,000" and inserting the phrase "\$63,000, increased annually, beginning October 1, 2007, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)," in its place.

Amend
§ 47-850

(c) Section 47-850.01 is amended by striking the phrase "\$60,000" and inserting the phrase "\$63,000, increased annually, beginning October 1, 2007, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)," in its place.

Amend
§ 47-850.01

(d) Section 47-1801.04 is amended as follows:

(1) A new paragraph (16A) is added to read as follows:

Amend
§ 47-1801.04

“(16A) “Cost-of-living adjustment” for any calendar year means an amount equal to the dollar amount set forth in §§ 47-1801.04(26)(A) (pertaining to the standard deduction), 47-1801.04(26)(B) (pertaining to the standard deduction), 47-1806.02(f)(1)(A) (pertaining to the

allowance of additional exemptions for dependents), or 47-1806.02(i) (pertaining to the personal exemption), as the case may be, multiplied by the percentage, which the CPI for the preceding calendar year exceeds the CPI for the calendar year beginning January 1, 2006. For the purposes of this paragraph, the CPI for any calendar year is the average of the Consumer Price Index for the Washington-Baltimore Metropolitan Statistical Area for all-urban consumers published by the Department of Labor, or any successor index, as of the close of the 12-month period ending on July 31 of such calendar year.”.

(2) Paragraph (26) is amended as follows:

(A) Subparagraph (A) is amended by striking the phrase "\$2,500" and inserting the phrase "\$4,000, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)," in its place.

(B) Subparagraph (B) is amended by striking the phrase "\$1,250" and inserting the phrase "\$2,000, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)," in its place.

(e) Section 47-1806.02 is amended as follows:

(1) Subsection (f)(1)(A) is amended by striking the phrase "\$1,500" and inserting the phrase "\$2,400, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)," in its place.

(2) Subsection (i) is amended by striking the phrase "\$1,500" and inserting the phrase "\$2,400, increased annually, beginning January 1, 2008, by the cost-of-living adjustment (if the adjustment does not result in a multiple of \$50, rounded to the next lowest multiple of \$50)" in its place.

Amend
§ 47-1806.02

Sec. 3. Applicability.

(a) Section 2(a), (b), and (c) shall apply as of October 1, 2006.

(b) Section 2(d) and (e) shall apply as of January 1, 2007.

Note,
§§ 47-802,
47-850,
47-850.01
Note,
§§ 47-1801.04,
47-1806.02

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

This act shall take effect subject to the inclusion of its fiscal effect in an approved budget and financial plan; provided, that this act shall expire on October 1, 2006 if its fiscal effect has not been included in an approved budget and financial plan or in the Fiscal Year 2007 Budget Request Act of 2006.

Sec. 5. Fiscal impact statement.

The Council adopts the fiscal impact statement contained 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 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